7 F.—1.

stamps remaining on sale are those of 1d. and 13d. Further supplies of "Victory" stamps are not being printed.

In addition to "Victory" stamps, stocks of the following stamps became exhausted towards the end of the year: $4\frac{1}{2}d.$, $7\frac{1}{2}d.$, and $\frac{1}{2}d.$ (war-tax). As these stamps were no longer required they were

not reprinted.

During the year the New Zealand 6d. stamp of the King Edward series overprinted "Niue Ono e Pene" was superseded by that of the King George series overprinted "Niue" only. The new stamp was placed on sale in August.

In September, 1921, New Zealand duty stamps (Queen's Head series) of the denominations of 2s., 2s. 6d., 5s., 10s., and £1 were overprinted "Rarotonga." Hitherto stamps of these denominations

had not been issued for use at Rarotonga.

In January, 1922, a pictorial issue of stamps for Western Samoa was placed on sale. The following are the denominations: ½d., Id., I½d., 2d., 2½d., 3d., 4d., 5d., 6d., 8d., 9d., and Is. The same design is used with different colours for the various denominations. The design is the unfurled Blue Ensign of Samoa with three coconut-palms in the fly and a Samoan fale (where) with two coconut-palms in the background.

Letter-cards printed with the new 2d. die were placed on sale in July, 1921; and post-cards printed

with the new 11d. die were placed on sale in September, 1921.

Fivepenny stamps of the King George series are about to be issued.

OCEAN MAIL-SERVICES.

Services outward.

The R.M.S. "Niagara" and R.M.S. "Makura" continue to be employed in the Vancouver service, and the R.M.S. "Tahiti" and R.M.S. "Marama" in the San Francisco service. During the year a satisfactory service over both routes has been maintained. In several instances, however, delays to mails were experienced between Vancouver and London, and San Francisco and London, and vice versa.

The renewal of the contracts for a further twelve months for both services is being arranged.

Correspondence for the United Kingdom and Continent of Europe continues to be forwarded via Vancouver and via San Francisco, except when a vessel sailing via Panama offers a much quicker despatch. Correspondence specially addressed by a particular vessel or route continues to be so forwarded.

The R.M.S. "Tahiti," which left Wellington on the 2nd April, 1921, for San Francisco, returned to port on the following day with an outbreak of fire in No. 1 hold. The mails sustained no damage.

The steamer sailed again on the 5th idem.

On the 10th May, 1921, a fire broke out in the fan-room of the R.M.S. "Marama" en route from Papeete to San Francisco. The outbreak was extinguished within two hours, but in consequence of the damage to the forced-draught fans the vessel's speed was reduced.

Services inward.

Notwithstanding the fact that the Vancouver and San Francisco contract steamers for some time past have not exceeded the contract time, the average time taken for the year over both routes for mails from the United Kingdom to New Zealand was thirty-six days, which points to the fact that close connections are not always possible.

INTERCOLONIAL MAIL-SERVICES.

The s.s. "Canastota," which left Sydney for Wellington on the 13th June, failed to reach New Zealand, and no trace of her has been found. She had on board forty-six bags of mail-matter and twenty-six parcel receptacles for New Zealand. With the exception of two bags from Cape Town for Wellington and twelve parcel receptacles from Singapore for various places throughout the Dominion, all the mails originated in Australia.

The frequency of the sailings of intercolonial steamers was reduced during the year, but the curtailed time-table has not adversely affected the frequency of mails exchanged with Australia.

INLAND MAIL-SERVICES.

Aerial Services.

The trial aerial mail-service established by the Air Board on the 31st January, 1921, between Christchurch and Timaru was terminated on the 7th April, 1921, on Government giving the contractors one week's notice in accordance with the terms of the contract.

The scaplane service between Auckland and Whangarei was commenced on the 9th May, 1921.

It was terminated on the 30th July in the same manner as the Christchurch-Timaru service.

A proposal to establish about September, 1921, a trial service between Christchurch and Blenheim was abandoned.

Land and Sea Services.

Towards the end of last year a general reletting of inland-mail-service contracts took place. On the whole the tenders were satisfactory, and in many cases prices were considerably reduced. As was anticipated, a considerable saving in the cost of the carriage of mails was effected. During the war period the cost rose to a very high point, but later contracts have been let at lower prices.

With a few exceptions, satisfactory arrangements were made for the continuance of the existing services. A large majority of the contracts were let for a period of three years from the 1st January,

1922, only about 150 being let for one year.