Cristobal (Panama Canal) for New Zealand, and one bag of parcel-mail from Cristobal for Australia. The vessel also carried one bag of letters from Liverpool for Wellington, one bag of letters from Cristobal for New Zealand, and one bag of letters from Cristobal for Australia. Of the mails from London, only ninety-four bags (including six empty bags) were recovered. The parcels enclosed were badly damaged. The mails from Liverpool and Cristobal, having been stowed in the vessel's strong-room, were recovered in good condition.

INTERCOLONIAL MAIL-SERVICES.

The intercolonial mail-service was well maintained during the year, except for a slight dislocation of the service owing to industrial trouble in Australia and New Zealand.

INLAND MAIL - SERVICES.

Land and Sea Services.

Towards the end of 1922 tenders were invited for the performance from the 1st January, 1923, of mail-services the contracts for which expired on the 31st December, 1922. The tenders received were satisfactory; and, on the whole, a substantial saving was effected. In a number of cases the competition was much keener than has been the case during recent years. With a few exceptions, the contracts were let for a period of two years, thus bringing them into line with the majority of the contracts, which will expire on the 31st December, 1924.

The amended Rural Delivery Regulations, which came into operation on the 1st January, 1922, now meet with general approval, and, notwithstanding the annual charge, applications continue to be received for the establishment of new deliveries. The total number of rural-delivery boxes now receiving attention is 10,068.

An improved rural-delivery box of a simple and effective design is now stocked by the Department. The new box is sold at the price charged for a box of the old pattern.

Buildings.

In recent years the Department's building programme has been seriously hampered, firstly owing to the war and the consequent difficulty in obtaining labour, and latterly to the financial stringency which required that none but urgent works be undertaken. Consequently there is considerable leeway to be made up. It is hoped, however, that in cases where additional accommodation is urgently required, requirements will shortly be met.

At Dannevirke, Stratford, and Patea the post-office buildings, which have passed their period of

usefulness, are being replaced by modern structures, now in course of erection.

During the year departmental buildings were erected or their erection completed at Duvauchelle, Mangawai, Ngatea, Patetonga, Rata, Te Teko, Waimauku, Wellington (workshops and garage), Whakapirau, Whakatane (Postmaster's residence).

The growth of business at Hunterville and Featherston rendered necessary additions to the

post-office buildings at those places.

The Karangahake post-office building, being no longer required at that place, was removed to

and re-erected at Hikutaia.

The post-office building at Pongaroa was destroyed by fire during the year. Suitable arrangements were made to temporarily accommodate the Department's business pending the erection of

new premises.

On the 26th December, 1922, a somewhat severe earthquake was experienced in North Canterbury district, resulting in the demolition of the chimneys of the Cheviot office. Slight damage was also caused to the post-office buildings at Rangiora, Culverden, Waiau, and Hawarden.

The rapid development of hydro-electricity in the Dominion has enabled electric lighting to be

substituted for other forms of lighting in many post-office buildings.

The Takapuna automatic-exchange building was completed during the year. New buildings for the accommodation of the automatic exchange are at present in course of erection at Dunedin

and Wellington.

The extension of the use by the Department of motor-vehicles has necessitated the provision of the necessary garages and motor-workshops. At Auckland a large building was purchased for a motor-garage and workshop. At Christchurch and Dunedin substantial additions to existing motor-garages have been made. At Palmerston North and Wanganui buildings to be used as a garage and workshop are now being erected, while at Wellington a large three-story concrete building, to be used as a garage and to provide additional store accommodation, is nearing completion. At several smaller places it has been found necessary to provide motor-garages.

Money-orders.

The money-order business for the year shows a decrease in both the number of transactions and the total of the amount remitted.

Twelve money-order offices were opened and 6 closed, leaving 850 offices open at the close of

the year. The money-orders issued numbered 659,943, for a total of £4,278,529; those paid 562,955, for £3,981,273.