The following table shows the number of telephone-stations in each engineering district on the 31st March, 1931 and 1932 respectively, and the percentage of increase in each case:—

		Number of Telephone Stations on 31st March,										
Engineering District.			1931.		1932.			Percentage of				
		Main Stations.	Extension Stations.	Total.	Main Stations.	Extension Stations.	Total.	Increase or Decrease.				
Auckland		41,750	7,459	49,209	40,967	7,626	48,593	1·3 (decrease.)				
Wellington		52,147	10,358	62,505	52,173	11,058	63,231	1.2 (increase).				
Canterbury	• •	20,272	4,531	24,803	19,860	4,585	24,445	1·4 (decrease).				
Otago		18,084	3,166	21,250	17,535	3,168	20,703	2.6 (decrease).				
Totals	- •	132,253	25,514	157,767	130,535	26,437	156,972	0.5 (decrease).				

The number of telephone stations (main and extension) connected with each of the fourteen principal exchanges on the 31st March, 1932, was: Auckland, 21,400; Wellington, 19,447; Christchurch, 12,744; Dunedin, 8,333; Wanganui, 3,616; Palmerston North, 3,308; Hamilton, 3,175; Invercargill, 2,845; Gisborne, 2,616; Hastings, 2,494; Timaru, 2,124; New Plymouth, 2,172; Masterton, 2,031; Nelson, 1,734.

The number of party and rural lines on the 31st March, 1932, was 11,353, to which were connected 45,196 main stations—an increase of 96 and 225 respectively on the figures for the previous year.

The following table shows, for each class of exchange, the respective percentages of business and residential stations, also the respective percentages of individual- and party-line stations, on the 31st March, 1932:—

Percentage of	Class I Exchanges.	Class II Exchanges.	Class III Exchanges.	Class IV Exchanges.	Dominion Percentages.	
Business stations		37	32	26	19	30
Residential stations		63	68	74	81	70
		100	100	100	100	100
Individual-line stations		88	74	51	32	64
Party- and rural-line stations		12	26	49	68	36
		100	100	100	100	100

AUTOMATIC TELEPHONE EXCHANGES.

Existing Systems.

The existing automatic telephone exchanges have given satisfactory service during the year, and no special comment is called for.

Conversion to Automatic Working of Hastings Telephone Exchange.

On the 31st May a step-by-step automatic-telephone switching-system, comprising 2,400 subscribers' lines, was cut into service at Hastings. Owing to the partial destruction by earthquake of the old central-battery system at Hastings, the installation of the automatic plant was a matter of urgency, and every effort was made to complete the work as early as possible. The Department's efforts in this direction enabled Hastings to be provided with a high-grade automatic telephone-exchange system some four months after the earthquake. In the meantime a temporary service was furnished by means of magneto switch-boards.

Conversion to Automatic Working of Marton Telephone Exchange.

The installation of the automatic telephone-exchange switching-apparatus at Marton was completed, and the exchange converted to automatic working on the 26th July. The change-over was effected with a minimum of trouble, and no faults developed beyond those usually associated with an operation of this nature. The town of Marton now possesses an up-to-date and reliable automatic-telephone-exchange system comprising nine hundred subscribers' lines, and capable of providing high-grade service for many years.