

Zealand. On the 20th September a reply was received to the effect that the Royal Commission was unable to issue licenses for private importation of sugar from any quarter, and that no exception in favour of New Zealand could be made. On the 15th October the High Commissioner was requested to urge that small quantities of sugar addressed to soldiers and despatched before receipt of notice of prohibition be allowed delivery. On the 31st October he replied that he had secured the removal of the prohibition so far as it applied to gift parcels to soldiers in England and in France. Such packages and tins of condensed milk can be forwarded only by parcel-post.

THE WAR AND THE DEPARTMENT.

Early in the war it was arranged for three free inquiries to be made by cable about the condition of soldiers officially reported to be sick or wounded, on application being made by the next-of-kin. The cable companies and the Pacific Cable Board transmitted the messages without charge. As the work of obtaining the reports is now undertaken by the Defence Department under a new system, the arrangement with the cable companies was terminated from the 1st May, 1918. There is, however, to be no change in the acceptance of the free inquiries from the public or supplying the information sought for.

With the object of promoting economy in the matter of food-supplies and as a means of advertising the war loan, it was arranged for the post-marking machines at the principal post-offices to print on correspondence the following:—

Food wins the War: Save it.
Food means Victory.
Waste of Food means Defeat.

Invest in the War Loan.
Buy War-loan Certificates.
Your Money is required for the War.
It is your Duty to help the War Loan.

WAR LOANS.

The Department has continued without intermission its work in connection with war loans. Since the date of the last report two loans have been placed in New Zealand—one in September, 1917, and the other in March, 1918, and the sale of war-loan certificates has been steady throughout the intervening periods. The contributions received towards war loans by the Post Office now amount to £10,876,000, of which sum £3,955,000 represents the sale of war-loan certificates, and the balance Treasury bonds. The public has lodged in custody of the General Post Office certificates to the value of £1,553,314. Many inquiries were made as to the custody of Treasury bonds. This is provided for by the safe-deposit system recently established at post-offices.

TELEGRAPHIC CONCESSIONS TO PATRIOTIC BODIES.

At the beginning of the war free telegraphic privileges were granted to the various Patriotic Societies in order that their work might be facilitated as much as possible. Recently the concession was withdrawn as not required generally. In lieu thereof the Central Advisory Board of the Patriotic Societies has been supplied by the Department of Internal Affairs with official postage-stamps to the value of £500 for distribution, at the Board's discretion, to approved societies.

POSTAL AND TELEGRAPHIC CONCESSIONS TO MEMBERS OF THE LEGISLATURE.

Members of the House of Representatives and the Legislative Council are now supplied with official postage-stamps up to the value of £24 and £12 per annum respectively. The stamps are provided to cover payments for postages, cable messages, inland telegrams, and telephone-bureau communications, and for the subscription due on a telephone-exchange connection held in the name of the member.

The privileges of members of sending through the post free of charge baskets of books addressed to the Parliamentary Library, and of franking correspondence during the session with the franking-stamp in Parliament Buildings, still continue.

POST OFFICE.

During 1917, Inspectors of Post-offices visited 2,723 offices, and permanent Postmasters inspected 41 non-permanent offices in their vicinity.

Twenty-three post-offices were established and 56 closed. The number of post-offices open on the 31st December, 1917, was 2,346. The names of 4 offices were changed to meet local circumstances.

The number of articles delivered in the Dominion, including those received from places beyond, during the year 1917, compared with the number in 1916, was as under:—

	1917.	1916.	Increase.	Decrease.
Letters and letter-cards..	124,753,070	121,609,306	3,143,764	..
Post-cards	4,254,705	4,602,910	..	348,205
Other articles	43,488,744	46,456,046	..	2,967,302
Totals	172,496,519	172,668,262
Parcels	3,019,336	2,981,892	37,944	..