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Non-mercantile societies exempt from the interest-bearing limit of £500 have been defined to mean volunteer fire brigades, public libraries or mechanics' institutes, agricultural and pastoral associations, church mission societies, Domain Boards, Cemetery Boards, religious societies and every branch thereof. Copies of rules and names of trustees or officers must be submitted by every society taking advantage of this provision.

POSTAL NOTES.

The following offices were created postal-note offices during the year 1904: -

Aitutaki, Awatuna East, Burnham, Castlecliff, Fanning Island, Grey Lynn,	Kiwitea,	Mornington,	Riverhead
	Koeke,	Muritai,	Scargill,
	Inangahua Junction,	Nuhaka,	Taneatua,
	Makirikiri,	Orawia,	Taumarunui,
	Matakanui,	Piriaka,	Te Awaite,
	Mataroa,	Poolburn,	Te Horo,
	Matata	Putaruru,	Te Uku,
Hatuma,	Matata,	Putaruru,	Te Uku,
Kai Iwi.	Maungatawhiro,	Rawhitiroa,	Waikiekie.

A total of 32; 4 offices were closed—namely, Kaimanuka, Ongarue, Ruanui, Tokaanu.

The number of offices at which postal notes were sold at the end of the year was 603, as compared with 575 on the 31st March, 1903.

707,044 notes of the value of £220,069 11s. were sold, as against 616,264 for £191,904 13s. sold during the previous year.

The postal notes paid numbered 704,031, of the value of £219,312 2s. 6d., as compared with 610,464, of the value of £190,374 14s. 6d. paid during 1902-3.

The postal-note commission amounted to £4,795 3s. $4\frac{1}{2}$ d., as against £4,195 17s. 10d.

INLAND MAILS.

The general reletting of contracts for 1904–6 took place at the end of 1903. The accepted tenders for the services under the new contracts totalled £50,525, as against £46,930 for the last year of the preceding triennium. Of the increase of £3,595, about one-half is on account of improved services and new services, the amount of accepted tenders for unaltered services being, except in the case of some of the more important routes, substantially the same as the subsidy for the previous contract-period.

This being the first occasion on which the services have been relet to tender since the passing of "The Workers' Compensation for Accidents Act, 1900," all contracts have been made subject to the provisions of that Act. Mail-contractors are now required, during the currency of their contracts, to effect and keep alive at their own cost, in some reputable accident insurance company, a policy indemnifying themselves, and also His Majesty the King, against all liability to pay compensation or damages to workers employed, or their dependants, in respect of accidents to such workers in carrying out the contract. Such insurance shall also, in the case of the contractor, extend to all his liability arising under the Act named or the Employers' Liability Acts and, as far as practicable, the common law.

In the case of coach services on the principal tourist routes, several additions have been made to the conditions of contract. It is now required that thoroughbrace coaches shall be used; that cushions covered with suitable waterproof material for each seat and waterproof rugs for outside passengers shall be provided; and that luggage up to at least 28 lb. in weight for each passenger shall be carried free. Maximum rates are also fixed for excess luggage, and for passenger-fares and box-seats.

Among improvements effected in connection with the reletting of services are the following:—

In the City of Auckland the clearance of letter-receivers has been arranged for thrice daily instead of twice daily, as heretofore, and the landing-service has been made to include all landing and shipping mails in the harbour. A new service has been arranged between Mangonui and Kaeo, which gives the former place a second weekly mail. The new contract for the tourist mail-service between Rotorua, Waiotapu, and Taupo provides for the service being performed by motor car during the tourist season, instead of by coach. Waipiro Bay is now served by a twice-weekly, as against a once-weekly, mail in 1903. The service to Waikaremoana, which formerly ran from Frasertown once weekly, now starts from Wairoa, the journey being performed in one day, and the frequency during the summer has been increased to twice weekly. The Napier-Wairoa service has been improved, the journey now being made in a day and a half, as against two days under the old contract. On the opening of the northern end of the North Island Main Trunk Railway to Taumarunui permission was given the contractors for the Wanganui River service to divert a portion of the service. The steamer, instead of running up the Tangarakau River, now continues along the upper reaches of the Wanganui River to Taumarunui.