OVERSEAS RADIO-TELEPHONE SERVICE.

When the overseas radio-telephone service was inaugurated—to Australia on the 25th November, 1930, and to the United Kingdom on the 27th July, 1931—a radio-telephone call was regarded both as a novelty and as a luxury, the high charges for calls from New Zealand restricting the use of the service to the most urgent communications. From the 1st June, however, a reduction of 25 per cent. in the charges was agreed upon between the British, Australian, and New Zealand Administrations. The charges for calls from New Zealand to Australia are now 15s. a minute with a minimum of £2 5s., and to the United Kingdom and Northern Ireland £1 14s. a minute with a minimum of £5 2s. For calls to other places in Europe the charges have been reduced in like proportion. The reduction will, no doubt, bring about an increased use of the service, the possibilities of which were exemplified by a very successful "conference" arranged by radio-telephone in November last between representatives of a large business establishment with branches in various parts of the world. Speakers at London, Johannesburg, Bombay, Perth, and Sydney participated in the "conference," while other representatives of the company at Paris, New York, Buenos Aires, Capetown, Bulawayo, Calcutta, Adelaide, Melbourne, Wellington, and Auckland also listened to the conversation.

Temporary reductions in charges for overseas radio-telephone calls were made on two occasions during the year. From the 6th to the 31st May the charges were reduced by 50 per cent. on the occasion of the Silver Jubilee of His late Majesty, King George V, and over the Christmas and New Year period (24th December to the 4th January) the charges were reduced to 10s. a minute for calls to Australia, and to £1 6s. 8d. a minute for calls to England—in each case, of course, subject to a minimum charge as for three minutes.

The combined effect of the permanent and special reductions in charges has been a wider appreciation on the part of the public of the value of the service which affords not only the most modern, but also the most direct means of communication with other countries.

The following table shows the number of overseas radio-telephone calls to and from New Zealand since the inception of the service:—

| Year ended 31st March— | | | | Number of Calls. | | | |
|------------------------|--|--|--|------------------|--|-------------------------|--|
| 1931 | | | | | | 176 (5 months approx.). | |
| 1932 | | | | | | 205 | |
| $1933 \dots$ | | | | | | 217 | |
| $1934\dots$ | | | | | | 318 | |
| $1935\dots$ | | | | . • | | 423 | |
| 1936 | | | | | | 780 | |

TELEPHONE-EXCHANGE SERVICES.

The number of new telephone-exchange connections made during the year exceeded the relinquishments by 5,255, compared with an improvement of 2,237 recorded the previous year. The steady improvement throughout the year is very gratifying.

The total number of departmental telephone stations at the end of the year was 162,670. If to this total is added the number of private-line telephones connected with toll-stations and non-departmental exchanges (3,895), the telephones in service on the 31st March, 1936, numbered 166,565, representing an increase of 4.6 per cent. over the number in operation at the end of the previous year, and exceeding by approximately two hundred the peak number recorded in 1930.

The number of telephone exchanges in operation at the 31st March was 348, one small exchange (Pihama) having been closed during the year and the subscribers connected to the Opunake Exchange.

TELEPHONE-EXCHANGE ATTENDANCE.

An improvement in telephone conditions in country districts was effected on the 7th July, when the number of hours of attendance observed on Sundays and holidays was increased from two to twelve at those exchanges observing a restricted attendance and having more than one hundred subscribers. Previously these exchanges observed on Sundays and holidays a two-hour attendance only, with the exception that in a few instances a seven-hour service was provided during the summer months. The number of exchanges to benefit immediately by the change was 108, and ten additional exchanges have since qualified for the extended hours.

An improvement in the attendance observed at smaller exchanges has also been arranged. During August a system was introduced under which the subscribers at exchanges having between fifty-one and one hundred subscribers were enabled to obtain an attendance of an hour in the morning and an hour in the evening on Sundays and holidays upon payment of an additional 2s. 6d. per annum. Previously, in order to obtain any attendance on Sundays and holidays, these exchanges were required to pay in increased subscriptions the full cost of providing the additional attendance desired. At the 31st March fifty-six exchanges had taken advantage of the new provision.

TELEPHONE-EXCHANGE INSPECTION.

With a view to improving the standard of service rendered by telephone-exchanges throughout the Dominion, two female inspecting supervisors were appointed in July to visit regularly the more important exchanges in the Dominion. During the year these officers made seventy-six visits of inspection, as the result of which a more uniform and a higher standard of telephone service generally is now being provided. The educational effect of the visits, particularly upon the younger telephone-exchange employees, has been of considerable value.