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THE ELEMENTS OF THE TELEPHONE PROBLEM

The telephone problem is a direct outcome of the war which was a period of standstill as far as the expansion of telephone exchanges is concerned. Extension equipment was not available, and in any case staff was not available to install it. As a result, service was given to as many as possible by loading existing plant to capacity and by installing temporary manual exchanges in automatic areas. But there were many more applicants than could be satisfied by make-shift expedients: the need was for new equipment in large quantities.

Accordingly, towards the end of the war the Post Office negotiated an agreement with five British telephone-manufacturing companies which assured to New Zealand the best deliveries possible on a market short of raw materials and faced with a very heavy

post-war demand.

However, visible results could not be expected quickly. In the manufacturing countries it took time to reorganize industry previously geared to meet the requirements of war. In addition, the provision of a telephone exchange involves unavoidably a long time from the planning and ordering stage until it is received, installed, and working. The new automatic exchanges at Lower Hutt and New Plymouth are the first major automatic installations arising from the post-war agreement. Much more equipment has now arrived or is arriving this year and next, and it is hoped to provide long-awaited relief at Auckland, Wellington, and Christchurch, to install an automatic exchange at Nelson, and to provide relief at a number of provincial centres. Exchange equipment is now coming off the production-line freely, and is no longer the most pressing difficulty.

Other types of equipment are also required in large quantities. The shortage of poles in particular is seriously retarding development, particularly in country districts. Australian hardwood, New Zealand silver-pine and crossoted larch and locally manufactured concrete poles are not available in sufficient quantities to meet requirements, and during the year, 12,000 poles were ordered from Sweden to ease the position. Within the money allocation provided, all sources of supply will continue to be exploited to the

full in an endeavour to secure an adequate supply.

Staffing is also a problem. As many workmen as possible are being recruited and trained in installation and reticulation work. In addition, it is proposed temporarily to reduce technical maintenance staff throughout the country to a bare minimum and concentrate every available skilled man on installation work. To achieve quick results, additional staff could be employed most usefully on this work.

Man-power and equipment of all sorts are the material elements of the problem. In addition, there is the overruling factor of financial provision. The liquidation of all telephone waiting lists cannot be achieved without large capital investment in exchange

equipment and reticulation.

While it is not possible to predict when the situation will be completely overcome, it can be said that every effort is being made to meet the unprecedented demand for telephone service following the wartime cessation of telephone development.

NEW ZEALAND TELEPHONE EQUIPMENT SUPPLY AGREEMENT

A bulk-supply agreement was negotiated with five British telephone manufacturers in 1946, under which the major part of the telephone equipment required in this country was to be obtained from the United Kingdom. This agreement has now been renewed for an indefinite period, terminable at three years' notice by either party. The agreement followed a decision to standardize in New Zealand on the British line of development in the telephone sphere, and has the important advantage that orders for telephone equipment are spread over the five firms concerned according to their ability to supply. This ensures the best deliveries possible and secures, in addition, important advantages from patent-sharing agreements between the contracting manufacturers, and improvements resulting from their continuous joint research activities.