

Dunedin—  
Twice weekly: Palmerston and Kyeburn.  
Invercargill—  
Monthly: Te Anau and Milford Sound.

The frequency of the following services was increased:—

Wanganui—  
Thrice, instead of twice, weekly between Eltham and Kaponga.  
Thrice, instead of once, weekly between Hunterville and Ohingaite.  
Weekly, instead of fortnightly, between Wanganui, Jerusalem, and Pipiriki.  
Wellington—  
Five times, instead of twice, weekly between Halcombe and Stanway.  
Thrice, instead of once, weekly between Fowler's and Pemberton.  
Dunedin—  
Five times, instead of four times, weekly between Dunedin and Middlemarch.  
Twice, instead of once, daily between Dunedin, Burke's, and Glendermid.

The frequency of the following services was reduced:—

Greymouth—  
Once, instead of twice, daily between Greymouth and Reefton.

The following services were abolished:—

Auckland—  
Kamo Railway-station and Post-office.  
Lichfield and Taupo (resumed at end of year).  
Wanganui—  
Manaia and Kaponga.

The inland mail-services have been relet for two years ending the 31st December, 1894. Generally, there has been an increase in cost compared with the tendering for 1891-92. A number of new services were established, many existing services extended to new settlements, and the frequency of others increased.

#### OCEAN MAIL-SERVICES.

The printed papers give the usual information relating to the services.

The Imperial authorities have declined to contribute to the cost of the San Francisco service any longer except on "strict Postal Union lines." In the place of crediting the colony 12s. per pound on the letter portion of their mails, for conveyance from San Francisco to Auckland, only 43·71d. per pound on the letters and 2·89d. per pound on the printed matter will be paid. This will diminish the receipts from the London Post Office by about £1,975 a year. The loss, however, will fall on the contractors, and not on the colony. The Home authorities were urged to reconsider their decision, and to continue to pay the higher rate, but they refused to do so.

The Government of New South Wales was then approached, and asked to increase its payment to £5,000 a year (its annual contribution at the time did not exceed £2,880), in order to prevent the possibility of the service being dropped by the contractors. The appeal resulted in the Government agreeing to make a fixed payment of £4,000 for one year. A twelvemonth's renewal of the service was then concluded with the contractors. This expires in November next; and a further renewal until November, 1894, will be arranged, which will exhaust the authority given by Parliament in the second session of 1891 for the continuance of the service for a further term of three years. It will be for the new Parliament to determine what shall be the future arrangements for the maintenance of mail-communication with Europe.

No further action has been taken by the United States Post Office towards establishing a fortnightly mail-service between San Francisco, New Zealand, and Australia, reference to which was made in the reports for 1890 and 1891; nor has it increased its contributions to the present service. The heavy American territorial transit-charges are still enforced, and it is now doubtful whether any reduction will be secured until the question is dealt with by the Postal Union Convention which is to meet at Washington in 1897. The opinion shared by the colonies as to the inadequate support accorded by the United States to the San Francisco service is indicated by the following resolution passed by the Postal Conference at Brisbane in March last: "That this Conference directs a communication to be sent to the Postmaster-General, Washington, regretting the continued non-participation of the United States in the matter of the subsidy to the present San Francisco mail-service, and also directs his attention to the excessive overland transit-rates between San Francisco and New York, and respectfully requests him to urge the Pacific Railway Company to give more favourable terms."

The colony having at its disposal only one contract service, the receipt and despatch of European mails by other routes than that of San Francisco have necessarily been irregular; but everything possible has been done to minimise the inconvenience to the public. The Direct passenger steamers timed to leave the colony the week following the arrival of the San Francisco mails at Auckland have afforded a fairly reliable service for replies to letters received *via* San Francisco, the mails on the average having reached London in forty-three days, or twelve days in advance of the mails *via* San Francisco leaving the colony three weeks later. The Suez services have also been used whenever it appeared that delivery in London would anticipate the receipt of mails by other routes.

In 1891 the despatch of the mails from the colony by the San Francisco service was put back five days, in order that the swiftest steamers on the Atlantic might be secured for the conveyance of the homeward mails. The inward mails were already being carried by the fastest vessels, and