As we experience great difficulty in filling up vacancies when they occur, owing to there being no supernumeraries on the staff, I would propose as a precautionary measure that the clerks at the Chief Post Offices throughout the Colony be instructed in the art of telegraphy, so that they might be able not only to take appointments in the Telegraph Department when required, but in order that future Postmasters may be enabled to perform the duties of telegraphists in connection with their other offices.

Changes in the Tariff Rates, and Hours of Business.

Owing to certain representations made to me by merchants and others using the telegraph, I was induced to propose a new tariff, which, as far as I have been able to learn from those most frequently using it, has given satisfaction. The extending of the hours of business has also given great satisfaction, and will prove in most cases a great advantage to the Department. Some of the minor stations might, however, have the hours of business curtailed, and placed on the original footing without injury to the public service, and with advantage to the Department. I should, therefore, propose making the hours of business at the following stations the same as those of the post offices, namely, from 9 a.m. till 5 p.m. These stations are Tokomairiro, Oamaru, Timaru, Heathcote, Kaiapoi, and Piction, and this change will reduce the salary expenditure of the Department by £250, the amount of salary necessary for five extra messengers required by the long hours, an outlay not at all commensurate with the advantages to be derived.

Wellington, 16th July, 1866.

ALFRED SHEATH,

Telegraphic Engineer.

Appendix A.

RETURNS showing the ITEMS of EXPENDITURE on account of LINE WORKS, for the Year ended 30th June, 1866.

	Erec	tion of Wor	rks.				£	g.	d.
Travelling expenses		•••	•••	•••		•••	308		4
Carriage and freight	• • • •			•••			2,401	19	10
Salaries and labour				•••			$3,\!230$	4	1
Contingencies	•••			•••	•••	•••	337	9	9
Total	•••					ā	£6,278	13	0
	Maintenance	and Repair	rs of Lines.						
Travelling expenses		•••					789	4	3
Carriage and freight	• • •			•••			301		1
Salaries and labour	•••						772		0
Contingencies	•••	•••	•••	•••	•••	• • •	579	5	7
Total			•••			-	£2,443	2	11
Purchase of Port Lyttelton	Line			•••	•••		£560	0	0

ALFRED SHEATH,

Telegraphic Engineer.

Appendix B.

RETURN of Business Transacted at each Station of the Electric Telegraph Department, for the Year ended 30th June, 1866.

STATION.	No.Tele- GRAMS.	О. Т.	Press.	P. G.	G. G.	TOTALS.
Bluff Invercargill Tokomairiro Dunedin Oamaru Timaru Christchurch Lyttelton Heathcote Kaiapoi (opened in January) Blenheim (opened in June) Picton Nelson (opened in April)	1,863 2,571 314 6,795 1,897 1,140 6,746 4,269 117 318 86	£ s. d. 176 3 11 499 7 11 30 1 5 1,475 5 8 353 3 3 207 19 3 1,159 0 1 505 11 8 10 8 6 31 18 8 13 14 10 58 1 0 177 3 6	£ s. d. 236 11 3 20 9 9 0 13 6 153 1 7 3 2 11 0 13 6 107 8 9 13 2 2 27 17 6	£ s. d. 13 6 10 68 14 7 0 19 10 54 3 11 4 13 4 22 10 0 113 0 0 31 17 7 7 5 8 1 2 4 0 13 6	£ s. d. 45 6 5 44 1 3 1 9 10 128 4 10 7 16 2 32 16 0 110 18 4 91 19 2 0 6 10 0 12 4 10 3 2 9 8 10	£ s. d. 471 8 5 632 13 6 33 4 7 1,792 16 0 368 15 8 263 18 9 1,490 7 2 642 10 7 17 14 2 33 7 10 15 0 8 68 4 2 215 0 10
Totals	27,237	4,679 19 8	563 0 11	318 18 7	483 3 2	6,045 2 4

ALFRED SHEATH,

Telegraphic Engineer.