The undermentioned gentlemen were appointed as members of the first Broadcasting Board: Mr. H. D. Vickery, of Wellington (Chairman), Mr. G. R. Hutchinson, of Auckland, and Mr. L. R. C. Macfarlane, of Culverden. The period of appointment of the Chairman is four years, and of the other members three years.

In accordance with the provisions of the Act, the broadcasting service was taken over by the

Board on the 1st January.

The expired agreement between the Department and the Radio Broadcasting Co., required that on termination of the agreement the Department should take over the assets of the company used in connection with the broadcasting service, the purchase-price to be determined by arbitration should the parties to the agreement be unable mutually to agree as to price. The Department and the company were unable to agree on the valuation to be placed on the assets; and accordingly His Honour Mr. Justice Blair was appointed to arbitrate in the matter. The Arbitrator fixed at £58,646 6s. 2d. the price to be paid by the Department for the company's assets; and in terms of the Act the Minister has required the incoming Board to pay this sum for the broadcasting stations and plant taken over by the Board, and also to reimburse the Department with the expenses incurred by it in connection with the arbitration. The total amount has been advanced by the Department to the Board, and is repayable by quarterly instalments over a period of ten years, with interest at the rate of 5 per cent.

The following gentlemen have been appointed to the Advisory Council provided for in the Act, and are already acting with the Board in the capacity intended: Mr. A. B. Chappell, of Auckland; Mr. J. S. Anchor, of Hamilton; Mr. F. T. Davis, of New Plymouth; Mr. W. A. Waters, of Palmerston North; Mr. J. H. Owen, of Wellington; Mr. C. R. Russell, of Christchurch; Mr. H. Booth, of Dunedin; and Mr. A. W. Jones, of Invercargill. In addition, the Board has availed itself of its

authority under the Act to appoint district advisory committees.

The fee charged by the Department for the licensing of each radio-receiving set remains at 30s.

per annum, and of this amount 25s. is paid to the Board.

On the 31st March, 1932, the number of radio-receiving licenses on issue throughout the Dominion was 74,980, 31,055 in the Wellington Engineering District, 22,475 in the Auckland District, 11,963 in Canterbury, and 9,487 in Otago. Included in the totals are 235 licenses issued free to blind persons. The total number of licensed listeners on the 31st March, 1931, was 62,713. The decided increase in the number of listeners is proof of the ever-increasing popularity of the broadcasting service, a pleasing feature being the fact that growth has been maintained despite the depression.

The staff detailed for radio-inspection duties has continued activity with varying success in connection with the elimination of interference with broadcast reception. At the close of the year extensive investigation was being made with a view to the elimination of further sources of disturbance.

Active steps continue to be taken to detect persons who operate radio-receiving stations without obtaining the required license. During the year 519 persons were successfully prosecuted for this offence, the fines inflicted totalling £426 11s. 6d.

PRIVATE BROADCASTING STATIONS.

Private broadcasting stations continue to render good service, particularly in the case of some which are situated in localities not very satisfactorily served at present by the YA stations. The number of "B" stations now operating is thirty-three.

Broadcasting Station Frequencies (Wave-lengths).

The large number of broadcasting stations now operating has increased the difficulty of accommodating such stations within the band of frequencies (wave-lengths) assigned to the broadcasting service, and has necessitated placing stations closer together in regard to frequencies than would be desirable if the number of channels were unlimited. The result of this congestion is that difficulty is experienced by some listeners who possess older types of receiving-sets in tuning out unwanted stations. With a view to reducing mutual interference to a minimum, stations situated close together geographically are given frequencies as widely separated as possible, while, in general, small stations in the same town are required to share a channel, the hours of service being arranged so that only one station is transmitting at a time.

The Department's policy in the matter of frequency allotment is to give preference—after the A stations—to those stations which, having regard to the power employed, the quality of transmissions, and the class of programme, may be regarded as best serving the greatest number of listeners. The small-power stations with their limited programme facilities are essentially for local reception only.

New Zealand is in the fortunate position of being comparatively free from the heterodyne interference experienced in the more closely settled countries, where the congestion of the other by high-power stations makes the choice of frequencies for broadcasting stations extremely limited. Consideration has, however, to be given to the Australian stations, many of which are well received in New Zealand; and this is a matter upon which the Administrations of the two countries are in close touch. As the higher waves in the medium-wave band from which the New Zealand A station assignments are made are also in general demand in Australia owing to their transmission characteristics, it will be apparent that it is impossible to avoid a certain amount of interference from heterodyning on portions of the broadcast band.

RADIO-TELEGRAPH SHIP-STATION LICENSES.

The number of radio-telegraph ship-station licenses issued for the year was 63.