

FINANCIAL

THE history of the New Zealand Post Office is throughout one of expanding activity, and this trend has been particularly marked in the past few years. Post Office revenue for the year ended 31st March, 1950, was £9,647,950. This represents an increase of 106 per cent. over the 1938–39 year when revenue was £4,687,564. Most of this increase is a reflection of the growth in the volume of business handled, as the only large increase in rates in the past decade has been the introduction of 2d. letter postage.

A similar trend is evident in the figures for working-expenses, which last year amounted to £10,491,851 (including certain capital and renewal items which in the final analysis are not chargeable to revenue). This growth in expenses has been caused by the greatly increased salary and wage bill consequent principally upon increased rates of pay, and the greatly increased cost of all the various goods, equipment, and services for which the Post Office has to pay. This year, despite the continued buoyancy of revenue, annual costs have exceeded income to the extent that a fairly substantial loss will be sustained on the year's operations. The accounts are not yet complete in final form.

A detailed Statement of Receipts and Payments in respect of the working of the Post Office is shown in the Appendix, Table No. 1. Capital expenditure from vote "Telegraph Extension" is shown in Table No. 2.

STAFF

STAFFING POSITION

At no time since the end of the war has the staff of the Post Office been fully adequate for current needs. Although the numerical strength of the staff has grown, the Department has at the same time had to cope with a steadily expanding volume of business, with a resulting need for more staff. This staff need has been made more difficult to meet by the acute man-power problem which the war and post-war years have involved for the country generally. The higher rate of staff turnover experienced in the comparatively unsettled post-war years has meant, too, that many employees are not fully experienced, and this inevitably makes full efficiency difficult to achieve.

Vigorous recruiting measures have been maintained throughout the year and, although affected by the high general demand for labour and the smaller number of juniors becoming available for employment, have resulted in an overall increase of 1,050 in the number of employees, including temporary and casual employees. Growth has taken place in almost all branches of the Service, but, in particular, additional staff has been required for installation, maintenance, and operation of the constantly expanding telephone system.

Shortage of staff is one of the difficulties in carrying through the telephone-expansion programme. Provided materials and finance are available, additional workmen could well be employed on telephone construction. Additional staff is also needed for full efficiency in other branches, particularly at a few centres—notably Wellington—where difficulty is experienced in maintaining staffs at a level sufficient to provide reasonably satisfactory service to the public.