1909.

NEW ZEALAND.

POST AND TELEGRAPH DEPARTMENT

(REPORT OF THE) FOR THE YEAR 1908-9.

Presented to both Houses of the General Assembly by Command of His Excellency.

General Post Office, Wellington, 2nd October, 1909.

My Lord,-

I have the honour to submit to Your Excellency the report of the Post and Telegraph Department for the year 1908-9, and in doing so to offer the following remarks:-

From a departmental point of view the year has been a most prosperous and successful one. An increase has been experienced in almost every class of business, accompanied by an increased revenue. In one item alone has the revenue fallen below that of the previous year: it has not yet had time to recover from the marked reduction of 50 per cent. made in the money-order and postal-note commission on the 1st January, 1908. That item has, however, reached 76 per cent. of last year's, and will no doubt easily recover itself in the same manner as did stamps after penny postage was introduced.

The revenue has more than doubled in the past ten years, having risen from £445,770 to £913,995. The expenditure has increased from £390,197 to £807,652. The balance of revenue over expenditure, which in 1898-99 was £55,573, stands this year at £106,342. These results are altogether satisfactory; yet, with a revenue frequently affected by reduced charges to the public, any bald comparison between revenue and expenditure is misleading. Of necessity the expenditure in such a service as the Post and Telegraph must, unless the rates remain fixed, bear a closer relationship to the volume of business than to the value thereof, for the increase in work is proportionately greater than the increase in revenue. It should suffice, if the public is being well served, that the Department is paying its way.

The expenditure has by no means kept pace with the increased volume of business.

There is always a limit where the expansion of business cannot further be undertaken without increased staff. Such has been the case last year, and, in all, 321 officers have been added to the permanent classified staff. Notwithstanding this, the percentage of increase in salaries of permanent officers is only 0.62 higher than the percentage of increase in revenue, the relative figures beingsalaries 11.73, and revenue 11.11 per cent.

The main increase in expenditure is due to the higher cost of conveyance of mails by railway, and

the heavier charges against the Mails by Sea and Miscellaneous votes.

The principal sources of revenue-viz., stamps, telegrams, and telephone receipts-have all con-

tributed well towards the £91,356 by which the revenue exceeds that of last year.

Since the close of the year the administration of the old-age pensions has been transferred to the Post Office. The change he's been effected so quietly and completely that it has passed almost unnoticed. Only half the number of officers formerly required to administer the office are now employed, and the work is being performed efficiently and effectively. A word of praise is due to those who so capably carried out my wishes in the matter of this amalgamation.

The Secretary of the Department has during the year paid a visit to England, the Continent of Europe, and America. As a result of his investigations a series of important suggestions for the more efficient conduct of the service is now before me. Its adoption will not only bring about desired reforms,

but also lead to a considerable saving in the cost of administration.

I have the honour to be, My Lord, Your most obedient servant, J. G. WARD, Postmaster-General.

His Excellency the Governor, Wellington. i-F. 1.