

Overtime is also payable for telegraph duties at certain of the larger sub-offices which regularly receive Press telegrams on Sunday.

HEALTH OF STAFF.

The following table gives the average absence of officers on sick-leave :—

	Numbers comprised (Principal Offices).	Average Absence per Sick Officer.	Average Sick-absence per each Officer employed.
Men ...	1,378	Days. 13·94	Days. 5·94
Women ...	186	19·41	16·17

There were five deaths.

An arrangement has been entered into with the Health Department under which medical officers of that Department examine Post and Telegraph officers when desired. This has already proved of advantage to the Department.

APPEAL BOARD.

Six appeals were dealt with by the Board in May last year, of which one was reported against and five were reported upon in favour of the appellants. One dealt with an adjustment of salary, the second involved a question of precedence, the third a question of departmental arrangements, in which the Postmaster-General was unable to agree with the Board's views, and the fourth and fifth involved the promotion of two officers.

PENNY POSTAGE.

The near approach of the International Postal Union Congress (which should have met at Rome in April last, but has been postponed until April next year at the instance of the Italian Government), and the intention of one or more countries to support the proposed universal penny post, terminated for the time New Zealand's negotiations with individual Administrations. It is impossible to forecast the result of the proposal. Besides New Zealand's proposal to reduce the letter-rate throughout the union from 2½d. to 1d., Japan proposes a reduction from 2½d. to 2d., and Germany, Austria, Denmark, Hungary, Luxemburg, and Switzerland recommend that the weight allowed to pass for 2½d. should be increased from 15 grammes (½ oz.) to 20 grammes (¾ oz.). The ultimate success of the penny post will probably depend on the decision arrived at in connection with the land-transit rates. The following extract from the report of the Postmaster-General of the United States of America for the year 1903 indicates how the question is now viewed in that country :—

"Reduction in Foreign Rates of Postage."

"The International Postal Congress will convene at Rome, Italy, in March, 1904. Believing that the time has arrived for a reduction in the rate of foreign postage, our representative at the Congress will be instructed to urge upon the members of the Postal Union the propriety of a reduction in the foreign rate of postage, especially so far as it may affect the rate now obtaining between the United States and the great commercial nations of Europe. It is confidently expected that if the rate should be reduced from 5 to 3 cents, or even to 2 cents, it would result in a very short time in such an enormous increase in the interchange of communications as would bring greater financial returns than obtain from the present rate."

There will no doubt be difficulty in the way of making the penny rate a universal one, as the inland postage of many foreign countries exceeds 1d. A reasonable solution, it is thought, would be for the Congress to fix the normal rate at 1d., reserving to countries not prepared to apply the minimum rate the right to levy a long-distance surcharge of 1½d. or less. If this were done there is little doubt that the more important countries would be disposed to declare for the penny rate, while others might be expected to gradually reduce or abolish the long-distance surcharge.

The increase of postage on all classes of correspondence posted in the colony since 1900 exceeds the estimated loss following the introduction of penny postage. 50,999,936 paid letters are estimated to have been posted in 1903, as against 31,758,792 in 1900—an increase of 19,241,144 in the three years. Penny postage was adopted on the 1st January, 1901.

NEWSPAPER-POSTAGE.

A satisfactory reply was received from the London Post Office to the representations referred to in the last report. The Postmaster-General, London, agreed to deliver in the United Kingdom without surcharge newspapers posted in New Zealand prepaid 1d. each, irrespective of weight, in the place of the rate of 1d. for the first 4 oz. and ½d. for each succeeding 2 oz. The reduced rate was brought into operation on the 1st March, 1904, subject to the following conditions :—

If under 8 oz., prepaid 1d.	...	Sent by first available route.
If over 8 oz., prepaid 1d.	...	Sent by direct steamer only.
If short-paid	Surcharged at printed-paper rates, and sent by direct steamer only.
If wholly unpaid	...	Detained and sent to Dead Letter Office.

Newspapers over 8 oz. which it is desired may be sent by San Francisco or Federal routes must be specially superscribed, and prepaid at the rate of one penny for the first 4 oz., and ½d. for each succeeding 2 oz. or fraction thereof.