

The £2 installation charge for coloured automatic telephones represents the difference in capital cost between coloured and black instruments, and the payment of this amount by subscribers at the time of installation enabled the additional annual rental charge to be reduced substantially.

That the reduction in the rate for residential extension telephones was well received is evidenced by the fact that for the first six months following the reduction 1,291 new extension telephones were installed, compared with 261 for the whole year preceding the reduction in the rate.

The reduction in the rate for hand-microtelephones has also proved to be popular, the number of changes from the old to the new type of telephone having increased considerably.

#### TELEPHONE-EXCHANGE ATTENDANCE.

Growth in the number of subscribers enabled several of the smaller exchanges to qualify during the year for longer hours of attendance. In nine cases attendances were increased from 7 a.m.-9 p.m. to 6 a.m.-midnight, with additional hours of service on Sundays and holidays. In a further two instances the hours were increased from 9 a.m.-5 p.m. to 7 a.m.-9 p.m. In addition, the subscribers at five exchanges previously having no attendance on Sundays and holidays now receive two hours' service on those days.

#### NUMBER OF TELEPHONE-EXCHANGES.

The number of telephone-exchanges in the Dominion at the 31st March was 348.

The Mangapai exchange was closed on the 26th October, its ten subscribers having been provided with service on rural lines connected with the Whangarei automatic exchange.

#### PUBLIC CALL OFFICES.

During the year 83 new public call offices were opened, and at the 31st March 61 authorized installations were awaiting erection. Wherever warranted, an endeavour has been made to provide these facilities concurrently with the completion of dwellings in extensive housing-development areas.

At the close of the year there were 1,103 public call offices in operation, 1,053 of the 1d. type, 7 of the 2d. type, and 43 of the 3d. type. The 2d. and 3d. type machines cater for the more distant parts of the various telephone exchange areas. Of the 1,053 1d. type machines, 85 per cent. are automatic (dial-operated direct to the called subscriber) and 15 per cent. manually operated through an operator at the local exchange.

The revenue collected during the year amounted to £60,823, an increase of 10.2 per cent. compared with the amount received in the previous year. The average return from each machine was £57 5s. 5d.

#### NEW AUTOMATIC-TELEPHONE-EXCHANGE EQUIPMENT.

Practically the whole of the equipment for the new automatic-telephone exchange at Napier has been received, and the installation work is proceeding as rapidly as possible. It is expected that the cut-over of this exchange to automatic working will take place in December, 1939.

The equipment for the new automatic-telephone exchange at Gisborne was ordered in October and is due to arrive in the Dominion towards the end of 1939. Good progress is being made with the new telephone-exchange building.

The extension equipment for the St. Albans automatic exchange, Christchurch, and the initial equipment for the two new sub-exchanges which are to be established at New Brighton and Mount Pleasant (Christchurch), have arrived in the Dominion. Installation work is proceeding at St. Albans, and will be commenced at New Brighton and Mount Pleasant at an early date. Equipment for an extension of the central exchange at Christchurch is under order and due to arrive shortly.

Orders have been placed for initial equipment for the establishment in the Auckland metropolitan area of new automatic exchanges at St. Heliers, Otahuhu, Mount Albert, and Avondale, and for extension equipment for the Devonport, Takapuna, Onehunga, Mount Eden, Remuera, Ponsonby, and Auckland Central automatic exchanges. As delivery of the equipment will be spread over a period of three years, it is probable that eighteen months or two years will elapse before any appreciable portion of the equipment can be put into service.

Extension equipment has been received for the Dunedin main exchange and for the Hamilton, Hastings, Hawera, Palmerston North, Masterton, Khandallah, and Miramar exchanges, while equipment for the Whangarei, Courtenay Place, and Wellington Central exchanges is due in the near future.

Quotations are expected shortly for extension equipment to be installed at the Wellington South and Lower Hutt automatic exchanges.

#### INCREASES IN EXCHANGE SWITCHING-EQUIPMENT, ETC.

The demand for telephone-exchange service has necessitated increases in switching-apparatus at the following exchanges: Kaitiaki, Kawakawa, Wellsford, Pokeno, Howick, Waihi, Ngaurawahia, Tauranga, New Plymouth, Gisborne, Napier, Paekakariki, Nelson, Rakaia, Geraldine, Alexandra, Mosgiel, Queenstown, and Riversdale.