

The number of forwarded telegrams to every hundred letters posted in the colony for delivery within the colony was 9·6, as against 8·38 in 1895.

The telegraph cash receipts for the financial year (including telephone exchange subscriptions, private wire rents, &c.) amounted to £129,634 15s. 6d., compared with £123,112 6s. 9d. in 1895–96—an increase of 5·29 per cent.

The expenditure was £153,484 6s. 8d., as compared with £143,665 14s. the former year—an increase of £9,818 12s. 8d., or 6·83 per cent.

There were 6,284 miles of line and 16,470 miles of wire at the close of the year.

The net expenditure out of loan for telegraph extensions was £36,791 8s. 11d., as compared with £35,537 15s. 2d. in 1895–96.

The number of private wires and subsidised lines was 133, compared with 115 in 1895–96. The amount received for rent, maintenance, &c., was £875 1s. 11d., as against £971 6s. 9d. in 1895–96.

Fifteen bureau offices were opened during the year and one closed.

The total number of telegraph- and telephone-offices open at the close of the year was 780. Of these, 235 were telegraph and 545 telephone. Forty-four telephone-offices were opened and two closed. The offices opened were,—

Aohanga.	Lake Tekapo.	Poroti.
Ballance.	Maharahara.	Puriri.
Beck's.	Makuri.	Taita.
Bell Block.	Mangahao.	The Forks.
Berhampore.	Mangaweka.	Upper Kuaotunu.
Birchfield.	Maori Point.	Waikino.
Bullendale.	Maungakaramea.	Waimata Valley.
Caversham Bureau.	Maungatapere.	Waipapakauri.
Clarksville.	Moeraki.	Wallingford.
Epsom.	Mornington.	Wataroa.
Henderson.	Ngaturi.	Whakapara.
Hukerenui.	North-east Harbour.	Whenuakura.
Kaiwaka.	Okarito.	Wimbledon.
Koputarua.	Opoho.	Worser Bay.
Kumara Railway-station.	Plimmerton.	

Two offices were closed—viz., Owen Junction, Pukekararo.

TELEPHONE EXCHANGES.

The telephone rates for business connections with exchanges which are open all day and all night throughout the year—viz., Auckland, Wellington, Napier, Christchurch, Dunedin, and Invercargill—were raised from £5 to £7 per annum as from the 1st April, 1897, and at the same time the charges per mile for long-distance wires were revised. On account of the financial results of the last few years, proposals in this direction had been engaging the attention of the department for some time. The present rates, however, affecting the above-mentioned places still compare very favourably with the Australian Colonies, as the following table will show:—

	Business Connections.	Private Connections.
	£	£
New South Wales (Sydney)	9	5
Victoria (Melbourne)	12	12
South Australia	10	6
Queensland	6	6*
Tasmania	6	4 10s.
Western Australia	7	5
New Zealand (the six offices named)	7	5
" (other offices)	5	5

* Half-mile only.

The growth in the number of subscribers at the four large centres has rendered it necessary to renew the switchboards. This is now being done at Wellington, and a multiple switchboard has been ordered for Auckland, with similar boards for Christchurch and Dunedin to follow. It is also proposed to gradually replace telephones of the old type at all exchanges with new-pattern instruments. The additional expenditure for switchboards and new telephones is estimated at £6,000 per annum for some years to come.

There were, on the 31st March last, 18 central exchanges and 11 sub-exchanges, a total of 29.

The following table gives the number of subscribers or connections for 1895–96 and 1896–97 respectively:—

Exchange.	No. of Subscribers or Connections:	
	Mar. 31, 1896.	Mar. 31, 1897.
Ashburton	80	96
Auckland	938	1,065
Blenheim	64	64
Christchurch	849	916
Dunedin	859	928
Balclutha	19	18
Milton	14	17
Port Chalmers	17	17
Gisborne	60
Greymouth	65	72
Invercargil	216	227
Bluff	20	22
Gore	48	49
Mataura	8	10