

The absence of an intercolonial service with fixed dates, providing for prompt connection with the Federal packets, minimises the advantages to the colony of the Brindisi-Naples route as an alternate mail-line; but, under present circumstances, this is unavoidable.

No tenders were received for a fast fortnightly San Francisco service—in response to the invitation of the Postmaster-General of the United States—owing, it is alleged, to the fact that the proposed subsidy and the general conditions were not considered sufficiently liberal by ship-owners.

The San Francisco and Direct services continued to be performed with the customary regularity. Where there were late deliveries of mails, the causes in the majority of instances were attributable to circumstances the contractors could not provide against.

Now that the Direct steamers are no longer under contract, it will not be out of place to state that the service was carried out with marked regularity and to the satisfaction of the Post Office. The several contracts extended over a period of seven years; and it is not too much to assert that few mail-services have been performed more creditably, or with less friction between contractors and the Post Office.

Forty bags of newspapers and books for New Zealand—a portion of the mails of the 21st of January last from the United Kingdom—were received on the “Alameda,” at San Francisco, damaged by sea-water. The bags were at once dried, and the mail-agent was able to distribute the contents of 27 bags; the contents of the other 13 bags, comprising about 2,575 newspapers and 547 books, were sent to the Dead-letter Office as undeliverable. There, the addresses of 350 newspapers, &c., were deciphered and the articles delivered; and out of 115 inquiries 85 were satisfied. About five sackfuls were found to be almost reduced to pulp. It was ascertained that the damage occurred on the “Majestic” while crossing the Atlantic, through the sea-water pouring in through one of her ports, damaged, it was supposed, by floating wreckage.

The average time within which mails were delivered by the San Francisco service was: From Auckland to London, 32·75 days, compared with 35 days in 1890; and from London to Auckland, 35, against 35·69 the previous year. The shortest delivery was made in 32 days.

By the Direct service (12 voyages each way) the average time homeward was 42·83 days (from Lyttelton), against 41·69 in 1890; and inward 45·92 days, compared with 46·15 days in 1890. The shortest delivery homeward was in 40 days, and inward 44 days.

The maximum, minimum, and average number of days within which the mails were delivered at and from London and Auckland, Wellington, Dunedin, and Bluff during 1891 by the Peninsular and Oriental and Orient lines, and by the San Francisco and Direct contract services, were:—

	San Francisco Service.			Direct Contract Service.			P. and O. Line.			Orient Line.		
London to Auckland ..	48	33	35·00	50	47	48·25	48	39	43·61	53	39	42·19
Auckland to London ..	34	32	32·75	51	42	44·92	47	40	43·55	42	38	39·67
London to Wellington ..	50	34	36·92	47	44	45·92	51	38	44·92	52	39	43·96
Wellington to London ..	38	34	34·92	50	40	43·00	47	39	43·91	46	38	42·50
London to Dunedin ..	52	36	38·54	49	46	47·50	49	39	44·18	47	39	44·48
Dunedin to London ..	39	35	35·92	50	41	43·33	49	40	44·33	47	40	44·23
London to Bluff ..	53	37	39·29	50	47	48·25	48	38	43·38	46	38	43·73
Bluff to London ..	40	36	36·67	51	42	44·08	48	39	44·08	46	39	43·48

RECEIPTS and PAYMENTS on account of the San Francisco, Direct Contract, Peninsular and Oriental, and Orient Mail-services for the Year 1891.

San Francisco Service.

DR.	£	s.	d.	£	s.	d.	£	s.	d.
Payments by weight—									
On mails from New Zealand ...	7,201	2	11						
On mails from the United Kingdom ...	5,533	6	3						
On mails from the Australian Colonies, Fiji, &c. ...	6,136	9	2						
				18,870	18	4			
Interprovincial service, Mail Agents, &c. ...				3,416	6	6			
Transit costs, San Francisco to New York ...				4,148	0	0			
New York to Queenstown (two mails only) ...				271	14	0			
							26,706	18	10
CR.									
Postages collected in the colony ...				9,856	15	0			
Postages from London ...				5,533	6	3			
Contributions from non-contracting colonies ...				6,136	9	2			
Payments by Union Company, half transit costs, San Francisco to New York (11 mails) ...				1,725	16	6			
							23,252	6	11
Net loss to the colony ...							£3,454	11	11

387,332 letters, 166,101 books, and 721,600 newspapers were received from, and 449,840 letters, 59,509 books, and 361,361 newspapers despatched to, the United Kingdom *via* San Francisco.

The letters received from the United Kingdom increased 28·15 per cent., and those despatched to that country 16·18 per cent., over the numbers forwarded in 1890.