

carried out by departmental officers. Although the service is not being availed of as extensively as could be wished—a condition probably accounted for to some extent by the present financial depression—the number of commendatory letters received by the Department from satisfied users bears ample evidence that the facilities for telephoning to and from Australia are much appreciated. The ultimate aim is the extension of the present service to include the United Kingdom and other countries so as to bring the great majority of the world's telephone subscribers within telephonic reach of New Zealand users.

The inclusion of Rarotonga in the direct radio-telegraph services from New Zealand has enabled a reduction to be made in the charges on messages between those two points as well as in delay in the handling of such traffic.

In connection with the Hawke's Bay earthquake on the 3rd February, radio played a prominent part, both in conveying information as to the extent of the disturbance and in furnishing auxiliary communication services. In this connection ship stations and certain amateur radio stations performed valuable service during the early stages when other services were temporarily dislocated. A detailed account of the radio operations connected with the earthquake disaster is given in this report at pages 11 and 12.

BROADCASTING.

On the 31st March, 1931, there was a total of 62,713 radio-receiving licenses, compared with 53,407 on the 31st March, 1930. The continued increase in the number of licensees is adequate proof of the increasing popularity of radio broadcast entertainment.

A feature of the broadcasting service during the past year has been the increased number of overseas broadcasts. Many notable events of world-wide interest which have taken place in other parts of the world have been re-broadcast from the New Zealand stations.

The contract with the Radio Broadcasting Co. expires at the end of 1931. The whole question of broadcasting is now being reviewed.

TELEPHONE DIRECTORIES.

As a measure of economy it has been decided to issue telephone directories yearly instead of every six months. It is estimated that a saving of between £5,000 and £6,000 per annum will result from this alteration. Under the new arrangement lists of additions and other amendments to directories will be issued to subscribers six months after each directory is distributed.

OFFICE OF POSTMASTER-GENERAL.

The office of Postmaster-General and Minister of Telegraphs was again assumed by myself on the 29th May, 1930.

I have the honour to be,
Your Excellency's most obedient servant,
JAS. B. DONALD.

General Post Office, Wellington,
27th June, 1931.