Exchange.					Number of Subscribers or Connections: Mar. 31, 1899. Mar. 31, 1900.				
Brought forward				•••	3,678		4,263		
Masterton						72		81	
Napier			• • •	•••		298	•••	297	
$\hat{\mathbf{H}}$ astings				•••	•••	40		45	
Nelson		•••	•••	***		59	• • •	78	
New Plymouth	a					165		212	
Inglewood						•••		6	
Stratford		•••						57	
Waitara		•••						11	
Oamaru		•••	• • •			118		127	
Palmerston No	orth	•••				131		127	
${ m Thames}$			•••			80		79 .	
Timaru		•••	•••			78	• • •	91	
Wanganui		•••				205		250	
Marton			•••		• • •	•••		9	
Wellington	,	***	• • •	•••		1,279		1,417	
Totals						6,203		7,150	
								·	

The connections may be classified as follows: Paying, 6,641; free, 165; bureaux, 344: total, 7,150.

The telephone-exchange receipts amounted to £43,303 2s. 10d.—an increase of £3,584 15s. 3d. as compared with the subscriptions received during the previous year.

The working-expenses and 5 per cent. interest on capital cost for the year amounted to £46.567.10s.4d.

The following are the particulars of telegraph- and telephone-wires, &c., in the colony on 31st March, 1900:—

			Telegraph.	Telephone.
Miles of line, 1st April, 1899			 6,736	436
" 31st March, 1900	•••	•••	 6,910	501
Miles of wire, 1st April, 1899			 18,746	5,803
" 31st March, 1900	21. 4		 19,228	6,343
Increase during year—				
Miles of line		• • • •	 174	65
Miles of wire			 482	540
Submarine cable, 1st April, 1899			 242 knots	8 knots.
" 31st March, 1900			 242 knots	8 knots.

TELEGRAPH AND TELEPHONE CONSTRUCTION AND MAINTENANCE.

The demand for telephone-lines reported last year still continues. During 1899 56 renewed applications and 52 fresh applications were received for 108 lines of a total mileage of 975, to erect which would cost nearly £37,000. Of these lines, 15 were estimated to be self-supporting, while in 62 instances guarantees against loss were asked for, and 31 applications were altogether declined.

During the year nine bonds were entered into by County Councils, guaranteeing an annual sum of £169 10s., and the sum of £85 was paid by way of commuted guarantee for four lines erected during the year. The total number of telephone guarantees existing on the 31st December was 58, of an annual value of £1,294 6s.

It was decided during the year to extend the scope of guarantees of telephone-lines by accepting bonds from six reputable residents as well as from County Councils, and there are indications that this concession will be freely availed of.

The establishing of branch telephone exchanges at the smaller towns, with bureau communication by trunk telephone-lines with the principal trading centres, engaged some attention during 1899. Six applications were received for such branch exchanges, and for the erection of trunk telephone-lines of a mileage of 210, involving an expenditure of £5,072. In five instances requests were agreed to, while one application was declined. Two lines for telephone bureau conversations were also applied for of a mileage of 164, and of an estimated cost of £215.

The following telegraph-works have been carried out during the year in the several districts:—

AUCKLAND.

Construction.

The following new lines have been	Miles of Poles.	Miles of Wire.		
Tokatea-Cabbage Bay	 	 	9	9
Whakatane-Taneatua	 • • •	 	$9\frac{3}{4}$	$9\frac{3}{4}$
Omapere–Hokianga Heads	 	 	$1ar{1}$	$1\frac{\widehat{1}}{2}$
For Railway Department—				. –
Ellerslie-Penrose	 	 	1	1
$\operatorname{Total} \ldots$	 	 	211	$21\frac{1}{7}$

The line from Huntly to Kimihia, containing two miles of poles and three miles of wire, was sold, and is now a private line.