Special arrangements were made by the Department to deal with the large amount of undelivered

correspondence returned from the Military Base Post-office at Alexandria.

Many of the parcels returned undelivered from the Base Post-office in Egypt were infested with vermin. By arrangement with the Wellington Hospital Board the parcels were sterilized in the steam disinfector before being returned to the senders.

PROHIBITED CORRESPONDENCE.

The correspondence of 13 persons or firms was prohibited transmission, under section 28 of the Post and Telegraph Act, 1908. Letters addressed to prohibited persons or firms withheld from delivery during the year numbered 598. Prohibition was withdrawn in the case of 1 person.

Under the authority of the regulations made under the War Regulations Act, 1914, postal packets were prohibited transmission to 33 persons or firms. Telegrams may not be transmitted to or moneyorders issued in favour of such persons or firms.

NEWSPAPERS.

Thirteen newspapers were registered for transmission by post, and 11 were removed from the register. Thirty-three magazines were registered.

AUTOMATIC STAMP-VENDING MACHINES.

Automatic penny-stamp-vending machines were erected at 5 offices during 1915, making a total of 76 machines in use throughout the Dominion. In addition to these 76 machines which sell 1d. stamps, there are halfpenny-stamp-vending machines in operation at Auckland, Christchurch, Dunedin, Invercargill, Palmerston North, Wanganui, and Wellington. These machines have proved a great convenience to the public, and have relieved the counter officers to a great extent. The numbers of stamps sold from the machines for the past three years are as follows:-

1913	 	 • •	 984,000
1914	 	 	 1,222,560
1915	 	 	 1.365.840

Post-card-vending machines are installed at Auckland, Christchurch, Dunedin, Greymouth, Nelson, Palmerston North, Wanganui, and Wellington, and a letter-eard-vending machine at Wellington.

POSTAGE-STAMPS.

The King George series of postage-stamps, designed by Mr. H. Linley Richardson, R.B.A., was issued on 30th July, 1915. The design consists of an inset full side-face likeness of His Majesty King The border is an adaptation of a Maori rafter pattern; and the four stars in each lower corner are further symbolical of the Dominion. The words are "Postage and Revenue," and, in larger letters, "New Zealand." The denominations are shown in figures only, and are in the upper corners. They and the colours are as follow: $\frac{1}{2}$ d., sap-green; $1\frac{1}{2}$ d., grey; 2d., aniline-mauve; $2\frac{1}{2}$ d., slate-blue; 3d., sepia; 4d., orange-yellow; $4\frac{1}{2}$ d., myrtle-green; 6d., rose-carmine; $7\frac{1}{2}$ d., red-brown; 9d., olive-green; 1s., orange-red. The new values $1\frac{1}{2}$ d., $4\frac{1}{2}$ d., and $7\frac{1}{2}$ d. were introduced for parcel-post purposes, and the existing 1d. value has not been changed. The new stamps were sold concurrently with those of the old issue until the supply of the latter was exhausted.

Official stamps of the £1 denomination, being no longer required, were withdrawn from issue on the 31st August, 1915.

Current 2d. stamps overprinted with two stars and the words "War Stamp" were issued on the **2**4th Se**p**tember, 1915.

In view of the increase of postage for war-tax purposes, a new inland post-card printed in red and bearing 1d. postage was issued in November, 1915.

By the Finance Act, 1915, the duty on receipts for amounts of £2 and over was increased to 2d. The 2d. stamp was found to be unsuitable by reason of its colour for cancellation with pen and ink. It was, therefore, decided to interchange the colours of the 2d. and 4d. denominations. Twopenny stamps of the new colour (yellow) were issued on the 15th January, 1916. The new 4d. stamps were issued on the 7th April, 1916.

In December, 1915, embossed envelopes bearing postage 12d. were ordered through the High Commissioner. The new die was provided in London.

Halfpenny and threepenny stamps of the King George series were overprinted "Official" and issued on the 12th October and 9th December, 1915, respectively.

Owing to the great demand for $1\frac{1}{2}$ d. stamps, arrangements were made to print this denomination by the surface process in sheets of 240 impressions each. The printing of this denomination by the slower and more costly intaglio process has been discontinued. The same die has been used for the printing of a new $1\frac{1}{2}$ d. letter-card.

It was intended on the issue of the King George stamps to discontinue the printing of all denominations of the King Edward issue. It was found, however, owing to the imposition of the war-tax of &d. on postal matter and 2d. on telegrams, that the 5d. stamp was in great demand for parcel-post purposes and the 8d. stamp for telegraph messages. As these denominations were not included in the King George issue, it was decided to continue printing those of the King Edward issue meanwhile.

Owing to the large number of $1\frac{1}{2}$ d. and 8d. stamps required by Government officials for the prepayment of charges on letters and telegrams, it has been decided to overprint "Official" stamps of these