

## POST OFFICE SAVINGS BANK.

In spite of the calls made on the public by way of taxation, savings certificates, war loans, and patriotic appeals, the deposits in the Post Office Savings Bank showed steady improvement throughout the year.

(£(N.Z.) millions.)

Year ended 31st March,						Deposits.	Withdrawals.	Excess Deposits.	Credit Balances.
1935	..	..	..	..	..	24·2	20·9	3·2	49·4
1936	..	..	..	..	..	25·6	23·5	2·1	52·9
1937	..	..	..	..	..	30·7	27·0	3·6	58·1
1938	..	..	..	..	..	33·0	29·6	3·4	63·1
1939	..	..	..	..	..	30·4	34·6	—4·2	60·7
1940	..	..	..	..	..	25·2	29·5	—4·3	58·0
1941	..	..	..	..	..	28·6	25·3	3·3	63·0

## PRICES AND GENERAL BUSINESS CONDITIONS.

The principal price indices have fluctuated during the year under review as follows:—

(1926-30 = 1000.)

				Export.	Retail.		Wholesale.			
					Food.	All Groups.	Imported Items.	Locally Produced Items.	All Groups.	
1940.										
March	..	..	..	1007	1060	1012	1218	1073	1158	
April	..	..	..	1010	1073	1017	1236	1090	1175	
May	..	..	..	996	1078	1029	1248	1096	1185	
June	..	..	..	995	1071	1026	1263	1089	1190	
July	..	..	..	1000	1074	1027	1292	1083	1205	
August	..	..	..	988	1070	1042	1334	1073	1225	
September	..	..	..	995	1095	1050	1351	1077	1236	
October	..	..	..	991	1087	1048	1380	1075	1253	
November	..	..	..	998	1087	1054	1383	1083	1258	
December	..	..	..	975	1084	1053	1390	1099	1268	
1941.										
January	..	..	..	1002	1076	1050	1406	1091	1274	
February	..	..	..	992	1077	1056	1410	1099	1280	
March	..	..	..	986	1081	1057	1416	1110	1288	
Change for year (per cent.)				..	—2·1	+2·0	+4·4	+16·3	+3·4	+11·2

According to the above indices the price increases recorded have been small, except in the case of imported goods; the rise in the latter was, of course, mainly responsible for the rise in the wholesale-price index under the heading "All Groups." Thus it is seen how the Dominion's internal price structure has been affected both by wartime costs of production in overseas countries, particularly the United Kingdom, and by increased freight and insurance charges arising from the same cause.

On the whole, business has been maintained on a fairly high level of activity.

Aggregate incomes and the value of production have increased, while the value of domestic trade, as shown by sales-tax receipts, has remained steady. But as the value of domestic trade is expressed in higher prices (the causes for which have already been referred to), it follows that the volume has shown a decline.

The diversion of a considerable proportion of the national income and of available man-power towards production of capital goods and equipment for war purposes, coupled with the withdrawal of large numbers of men from civil life into the armed forces, cannot fail to involve a decline in the normal consumption of goods and services.

In these circumstances the maximum possible contribution by members of the community to war loans, including National Savings Accounts, would not only have the effect of helping the Empire's war effort, but in addition would enable the financial structure of the Dominion to bear the inevitable strain of war conditions with the minimum disturbance of prices.

## STAFF.

At the 31st March the permanent male staff numbered 68. Of this number 20 have proceeded or are proceeding overseas in the Royal Navy, the N.Z.E.F., and the R.N.Z.A.F.; 5 are on full-time home defence; 10 are in the National Military Reserve and the Territorials. Practically without exception the remainder of the male staff (including 7 juniors who are still ineligible for the Territorials and a number of others who are medically unfit for overseas or home service) are undertaking duties in the Home Guard and the Emergency Precautions Scheme. A number of the female staff are undergoing training in nursing and other war services.