

the United Kingdom, Natal, Transvaal, Australia (and such other countries as may adopt the system) may, on the payment of a special fee of 2½d., obtain an official advice that the order has been paid.

Arrangements were made from the 1st November, 1907, for Chief Post-offices in New Zealand to send money-order advices direct to the paying-office in the United Kingdom, and for the London Office to send advices direct to paying-offices in New Zealand. Under the new arrangement the advice will, as a general rule, reach the office of payment early enough to permit of the cashing of the order directly it is received by the payee.

An exchange of money-orders between Papua and the Commonwealth of Australia has been established, and money-orders for Papua may be issued in New Zealand, drawn payable through the Brisbane office.

From the 1st January, 1908, the commission chargeable on money-orders of New Zealand issue was reduced. The rates now are: within New Zealand (including Aitutaki, Mangaia, Niue, Penrhyn, and Rarotonga), for each £5 or fraction of £5, 3d. The commission on orders for payment in the Australian States, Fiji, Samoa, and Tonga remains as formerly. For all other places to which money-orders may be sent the commission is 3d. for each £1 or fraction thereof.

Arrangements have been made for the exchange of money-orders between New Zealand and the German post-offices in Turkey, Morocco, and China.

In connection with the reduction from the 1st January, 1908, of the rate of commission on money-orders issued in the Dominion, the Department, in November, 1907, made representations to other Administrations for which the commission paid on the total amount of money-orders issued in New Zealand exceeded ¼ per cent. with a view to having the rate reduced, if possible, to a uniform rate of ¼ per cent., and offered to make a corresponding reduction on the rate charged in the opposite direction. As a result, the commission has in the case of Austria, Canada, Fiji, Orange River Colony, Tonga, and the Transvaal been reduced to ¼ per cent., and in the case of Cape Colony, Ceylon, Hong Kong, and Straits Settlements to ½ per cent.

SAVINGS-BANK.

Owing to the growing importance of Palmerston North, Savings-Bank ledgers were established there on the 1st May, 1908. The business at that office has for some time exceeded that of some Chief Offices, to which the keeping of ledgers has hitherto been exclusively confined. The special system set up to meet the requirements of a sub-office keeping ledgers has, however, worked smoothly and well.

The card-ledger system has now been given a thorough and exhaustive trial at Christchurch and Nelson. It has answered all expectations, and will, as opportunity offers, replace the old methods at other centres. It has been in use in Palmerston North from the inception of the new arrangements.

With a view to making a closer audit of Savings-Bank ledgers and depositors' pass-books at offices outside of Wellington, two Savings-Bank Inspectors have been appointed. Their duties will consist of a regular examination of the Savings-Bank ledgers and work, and the securing of uniformity of office methods. The officers selected will also act as inspecting accountants.

There were twenty-three offices opened during the year for the transaction of Savings-Bank business—namely, Clarendon, Fanning Island, Government Buildings, Hastwell's, Hinuera, Kakahi, Makatote, Mangamahu, Mokai, Motu, Okoroire, Opuia, Orawia, Paekakariki, Port Awanui, Tangiteroria, Tapawera, Te Kiri, Waharoa, Waiharara, West Lynn, Whareama, and Whatawhata. One office was closed—namely, Exhibition (Christchurch).

There were 563 offices open at the end of 1907, as against 541 at the end of the previous year.

74,671 accounts were opened and 53,644 closed, the net gain on the year's working being 21,027 accounts.

The number of depositors on the 31st December was 319,773, and the proportion of accounts per head of population was 1 in 3.09, as compared with 1 in 3.04 at the end of the previous year.

The deposits numbered 650,990, representing £9,351,663 19s. 7d., an average of £14 7s. 4d. per transaction.

The withdrawals numbered 433,796, for £8,125,123, an average of £18 14s. 7d. for each withdrawal.

The net amount added by depositors to their savings during the year was therefore £1,226,540 19s. 7d., plus £343,424 7s. 2d. interest earned and credited, making a total of £1,569,965 6s. 9d.

The total amount at credit of depositors increased from £9,953,265 11s. at the close of the previous year to £11,523,230 17s. 9d. on the 31st December last, representing a sum equal to £11 12s. 11d. per head of the entire population and £36 0s. 9d. to each depositor. Last year the figures were £10 19s. 1d. and £33 6s. 4d. respectively.

The interest credited to depositors since the Post Office Savings-Banks were established in 1867 now amounts to £3,800,845 6s. 9d.

The cost of working the Savings-Bank amounted to 4.2d. per transaction, or £19,000 for the year.

The cost of management per cent. on the total amount at credit of depositors was 0.16 per cent., or 3s. 4d. per £100.

The excess of deposits over withdrawals during the year constituted a record, amounting to £1,226,540 19s. 7d., a sum most nearly approached in the year 1906, when the figures were £1,000,050 14s. 10d.