

Claims to the number of 50,965 for refunds of duty on motor-spirits consumed otherwise than as fuel for licensed motor-vehicles were authorized for payment during the year, the total amount refunded being £188,446. Compared with the figures for the previous year, the claims decreased in number by 1,377, but increased in amount by £12,056. Mileage-tax, which is payable in respect of vehicles not propelled exclusively by means of motor-spirits and certain other vehicles exempted from all other forms of taxation, was collected during the year on 276 vehicles. For the previous year the tax was collected on 198 vehicles. The gross amount of tax collected was £9,876, compared with £5,053 for the preceding twelve months.

EMPLOYMENT WORK.

The registration levy, wages-tax, and a large proportion of the employment charges on income are paid through the Post Office. The Department also makes the payments to those persons receiving sustenance.

Postmasters continue to act as certifying officers for the Employment Branch of the Labour Department.

The employment receipts and payments for the year amounted to £6,472,676, made up as follows:—

	£	s.	d.
(a) Collection of registration levy	446,942	2	11
(b) Collection of employment charge	1,120,032	17	5
(c) Sales of employment stamps	1,402,462	6	7
(d) Wages-tax collected in cash	1,129,448	17	7
(e) Wages and sustenance payments	2,373,789	8	10

TELEGRAPH AND TOLL SERVICES.

TELEGRAPH TRAFFIC.

The number of telegrams handled continues to show a steady increase, the return of business for the financial year revealing an appreciable increase in both volume and revenue.

In comparison with the figures for the previous financial year, there has been an increase in paid telegrams of 336,139 in number and £16,835 in value, or 6·57 per cent. and 5·38 per cent. respectively.

It is interesting to note that the number of telegrams sent per head of population has increased to 3·46, indicating that on a population basis New Zealand is maintaining its position as the world's greatest user of the telegraph service.

RADIO-TELEGRAM CHARGES FROM BRITISH SHIPS TO NEW ZEALAND.

With the object of lessening the disparity in the charges for radio-telegrams sent from British ships to New Zealand as compared with those for messages from such ships to Great Britain, negotiations were entered into by the Department with the various operating companies concerned for the removal of the surcharge imposed by the ships to cover the cost of settling the balances of their accounts on the gold basis. An agreement has been reached regarding the matter, and on and after the 1st April, 1938, sterling will be the basis of settlement of accounts with British ships, thus eliminating the surcharge. This will result in an appreciable reduction in the charges for telegrams lodged on British ships for delivery in the Dominion.

It is hoped that ultimately the disparity in charges will be removed altogether by the companies concerned agreeing to a proposal of the Department which aims at a reduction of the ship charge by 1d. a word and of the total charge by 3d. a word. The rate for telegrams from British ships to New Zealand would thus be reduced from 11d. to 8d. a word.

PRINTING TELEGRAPHS.

The machine-printing network continues to extend, the Thames office having been equipped during the year for teleprinter communication with Auckland. The following twenty-eight offices in New Zealand are now equipped with machine-printing telegraph apparatus: Ashburton, Auckland, Blenheim, Christchurch, Dannevirke, Dunedin, Gisborne, Gore, Greymouth, Hamilton, Hastings, Hawera, Invercargill, Marton, Masterton, Napier, Nelson, New Plymouth, Oamaru, Palmerston North, Rotorua, Stratford, Thames, Timaru, Wanganui, Wellington, Westport, and Whangarei.

TELEGRAPH BATTERIES AND POWER SUPPLY.

The policy of replacing primary cells in the Department's larger telegraph-offices by secondary cells and introducing the universal battery system of operation has been further extended during the year by the conversion of the offices at Dunedin and Rotorua to the more modern system. Appreciable maintenance savings and more reliable operation result from the conversion.

REDUCTION IN CHARGE FOR TELEGRAMS TO OR FROM KAWAU ISLAND AND OTHER WIRELESS-TELEGRAPH STATIONS.

On the 1st July the rate for inland telegrams exchanged between New Zealand offices and wireless-telegraph stations at Kawan Island, Glade House, Milford Sound, Puysegur Point, Stephens Island, and Portland Island was reduced to the inland rate applicable in respect of other New Zealand offices—*i.e.*, ordinary, 1d. a word, with a minimum charge of 6d. Previously the charge for ordinary telegrams to or from the places named was 2½d. a word, with a minimum of 1s. 3d. a message.

In addition, the charges for overseas telegrams from and to these points were reduced to the same level as for other New Zealand offices, no charges being made for the additional wireless transmission.