

RETURN showing the several Subsidized Mail Steam Services, the Subsidy Payments for the Year 1885, the Dates when established, and the Date on which each terminates.

Service.	Annual Subsidy.	Duration of Service.		Number of Voyages per Annum.	Mileage for Complete Voyage.	Cost per Mile.
		When established.	When terminated or when terminable.			
	£ s. d.					£ s. d.
Auckland and San Francisco ...	29,951 18 6	Nov., 1885	Nov., 1888	13	11,916	0 3 10½
Direct Steam Service* ...	20,610 14 8	Dec., 1884	Dec., 1889	13	23,019	0 1 4½
Auckland and Fiji ...	1,690 0 0	June, 1880	...	13	2,334	0 1 1½
New Zealand and South Pacific Islands ...	4,200 0 0	June, 1885	May, 1887	6	6,992	0 2 0
New Zealand and Chatham Islands† ...	150 0 0	...	...	4	1,050	0 0 8½
Helensville and Matakoho ...	400 0 0	Jan., 1881	Dec., 1886	52	118	0 0 4
Helensville and Dargaville ...				104	170	
Auckland and Great Barrier Island ...	200 0 0	Dec., 1884	Nov., 1886	52	120	0 0 7½
Nelson and Golden Bay ...	240 0 0	...	...	72	130	0 0 6
Nelson, Karamea; Westport, Karamea; Westport, Greymouth, Hokitika, Okarito, Bruce Bay, Haast River, Okuru, Jackson's Bay, Martin's Bay, and Caswell Sound ...	1,800 0 0	Jan., 1885	Jan., 1886	6	1,092	0 5 6
Bluff and Stewart Island ...	300 0 0	July, 1885	June, 1887	52	40	0 2 10½
Interprovincial Service in connection with San Francisco Line ...	5,000 0 0	...	...	13	1,742	0 4 5
Interprovincial Service in connection with direct steamers ...	3,500 0 0	Dec., 1884	Dec., 1889	13	1,742	0 3 1

* Including bonus payments. † By sailing vessel.

MONEY ORDERS.

20 additional money-order offices were opened—namely, Danevirk, Half-moon Bay, Herbertville, Kaikora North, Kekerangu, Kirwee, Kurow, Newtown, Ongaonga, Orepuki, Pembroke, Rangiriri, Rolleston, Spring Creek, Tinwald, Waikaka, Waimangaroa, Wairio, Whangapoua, White Cliffs.

The name of the office formerly known as Ohinemutu has been changed to Rotorua.

261 money-order offices were open at the close of the year.

188,622 money orders for £581,395 8s. 9d. were issued, compared with 186,052 orders for £572,666 5s. 2d. in 1884, an increase of 2,570 orders, and £8,729 3s. 7d. in amount.

159,201 orders for £490,326 3s. 4d. were paid, against 155,116 orders for £475,199 14s. 8d. in 1884, the increase being 4,085 orders and £15,126 8s. 8d.

The number of money orders issued for payment in the United Kingdom, the Australian Colonies, United States, Canada, and other foreign countries, was 42,216, for £141,525 5s. 12,929 orders for £50,816 3s. 8d. were issued in those countries for payment in New Zealand. The balance against the colony was, therefore, £90,709. In 1884 the difference was £97,110 7s. 4d., and in 1883, £99,721.

17,806 telegraph orders for £62,202 7s. were transmitted, compared with 16,496 orders for £65,241 1s. 7d. in 1884. There was, therefore, an increase of 1,310 orders, but a decrease in amount of £3,038 14s. 7d.

The revenue from money-order commission was £9,553 0s. 7d. compared with £9,525 3s. 8d. in 1884, an increase of £27 16s. 11d. only. The increase in 1884 over 1883 was £502 13s. 2d. The falling off has been in the commission on money orders issued for payment in the colony.

The exchange of money orders with foreign countries, through the intermediary of the London Post Office, is extending. 514 orders of this class were issued, compared with 278 in 1884.

POSTAL-NOTES.

Postal-notes were introduced in January last; and although it is scarcely within the scope of this report to notice the results already ascertained, yet the very marked success of the scheme even thus early, has suggested a brief reference to the postal-note business for the quarter ended 31st March last.

16,542 postal-notes for £7,037 6s. 6d. were sold. The commission received was £128 19s. 10d., the average rate being 1.83 per cent.

One-shilling notes were most in demand, then twenty shillings, ten shillings, one shilling and sixpence, and five shillings, in the order given. Nearly 50 per cent. of the notes sold were of the values of one shilling, one shilling and sixpence, and twenty shillings.

Only £845 worth, or about 12 per cent., of the notes sold were unpaid at the end of the quarter. From this it is inferred that the public had not completely understood that the notes could have been used as a circulating medium.

The notes enter largely into competition with money orders, but the loss of money-order commission will, in a comparatively short time, be more than covered by the development of the business in postal-notes. A new class of customers has been brought to the post office, and the notes are used for a variety of purposes for which the money orders are not adapted. The relative falling off in the number of money orders issued for payment within the colony (as shown by the March quarter returns) is not altogether to be attributed to the issue of postal-notes, but rather to "The Gaming and Lotteries Amendment Act, 1885," which has caused, it is estimated, a loss of revenue (money-order commission, postage, &c.), of about £3,000 a year.