

Postage-stamp sales alone exceed those of the previous year by £27,506, and the estimate by £13,874. Telephone-exchange receipts increased £10,481, and paid telegrams produced £12,892 more than in 1904-5.

The total revenue exceeded that of 1904-5 by £51,572.

If to the balance of revenue over expenditure there be added the value of free official postal correspondence (£94,252 5s. 7d.) and official telegrams (£24,168 10s. 4d.), the net credit balance on the year's transactions will be found to be £224,572 15s. 6d.

The money-order business again shows a relatively small percentage of increase. As will be seen from the tables, some 15,500 more orders were dealt with in all. The orders issued numbered 417,441, and those paid 318,127, for £1,541,712 and £1,310,810 respectively. Almost half the total net increase in money-order business is with New South Wales alone, the issues on that State having increased 23 per cent, and the orders drawn there on New Zealand by 9 per cent.

New Zealand postal notes numbering 875,324 were sold, their value being £276,279.

The British postal-order business showed marked expansion, the number of orders sold having increased from 17,776 to 27,369, and the number paid from 3,912 to 7,364.

The number of parcels insured during the year was 1,517, valued at £17,682, upon which premiums amounting to £46 13s. 4d. were received.

The increase in the amount standing to the credit of Savings-Bank depositors far exceeds that of any previous year. The deposits (£6,625,744) exceeded the withdrawals (£5,984,185) by £641,559. To this there has been added £259,081 as interest, making a total increase of £900,640, and bringing the whole amount of savings up to £8,662,023, an amount which equals £9 16s. 4d. per head of the population.

The number of old-age pensions payments shows a considerable increase, having risen from 138,964 to 141,018, representing £195,471 and £254,361 respectively. For making these payments and the consequent accounting involved, there is now received from the Old-age Pensions Department a sum of £1,010 per annum, which, however, does not nearly cover the cost of the work to the Post Office.

Telegrams show a far more satisfactory rate of increase than in the previous year, the number dealt with having risen from 5,159,745 to 5,640,219. This is equal to an increase of about 9½ per cent. The revenue amounted to £180,474.

The telephone exchanges still continue to rapidly expand. The number of connections on 31st March last was 15,333. The year previous it was 13,423. The receipts increased from £79,061 to £89,542.

The amount expended on telegraph extension was £77,186; but there are liabilities amounting to £83,295 on account of works for which the authority of Parliament was granted too late for the necessary expenditure to be brought within the financial year.

On the 31st March, 1906, there were 8,355 miles of telegraph-line and 25,116 miles of wire. The length of cables within the colony was 283 knots.

The total number of telegrams forwarded does not in itself convey an adequate idea of the work performed by the telegraph branch. Each inland forwarded message becomes a received message at the office of destination. Thus, while the forwarded messages numbered 5,640,219, the received numbered 5,617,224, the difference being due to fewer cable messages being received than forwarded. A very large number of messages have also to be transmitted *en route*. These numbered 8,723,612. Adding together all these figures it will be found that the number of telegrams dealt with at all stations reached the very large total of 19,981,055. This does not include service telegrams of the Post and Telegraph Department.

STATEMENT showing REVENUE and EXPENDITURE of the POST and TELEGRAPH DEPARTMENT for the Ten Years ended 31st March, 1906, 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                           |
| 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                         |
| 1904-1905 ... ..           | 633,305 12 7½ | 559,921 1 5   | 73,384 11 2½                         |
| 1905-1906 ... ..           | 684,878 11 2  | 578,726 11 7  | 106,151 19 7                         |
| Total for ten years ... .. | ...           | ...           | £614,994 15 3½                       |