

exist in Victoria, the results being by no means commensurate with the expenditure incurred, for instance, in the Province of Otago there were advertised during the year 1864 :—

		£	s.	d.
In Chief Office ..	12,550 letters at an expense of	193	9	6
In Country Offices ..	19,076 „ „	316	15	6
Making a total of ..	31,626	£510	5	0

While the returns from claimed letters, on which an additional charge of 2d. is made, since 1863, amounted only to £38, or $7\frac{1}{2}$ per cent., leaving a loss of £472. The total amount expended for advertising unclaimed letters during the year 1864, was £800, and the proportion of letters claimed after such advertising was about 1 in 17. It is intended, therefore, to discontinue the regulation (which is even now infringed by only advertising once instead of twice), and thus avoid an unnecessary expense, and the jealousies which arise from one paper in a town being selected as the advertising medium. The general practice will be to print or write out the lists and have them exposed to public view.

REGISTERED LETTERS.

The extension of the principle of registering letters, by insisting that all letters containing coin should be registered, on pain of a fine of a double registration fee, has had the effect in Great Britain and elsewhere of greatly reducing the temptation to tamper with such letters by those connected with the department, and has given much greater confidence to the public in the transmission of money by post. It will, in a short time, be desirable to introduce the system into New Zealand—for, while the instances of tampering with letters have fortunately been very few, there have been evidences that greater precautions would not be undesirable. With a view to induce the public to take greater advantage than they had hitherto done of the system of registry, a reduction of the registering fee of from 1s. to 6d. was made on the 1st February last, on all letters registered for places within the Colony. Sufficient time has not yet elapsed to justify the formation of a judgment as to the ultimate effect of the change, but the results during the three months ending the 31st of May last, are very satisfactory, as the subjoined returns will show.

Registered during March, April, and May of 1864, 1,962, and of 1865, 3,080, being an increase of 57 per cent.

NEWSPAPERS.

The question of making newspapers transmitted by post subject to a small postage rate was recommended by the late Post-master General in his Report for the year 1863, and, heartily concurring in the expediency and justice of the proposal, an Order in Council was issued on the 29th of December, 1864, to give effect to this recommendation. Owing to some supposed illegality, or informality, the order was revoked, and also in order that the subject might be brought prominently before the Assembly for its decision. During the short time it was in operation there is reason to believe that it met with very general satisfaction. The interval which has been allowed to elapse has strengthened the conviction that such a tax is alike demanded by fairness and necessity, especially when there is no restriction against the carriage of newspapers by private enterprise, which, as regards letters, is contrary to law. In Great Britain, with its network of railways, affording every facility for cheap conveyance, newspapers transmitted by post are subject to a penny stamp, with a fine for improper folding. In Victoria, for each newspaper posted in the Colony, not exceeding 5 oz. in weight, one penny must be prepaid, and the instructions are precise as to the mode of sending. In New South Wales, every newspaper whatever posted in the Colony for transmission inland or beyond sea, is subject to a charge of a penny. If it be urged that such a charge is a tax upon literature, it may be replied, that in Victoria the charge did not have the effect of diminishing the number of newspapers posted, nor was such the case in some parts at least of this Colony, and considering the expense of country mails in New Zealand, amounting to no less a sum than £81,646 9s. 7d. per annum, and the number of newspapers sent by these, amounting to 1,616,919, averaging about six times the weight of the letters, there can be little doubt that the public will reconcile itself to the charge, if not now approving of it already, especially when it is remembered that the newspapers received from abroad are invariably prepaid. The amount derivable from this payment would probably increase the Postal Revenue by about £10,000 per annum in the shape of direct receipts, while, at the same time, it is reasonable to suppose that the contracts for the conveyance of inland mails, being much affected by the carriage of newspapers, would in some measure be diminished in amount.

PANAMA SERVICE.

The papers laid on the table of the House will fully explain the steps which have been taken to carry out the Act of 1864. In re-opening the negotiation with the agent of the Panama, New Zealand, and Australian Royal Mail Company on the basis of that Act, this Government were met in a