

Nor could all this well be avoided. No system, such as that of the Money Order, could be at once organised in New Zealand, except by a single person accustomed to accounts, and familiar with those of the Post Office Department, with which the Money Order business is more or less connected.

The Auditor has now to report that a very important department has grown silently into complete working order ; and that at any day the control of the Money Order accounts can, without the slightest difficulty, be transferred to the Postmaster-General's Department, should it be thought best that the examination and audit of these accounts should be given over to that department.

Vide pp. 28, 29.

The accompanying Tables show the number of Money Orders issued and paid in the several Provinces of New Zealand from the date of the establishment of the system in the month of August, 1862, to the 30th June, 1863. The total number issued in New Zealand is 5,835, and the total number paid in New Zealand is 1,288.

The business of the Money Order Offices is increasing. Hitherto the examination and audit of the accounts, and the work of the Money Order Branch of the Audit Office, has been done by the services of a single Clerk.

POST OFFICE SAVINGS BANKS.

The Auditor recommends that a Bill for making the Post Offices in the Colony available for the deposit of small sums of money at interest with the security of the Government for the due repayment, be introduced in the ensuing Session of the General Assembly, with powers to the Postmaster-General to make and alter regulations for carrying the measure into execution, and to provide that all expenses incurred under the measure, be paid out of monies received under the authority of the Act.

Complete success has attended the Post Office scheme in the United Kingdom. The number of deposits at the end of 1863 was £1,681,107, and the average of deposits was £9 10s. 5d. The measure has already been brought into operation in Western Australia.

In the Colony of New Zealand, it could not fail to be of great advantage, owing to the number of scattered settlements, where the machinery of the ordinary Saving Banks is not likely to be brought into operation ; besides the ordinary Saving Banks are confined to their own locality, while the Post Office Savings Banks would enable a person to make deposits, or withdraw them in any part of the Colony where he might remove, without reference to the place where he originally opened his account. In fact, the operations of the Post Office Banks would be co-extensive with the settled districts of the Colony. Wherever there is a Money Order Office, deposits could be received at all hours appointed for the transaction of business, and this with small trouble to depositors, and with none of the inconvenience which necessarily attends a fixed hour, and a fixed day for receiving deposits.

But the important advantage of the Post Office Saving Banks is, that any depositor wishing to withdraw his deposits could do so at any Post Office Savings Bank in the Colony. This alone makes the new system admirably adapted to the wants of our industrial population, the individuals of which are often shifting, not only from one district to another, but frequently changing their residence to other Provinces.

Owing, however, to the division of the Colony into separate Provinces, it will be necessary, as in the case of the Money Order business, to modify the English regulations for the conduct of the Banks ; but the general arrangements for the receipt and disposal of the deposits would be the same.

CHARLES KNIGHT,
Auditor.

11th September, 1863.

No. 2.

CORRESPONDENCE RELATIVE TO CONTRACT FOR SERVICES OF S. S. *ALDINGA*.

POSTMASTER-GENERAL TO MESSRS. MACMECKAN AND CO.

General Post Office,
Auckland, 21st February, 1863.

GENTLEMEN,—

When Mr. Crosbie Ward, on behalf of the Government of New Zealand, entered into the existing contract with you for the conveyance of the Mails between Melbourne and Otago, he reported to this Government as follows :—" I have arranged with the owners that they are so to arrange their other steamers, as that one shall be always a week before the "*Aldinga*," to bring up the bulk of the Mail, and another a week after her to take down the Mail should it be late and left behind by the "*Aldinga*."

In January the "*Aldinga*" left Melbourne on the 10th, without the English Mail, the "*Alhambra*," which conveyed the Mail to Dunedin did not leave Melbourne until the 22nd instead of the 17th, which should have been the latest date of her departure in accordance with the arrangement with Mr. Ward.