The item "Stamps used for postage" is £20,000 more than last year, and includes the value of the large quantities of the new issue purchased entirely in the interests of stamp collectors.

The revenue of both branches exceeded that of the previous year by £37,386 11s. 10d., the rate of

increase being 9.15 per cent.

The expenditure increased by £25,794 5s. 5d., or 7.08 per cent.

The balance of revenue over expenditure was £55,572 18s. 7d., as compared with £43,980 12s. 2d. during 1897-98.

Adding the value of the official correspondence and Government telegrams, there is a credit balance on the year's transactions of £151,803 4s. 5d.

32,465,875 letters were posted, an increase of 2,205,671.

The number of forwarded telegrams of all codes was 2,960,738, an increase of 264,505.

52 post-offices were established (including 3 reopened). The number of post-offices open at the close of the year was 1,561. The last published international statistics (1896) again placed New Zealand before all other countries in the world as regards the proportion of population to each post-office, the figures being 1 post-office for every 510 inhabitants, Canada being second with 1 to 531, New South Wales and Switzerland third and fourth with 1 to 647 and 1 to 859, the United States fifth with 1 to 897, and Great Britain twelfth with 1 to 1,906.

318,370 money-orders, for £1,029,241 7s. 7d., were issued, and 229,720 orders, representing

£880,052 13s. 11d., paid.

431,449 postal notes, of the value of £139,957 4s. Od., were sold.

The sum of £3,279,611 7s. 5d. was deposited in the Post-Office Savings-banks, and £3,194,893 16s. 7d. withdrawn.

The total amount to the credit of depositors on the 31st December last was £4,957,771 5s, 5d... as compared with £4,744,924 18s. 1d. at the close of the previous year.

 $75\overline{5}$ inland-mail services (excluding services by railway) were in operation during the year. At the close of the year there were 6,736 miles of telegraph-line and 18,746 miles of wire. The net expenditure on telegraph construction was £28,550 14s.

There were 6,203 telephone-exchange connections on the 31st March last. The subscriptions received amounted to £39,718 7s. 7d.

STAFF.

The	total number of officers	on the	staff on t	he 31st M	larch wa	s as unde	r:	
							31s	t March, 1899.
	Postmaster-General		•••		• • •	• • •		1
	Classified Staff. First Division	•••		•••	•••	•••	.,.	3
٠.	Clerical Division	•••	• • •	•••			• • •	886
	Non-clerical Division	•••				•••	• • •	507
	Distributors and Messer	ngers	• • •					344
	Total, Classifie	ed Staff	•••				•••	1,741
Emp	ployés not on Permanent Country Postmasters	t Staff:	-					1,403
	Nightwatchmen	•••	•••					2
	Postmasters and Telegra	aphists	or Teler	phonists w	ho are .	Railway of	fficers	149
	Total		•••					3,295

COMPARATIVE RETURN of OFFICERS of the Post and Telegraph Department for the Years ended 31st December, 1897, and 31st March, 1899.

			Mar. 31,	Mar. 31,
Postmaster-General		1897.	1899.	Brought forward
	٠.	1	1	OI (OD)
Secretary	• •	Ţ	7	Chief Postmasters 16 16
Superintendent of Electric Lines	• •	1	1	Postmasters and Officers in Charge on Per-
Assistant Secretary and Inspector	• •	1	1	manent Staff 113 111
Assistant Inspectors of Post-offices	• •	3	3	Clerks (including Telephone Exchange)
Controller of Money-orders and Savings-k	anks			Cadettes and Cadets in Post-offices)
and Accountant		1	1	Operators (including Cadets in Telegraph- 888 917
Telegraph Inspectors		3	3	offices)
Telegraph Sub-Inspector		1	1	Letter-carriers
Electrician		1	1	Messengers (Post Office) 26 38
Assistant Electrician			1	Linemen 66 66
Mechanicians and Cadets		8	7	Telegraph Message Boys 287 317
Clerks in General Post Office—				Nightwatchmen 2 2
Secretary's Office		12	13	Postmasters and Telegraphists or Tele-
Inspector's and Dead-letter Branch		⁻ 6	6	phonists who are Railway officers 140 149
Money-order and Savings-bank Branch		27	32	Country Postmasters and Telephonists 1,335 1,403
Sorters in Clearing-room		16	14	
Storekeeper and Assistants	••	6	6	and the state of t
Carried forward		88	92	Totals 3,139 3,295

HEALTH OF STAFF.

An unusual amount of sickness was experienced during the year, and the average absence was consequently high. The severe epidemic of measles affected the staff of nearly every office. The usual table is given hereunder :-