In 1886 the service yielded a net profit of £2,496 13s. 2d.

221,919 letters, 241,488 books, and 523,523 newspapers were received from, and 344,657 letters, 68,705 books, and 389,010 newspapers despatched to, the United Kingdom, &c., by the San Francisco Service.

Direct Steam Service, I	New Zeald	and SI	ipping (	Com	par	y.		
$D_{\mathbf{R}}$ .			$^{-2}$ £	s.	d.	£	s.	d.
Payments on weight of corresponder	nce		13,566	8	11			
Bonus, &c			8,443	6	8			
Light-dues remitted (charged on Es	timates)		936	0	0			
Interprovincial service	•••		3,000	0	0			
Ĉr.						25,945	15	7
Postages from London Post Office			13,174	9	3	•		
Postages collected in the colony	•••		6,063	13	9			
						19,238	3	0
Net cost to the colony						£6,707	12	7
1100 cost to the colony	•••	•••	•••			۵٥,١٥١	.1.21	

The estimated net cost of the service for 1886 was £11,070 9s. 8d.

322,105 letters, 219,541 books, and 735,810 newspapers were received from the United Kingdom, &c., by the Direct service, and 147,966 letters, 19,946 books, and 111,202 newspapers despatched.

s.	d.
18	0
0	11
) 17	1
ę	s. 9 18 9 0 0 17

The following shows the number of letters, books, and newspapers conveyed from and to the United Kingdom, &c., by the Victorian packets: Received, 20,324 letters, 4,651 books, and 34,999 newspapers; despatched, 971 letters, 39 books, and 75 newspapers.

Suez-Brindisi, Nev	v South	Wales Pac	ket Service.		
$D_{R}$ .			$\mathfrak{L}$ s. d.	£ s.	d.
Payments to New South Wales		•••	$485 \ 4 \ 3$		
Intercolonial service, &c		•••	70 7 0		
				555 11	. 3
Cr.					
Postages received from London			$190 \ 1 \ 3$		
Postages collected in the colony			127 + 8 + 10		
				317 10	1
Net cost to the colony		•••	•••	£238 1	. 2

14,134 letters, 3,624 books, and 20,140 newspapers were received from the United Kingdom, &c., by the Suez-Brindisi service, and 2,246 letters, 56 books, and 152 newspapers despatched.

As the general question of the future of our Ocean Mail services will be considered during the present session of Parliament, the following statements have been prepared showing what would be the probable financial effect were it decided to abolish either the San Francisco or Direct service:

I.

Direct Service.—Four Weekly.

Statement showing the estimated cost of a four-weekly Mail service between the colony and the United Kingdom by the Direct contract steamers, based on the terms of the existing Direct service contract; on the correspondence conveyed by both Direct and San Francisco services in 1887, and on the assumption that the San Francisco service had been abolished.

Dr.			£	s.	d.	£	s.	d.
Payments on correspondence by we	ight:							
From United Kingdom, &c	• • • • • • • • • • • • • • • • • • • •		18,020	1	11	•		
To United Kingdom, &c			13,426	17	5			
Bonus	•••		7,000	0	0			
Light-dues		• • • •	936	0	0			
Interprovincial service	•••		4,000	0	0			
						43,382	19	4
$\mathbf{C}_{\mathbf{R}}.$								
Postages from London	• • •		23,060	5	0			
Postages collected in the colony	•••	• • •	22,908	4	10			
						45,968	9	10
Net profit to the colony	•••	•••	•••			£2,585	10	6