

£55,000, or £38,000 more than the estimate. The most marked difference is in the receipts from postage stamps, the total of which rose from £246,660 to £290,016. The increase of over £43,000 in one year denotes a great augmentation of the volume of correspondence dealt with. This involved additional working-expenses, which have, however, been much less than the increase of revenue.

Another marked feature is the great increase in postal-note business. This, although not materially adding to the revenue, brings about a considerable addition to the work. Ninety thousand more notes were sold in the past year than in 1902.

The amount payable to the Railway Department for the conveyance of mails was £43,999, against which the sum of £30,427 was recovered for postage on railway correspondence, private-box rents, transmission of railway telegrams, telephone-exchange subscriptions, and maintenance of railway telegraph-lines. £10,059 was also paid to the Railway Department towards the salaries of officers of that service who act as Postmasters and telegraphists or telephonists. The balance in favour of the Railway Department was therefore £23,631. The revision of the agreement under which these payments are made is under consideration.

The salaries paid to officers, permanent and non-permanent, absorbed 53 per cent. of the revenue. The expenditure on all services, including salaries, amounted to 91 per cent. of the receipts. The net result, a surplus on the combined departmental account of £54,024, is very satisfactory. The postal surplus of £72,323 is largely owing to the unexpected increase in stamps used for postage already referred to. The telegraph deficiency is mainly due to the Pacific-cable subsidy, paid for the first time, which increased last year's expenditure by over £10,000.

The money-order business shows a fair percentage of increase. 396,312 orders, for £1,416,224, were issued, and 304,106, for £1,224,842, were paid.

The telegraph and telephone-exchange branches of the service show a growth which would, were it not overshadowed by the postal business, stand out more clearly. An increase of 405,893 in the number of telegrams forwarded produced over £9,000 more revenue, and about an equal sum was derived from 1,472 additional exchange subscriptions.

The total telegrams handled reached the record number of 4,965,197, for the transmission of which £162,497 was the net amount received.

Telephone-exchange connections numbered on the 31st March 12,105, and the subscriptions totalled £71,028.

The number of miles of telegraph-line at the close of the year was 7,779, carrying 22,920 miles of wire.

The expenditure on telegraph-extension amounted to £47,227.

Savings-Bank figures, which are elsewhere referred to in detail, show progress in keeping with the general prosperity. Over half a million pounds (including interest) have been added to the credit of depositors' accounts, which now stands at £7,388,681, an amount equal to £9 0s. 2d. per head of the population. During the year the sum of £5,661,592 was deposited and £5,343,828 withdrawn.

The "insured parcel" system, inaugurated some four years ago, has not been largely availed of. It, however, provides a cover for parcels of exceptional monetary or other value, and for such seems to be appreciated. In all, 5,477 parcels have been insured, the declared value of which was £81,694. The premiums received amounted to £183.

A comparison of the revenue and expenditure year by year for the past ten years is shown in the table below. The figures for 1881-82—the first year after the amalgamation of the Post Office and Telegraph services—and 1891-92 are also given.

STATEMENT showing REVENUE and EXPENDITURE of the POST and TELEGRAPH DEPARTMENT for the Ten Years ended 31st March, 1904, and for the Years 1881-82 and 1891-92.

Year.				Revenue.			Expenditure.			Balance of Revenue over Expenditure.		
				£	s.	d.	£	s.	d.	£	s.	d.
1881-82	...	...	...	234,529	8	0	233,291	10	4	1,237	17	8
1891-92	...	...	...	320,058	1	3	268,343	1	1	51,715	0	2
1894-95	...	...	...	357,449	14	9	299,971	1	4	57,478	13	5
1895-96	...	...	...	365,727	6	5	332,325	4	8	33,402	1	9
1896-97	...	...	...	392,117	1	0	353,699	14	5	38,417	6	7
1897-98	...	...	...	408,383	15	3	364,403	3	1	43,980	12	2
1898-99	...	...	...	445,770	7	1	390,197	8	6	55,572	18	7
1899-1900	...	...	...	488,245	16	4	390,448	1	7	97,797	14	9
1900-1901	...	...	...	503,835	19	5½	418,271	16	11	85,564	2	6½
1901-1902	...	...	...	488,573	1	11½	465,756	9	5	22,816	12	6½
1902-1903	...	...	...	525,098	17	3½	487,814	10	0	37,284	7	3½
1903-1904	...	...	...	580,771	4	5½	526,746	14	5	54,024	10	0½
Total for ten years				...	...	...	...	...	...	£526,338	19	8

Adding to the balance the value of free official correspondence (£88,742 14s. 11d.) and Government telegrams (£24,377 1s. 7d.), the credit balance on the year's transactions amounts to £167,144 6s. 6½d.