the through transit-time each way was shortened by about two days. Under this alteration the outward mail was timed to leave Auckland two days after the arrival of the incoming one, and the interval between the steamer's arrival from San Francisco and her return was increased from twenty-three to thirty days. Auckland was enabled to answer incoming letters by the outgoing mail -an advantage not obtained by any other part of the colony. During the maintenance of the Direct contract service, and so long as the Direct steamers offered a reliable opportunity for answering letters received via San Francisco, this alteration made but little difference to the southern portion of the colony; but now, looking to the interests of the colony as a whole, a change is desirable. It has therefore been decided to put back the London despatch a week, which will reduce the time between the arrival of the mail-steamer at Auckland and her departure to about three weeks, and place all parts of the colony on an equal footing. A shorter interval, by despatching the mails from the colony a week earlier, would have been more suitable; but, as this would give the steamers only six lay-days in Sydney, and not allow sufficient time for docking and coaling, it was inadvisable to alter the despatch from this end.

The change of the despatch from London commences with the September mails.

The San Francisco service shows a loss of £7,485 19s. 2d. for the year, as against £3,454 11s. 11d. for 1891, the difference being almost entirely due to the increased payments for the transit of the homeward mails across America and the Atlantic. The rate for territorial transit is, approximately, 2s. $3\frac{1}{2}$ d. per pound for letters, and $8\frac{1}{2}$ d. per pound for other articles; and for Atlantic conveyance 1s. $9\frac{3}{4}$ d. per pound for letters, and $2\frac{1}{5}$ d. per pound for other articles.

The interprovincial contract service for the collection and distribution of the San Francisco

mails was also renewed for a year.

The increase in the quantity of mail-matter conveyed by the San Francisco steamers has

necessitated an assistant mail agent being sent by each vessel.

The possibilities of a Canadian-Pacific mail-service have unexpectedly been practically solved by the inauguration of a monthly line of steamers between Sydney, Brisbane, and Vancouver in May last. The Brisbane Postal Conference affirmed that it was desirable to negotiate for a Pacific-Vancouver service, but the Conference was not aware at the time that the negotiations on the part of the Canadian Government for establishing a service were so far advanced. The service, which does not embrace New Zealand, is a calendar monthly one; and the time allowed between Brisbane and Vancouver about twenty days. Canada contributes £25,000, and New South Wales £10,000 per annum. The Imperial Government and the other Australian Colonies up to the present time have declined to subsidise the line. It is probable that the service will undergo certain changes before it can be regarded as on a permanent footing.

The average time within which mails were delivered by the San Francisco service was: From Auckland to London, 32·36 days, compared with 32·75 days in 1891; and from London to Auckland, 34·46, against 35 the previous year. The shortest delivery was made in 32 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 1892, by the San Francisco contract service, and by the Peninsular and Oriental and Orient lines, were:—

	i	San Francisco Service.			P. aı	nd O. Line.	Orient Line.		
London to Auckland		37 33	34.46		47	39 41.78	 51	39	41.31
Auckland to London		35 32	32.36		48	39 42.79	 45	35	39.85
London to Wellington		39 34	36.46		49	38 42.33	 48	39	42.38
Wellington to London		37 34	34.36		46	38 43.00	 46	37	41.83
London to Dunedin		40 37	37.77		48	38 41.90	 47	39	$42 \cdot 29$
Dunedin to London		38 35	35.36		. 48	39 44.19	 47	36	43.75
London to Bluff		41 38	38.52		47	37 41.15	 46	38	41.54
Bluff to London		39 36	36.11		47	38 43.44	 46	35	43.00

RECEIPTS and PAYMENTS on account of the San Francisco and Peninsular and Oriental, and Orient Mail-services for the Year 1892.

San Francisco Service.

$\mathrm{D}_{\mathrm{R}}.$	£	s	. d.	${\mathfrak L}$	s.	d.	${\mathfrak L}$	s.	d.
Payments by weight—									
	7,1	66 1	0 0						
On mails from the United Kingdom	5,7	09 1	3 10						
On mails from the Australian Colonies, Fiji, &c.	4,4	49 1	0 2						
•	•			17,325	14	0			
				3,414	10	9			
Transit costs {San Francisco to New York New York to Queenstown				4,551	17	3			
New York to Queenstown				1,878	14	6			
							27,170	16	6
$C_{\mathbf{R}}$.									
Postages collected in the colony				9,525	13	4			
Postages from London				5,709	13	10			
Contributions from non-contracting colonies .				4,449	10	2			
							19,684	17	4
Net loss to the colony				•••			£7,485	19	2

470,664 letters, 376,438 books, and 911,106 newspapers were received from, and 483,258 letters, 85,896 books, and 388,695 newspapers despatched to the United Kingdom via San Francisco.

The letters received from the United Kingdom by this route increased 21.51 per cent., books 126.63 per cent., and newspapers 26.26 per cent., and the letters despatched to that country increased 7.43 per cent., books 44.34 per cent., and newspapers 7.56 per cent., over the numbers forwarded in 1891.