

Nine additional inland-mail services were established. The total mileage increased from 2,308,827 in 1878 to 2,589,114. The total number of inland services in operation was 474. These cost £33,719 11s. 1d. per annum, or at the rate of 3½d. per mile.

The net cost of the San Francisco service for the year was £7,227 8s. 1d., against £12,432 16s. for 1878, while the net cost of the Brindisi service increased from £7,391 12s. 1d. in 1878 to £7,526 4s. 1d.

Fortnightly communication between Melbourne and London *via* Brindisi was established in February last. The Southampton route has been abandoned, and the whole of the mails by the Eastern service are now sent *via* Brindisi and Calais.

The colony's share of Imperial postages has, in consequence of recent changes, been reduced by a sum exceeding £2,700 a year.

The postage on official correspondence for the year amounted to £62,437 18s. 11d. The weight of this correspondence was over 200 tons.

The question of the colony entering the General Postal Union is *in statu quo*. It has been decided, for the present, at least, not to take any further action in the matter, seeing that our postage receipts would be seriously diminished whenever the colony became a member of the Union.

The several postal districts have been visited by the Inspector during the year, and the work of inspection has been vigorously prosecuted both in the North and South Islands. In the principal postal districts the more important offices have also been visited by Chief Postmasters as an aid to the Inspector; but for many reasons it is not desirable that Chief Postmasters should frequently be absent from their offices. The growth of the department has, however, rendered the existing provision for postal inspection inadequate for the thorough administration of the service. Some assistance has been received from the Audit and Telegraph Inspectors, who occasionally visited post offices in the charge of permanent officers; but their inspection of postal matters did not extend beyond the accounts. It will, therefore, be seen that the practical work of inspecting the several post offices really devolved upon the Inspector of Post Offices. The work of inspection to be carried out thoroughly is too much for one officer, and the time has arrived when the Inspector should receive some assistance to enable him to complete his work in a thoroughly efficient manner.

It is a matter for regret that the efforts of the department to assist in establishing penny savings banks in the public schools of the colony have not been attended with any degree of success. Only in one school has the system been brought into operation. In many cases the Education Boards and School Committees have opposed the introduction of the system on the ground that the work connected with penny banks could not advantageously be added to the present duties of the teachers. On the other hand, where the Education Boards or School Committees were favourable the teachers refused their co-operation. It is apparent that until such time as the Education Boards interfere actively on behalf of these institutions, and the teachers are required to regard the duties connected with penny banks as part of their school labour, the system will meet with but little favour at their hands. Its success entirely depends upon the co-operation of the teachers, and it is very desirable they should be urged to afford the system a fair trial.

The total strength of the department on the 31st December last, compared with the number of officers in the service the previous year, may be gathered from this return:—

RETURN of Officers of the Postal Department for the Years 1878 and 1879.

Officers.				Officers.			
	1879.	1878.			1879.	1878.	
Postmaster-General	1	1		Postmasters	11	14	
Secretary	1	1		Clerks and Cadets	121	101	
Inspector of Post Offices	1	1		Sub-Postmasters	819	786	
Accountant, Money Order and Savings				Letter-carriers	55	42	
Banks Department	1	1		Messengers	13	12	
Clerks in General Post Office	5	6		Mail-cart drivers	1	2	
Clerks in Money Order and Savings				Shipping officers	2	2	
Bank Department	6	4					
Mail Agents	3	...		Totals	1,056	987	
Chief Postmasters	16	14					

Of the 1,056 officers, 242 were on the permanent staff of the department, 168 postal and telegraph officials, and 646 non-permanent sub-postmasters.

59 post offices were established, 3 reopened, and 30 offices were closed, during the year, as follows:—

OFFICES OPENED AND CLOSED DURING 1879.

Opened.

Appleby, Invercargill	Kuri Bush, Dunedin	Rae's Junction, Dunedin
Ashhurst, Wellington	Kerry Town, Timaru	Rangitata Island, Timaru
Bishop's, Dunedin	Kowai Bush, Christchurch	Spreydon, Christchurch
Bulmer, Timaru	Loburn, Christchurch	Stanton's, Hokitika
Blackwater, Greymouth	Lowther (reopened), Invercargill	Stony Creek, Dunedin
Bainesse, Wellington	Makino Road, Wellington	Swift Creek, Dunedin
Big Bay (reopened), Hokitika	Midhurst, New Plymouth	Sherwood, Napier
Cheltenham, Wellington	Milford, Timaru	South Malvern, Christchurch
Dunback, Dunedin	Miranda, Thames	Taheke, Auckland
Elderslie, Invercargill	Manaia, Auckland	Te Aro (Branch Office), Wellington
Fern Flat, Westport	Mangakahia, Auckland	Taratahi, Wellington
Georgetown, Oamaru	Mayfield, Christchurch	Te Teko, Auckland
Glenham, Invercargill	Middle Kyeburn, Dunedin	Trentham, Wellington
Goodwood, Dunedin	Motupiko, Nelson	Upper Nevis, Dunedin
Hakateramea, Timaru	Owharo, Thames	View Hill, Christchurch
Hobsonville, Auckland	Omata, New Plymouth	Waiho Forks, Timaru
Hunua, Auckland	Paroa (reopened), Greymouth	Waima, Auckland
Huirangi, New Plymouth	Pokeno Valley, Auckland	Waitangi, Hokitika
Kaihoke, Auckland	Pinnacle, Dunedin	Warepa, Dunedin
Kohekohe, Auckland	Razorback, Auckland	Weka Pass, Christchurch.
Kaituna, Blenheim	Redcliffe, Timaru	