

The Middle Island Service expires in December. It is proposed to renew the contract. The total subsidy is £4,000 per annum, the whole of which will be a charge on the votes of the Department. Up to the present time, the Provincial Government of Otago have contributed £2,500 a year in aid of this service.

The Fiji Service has undergone one or two changes. The contract for running through to Dunedin was cancelled, and in December an arrangement was made with the contractors (the Auckland Steam Packet Company) for placing the steamer "Llewellyn" (specially fitted up for the trade) in the service, and running her between Auckland and the Islands every twenty-one days, for a payment of £150 each round trip. Owing to adverse circumstances, the arrangement did not prove an advantageous one to the contractors. They accordingly obtained permission to withdraw the "Llewellyn," and again employ the steamer "Star of the South," arranging the service so that the steamer should have a longer interval at the Islands to collect freight. This new arrangement will be commenced on the return of the "Star of the South" from Fiji; and in the meantime the "Llewellyn" has been withdrawn from the service.

Prior to withdrawing the "Llewellyn," the Company proposed to extend their service to New Caledonia, and arrange a time-table enabling the "Llewellyn" to connect with the inward and outward San Francisco mail boats at Kandavu and Auckland respectively. After carefully considering the matter, the Government were unable to agree to the proposal.

The service between Auckland, Gisborne, and Napier has been extended for a further period of twelve months. The service between Wellington, Napier, and Gisborne has also been extended for a similar period. The latter service expires in November, and the former in February next.

A service has been established between Wellington, Kaikoura, and Lyttelton. The service, which is a fortnightly one, is performed for a subsidy of £400 a year.

MONEY ORDERS.

The number of Money Order Offices in the colony had increased to 119 at the close of 1875, from 103 at the close of 1874; 16 new offices having been opened, namely, at Hokianga, Kawakawa, Hawera, Hastings, Taupo, Wairoa, Carterton, Turakina, Upper Hutt, Waitapu, Geraldine, Malvern, Rakaia, Clinton, Hyde, and Ophir.

The Money Orders issued during the year were 73,027 for £293,481 10s. 9d., against 62,712 for £263,164 7s. 9d. in 1874; the increase being 10,315 in number, and £30,317 3s. in amount.

The Money Orders paid were 52,132 for £211,516 16s. 2d., against 44,364 for £186,394 9s. 6d. in 1874; the increase being 7,768 in number, and £25,122 6s. 8d. in amount.

The Money Orders issued in New Zealand on offices in the United Kingdom and the Australian colonies were 24,416 for £99,929 17s., and there were 3,964 Orders for £18,603 9s. 6d., issued by those offices on New Zealand. There was accordingly an excess of upwards of £81,000 in the Money Orders sent out of the colony over those received.

The Telegraph was used during the year for the transmission of 10,144 Orders for £47,034 2s. 4d., against 9,060 for £44,026 12s. 6d. in 1874; the increase being 1,084 in number, and £3,007 9s. 10d. in amount.

The total amount of commission received from the issue of Money Orders was £4,950 19s. 4d., or £557 17s. 1d. more than the amount received in 1874.

SAVINGS BANKS.

The high rate of interest offered by the banks and investment institutions has diminished the Savings Bank deposits. A similar effect has been noticeable in some of the neighbouring colonies.

The following comparative statement of the Money Order and Savings Bank business of the Post Offices in Victoria and New Zealand during the year 1875, should be read with interest:—

	New Zealand.	Victoria.
Population	375,856	823,272
Money Order Offices	119	224
Savings Bank Offices	119	151
	£ s. d.	£ s. d.
Money Orders Issued	293,481 10 9	373,435 18 10
Money Orders Paid	211,516 16 2	393,383 6 2
Savings Bank Deposits	657,653 4 0	395,842 12 9
Savings Bank Withdrawals	729,759 17 9	476,752 12 8
Excess of Withdrawals	72,106 13 9	80,909 19 11
Balance at credit of Depositors	727,295 7 8	577,380 19 4

In Victoria interest at the rate of £4 per cent. on deposits up to £1,000 is allowed, while in New Zealand the rates are £4 10s. per cent. on deposits not exceeding £200, and £4 per cent. on deposits exceeding £200, but not exceeding £500.

The number of Savings Bank accounts opened during the year was 11,273, against 10,346 in 1874; the number of accounts closed, 8,681, against 5,736 in 1874. The number of accounts which remained open at the close of 1875 was 24,334, having increased from 21,742 at the end of 1874.

The number of deposits received during the year was 56,129 for a total amount of £657,653 4s., the average amount of each deposit was £11 14s. 4d. There were 36,977 withdrawals for a total amount of £729,759 17s. 9d., the average of each withdrawal was £19 14s. 8d.

The amount of interest credited to the account of depositors for the year was £28,565 3s. 5d., the rates allowed were 4½ per cent. per annum on sums not exceeding £200, and 4 per cent. on sums above this amount.

The balance at the credit of depositors at the close of the year was £727,295 7s. 8d., the average amount at the credit of each account was £29 17s. 9d.