

It may not be out of place to mention in this report, that, as the Post Office has a separate account for the lodgment of its receipts, and now deals with the postal-telegraph revenue accounts, independently of the Treasury, a further simplification would result were the Postmaster-General empowered to pay the whole of the postal and telegraph salaries out of revenue. This question has been under consideration for some time, and, beyond expressing the hope that the proposals which have been made by the department may eventually be accepted, further reference to the matter is unnecessary.

Several of the more important post and telegraph offices have been combined since the 1st January. Except Auckland, Napier, Wellington, Christchurch, and Dunedin, all other offices either have been, or are proposed to be, amalgamated. With one exception, postal officers have been placed in the charge of the combined larger offices, because their length of service and official experience had qualified them for the control of amalgamated offices, the qualifications for which position depend on the officer possessing the faculty to manage and control, quite as much as having previously acquired a practical knowledge of telegraphy.

The staff of the department, which has generally been at minimum strength, owing to the continued increase of business, was reduced during the year through amalgamation of offices. Since August last it has been practicable to dispense with the services of fifteen officers, whose aggregate salaries amounted to £2,761. Of these, nine officers received compensation to the amount of £1,704, and three officers were pensioned, their pensions amounting to £214 7s. 11d. per annum.

In connection with the amalgamation of the head offices, the postal forms and stores have been transferred from the Government Stationery Store to the charge of the Telegraph Storekeeper, by whom they will in the future be issued.

There continues to be a satisfactory increase in the business of the department.

The revenue for the year, which was estimated at £145,000, reached £150,315 8s. 7d. The receipts collected within the colony increased £6,017 4s. 6d., or 5·46 per cent.

The expenditure was £141,358 6s. 7d., being £8,957 2s. less than the actual receipts. This is a circumstance for congratulation. Hitherto there has been a balance of expenditure over revenue.

The revenue for the ensuing year has been estimated to yield £150,000.

The increase of correspondence has again been encouraging. With the return of greater commercial activity there is every reason to anticipate that, with the existing postal facilities, there will be a larger relative increase of correspondence to chronicle in the next report. The accelerated services mentioned in last report as having been established contributed largely to the increase of correspondence for the past two years. Accelerated communication, combined with reasonable rates of postage, means an extended use of the post office by the public. With an improvement in trade, the progress of settlement, and the further development of the resources of the colony, it is predicted that the business of the department will, year by year, continue to disclose equal if not more favourable results than shown for the year just past.

The number of letters, post-cards, book-packets, pattern-parcels, and newspapers dealt with during the year, compared with the number for 1879, is given in the following statement:—

				1880.	1879.	Increase.
Letters—Delivered	...	...	...	10,963,012	10,251,570	
	Posted	...	...	11,861,456	10,706,248	
				22,824,468	20,957,818	1,866,650
Post Cards—Delivered	..	...	...	264,507	227,786	
	Posted	...	...	334,384	271,691	
				598,891	499,477	99,414
Book packets and pattern parcels—Delivered	...		...	673,669	711,477	
	Posted	...	...	999,781	684,139	
				1,673,450	1,395,616	277,834
Newspapers—Delivered	...	...	..	5,651,270	5,649,579	
	Posted	...	...	4,621,647	4,408,365	
				10,272,917	10,057,944	214,973

—letters increased 8·91, post-cards 19·9, book-packets 19·91, and newspapers 2·14 per cent.

The average number of letters posted in the colony in proportion to the estimated population was 24·46 to each person. In 1879 the average was 23·08.

Of the total sum realized on account of the Property-Tax, £41,266 6s. 5d. was collected by the Post Office. It is proposed for the future that the Post Office shall collect the whole of the Property-Tax, as well as other items of revenue. Beer-duty stamps are now sold at several post offices, and license-fees, &c., in one or two cases are collected by postmasters, a few of whom, in more remote districts, have been empowered to issue miner's rights and forms of application for mining leases. It is intended to further utilize the machinery of the Post Office for the collection of revenue.

The value of the service rendered other departments for the free transmission of official correspondence has been estimated at £64,302 13s., and the weight at 200 tons. Had the department received payment for this service, there would have been a profit of £73,259 15s. for the year. The question sooner or later should be considered, how long the existing regulations for the free transmission of franked correspondence shall continue, and whether or not the Post Office should obtain payment for that which it at present performs gratuitously for other departments of the public service. There is little doubt that were official correspondence liable for postage there would be a considerable diminution