3 F.—9.

When we commenced our parcel-post system a number of years ago we adopted the British system in its entirety, it being overlooked or not considered of consequence that the British Post Office was, owing to the railways being in the hands of private companies, in a very different position to a country which owned its own railways, and where mutual arrangements could be made between the Railway and Post Office Departments which would be satisfactory to both. As instancing the difficulty which the British Post Office has to meet, it may be mentioned that, owing to the attitude of the railway companies, an extensive system of motor and other conveyances is used for carrying parcels between large centres and for overtaking the work between cities which are long distances apart. Nevertheless the office system in use in Great Britain of dealing with parcels is simple and effective. In some way there has, during the past, been added to the system in New Zealand so many checks and records that it has now become cumbrous in the extreme. There has been too great a tendency not only in the parcel-post but in other branches to look upon isolated cases of loss as demanding all-round checks which eventually have cost large sums of money. At present the position is that a parcel in New Zealand is treated almost precisely as a registered letter, records being kept and receipts taken on delivery. The British practice and the practice elsewhere prove that many of these are totally unnecessary, and should be abolished forthwith.

As regards the final adoption of a parcel-post system, however, I came to the conclusion that the German system, where the conditions of State ownership of railways are the same as ours, could with advantage be adopted not only in the office system, but in regard to the facilities afforded to the public in the direction of carrying parcels of considerable weight. Our present maximum weight is 11 lb., and there appears to be no good reason why this should not be extended for offices served by railway or steamer to, say, 20 lb. or 28 lb., or more. At the same time, I think it should be possible without risk of loss of revenue to recast the parcel rates with the object of making a substantial reduction on parcels for delivery within five or ten miles of the office of posting. In the case of our large centres this would attract a class of business which we at present do not handle. A similar arrangement in Germany gives the Post Office a practical monopoly of the city as well as the country parcel business; and if we are to extend our country business materially as suggested, the parcel-post system will no doubt be taken advantage of largely by farmers and others for sending small lots of produce to customers in the cities. This would, in any case, necessitate our providing our own conveyances for the delivery of parcels, instead of the work being carried out by contract as at present. During my absence I find that the question of city deliveries has been raised by the Assistant Postmaster, Auckland, and that his views are in the main those I took after a careful examination of the German system. There is no doubt that the present is a more or less critical period in the history of our parcel-post, and that action taken now in the direction I have indicated will save endless trouble in future years.

Concerning the details of the office system in use in Germany, the arrangements are excellent, and well worthy of adoption by us. No record of parcels is kept in office books, but every person presenting a parcel presents with it a card bearing the name of the sender and the name of the addressee of the parcel. This card is immediately numbered with the same number as the parcel, and forwarded by letter-post to the office of delivery, where it is retained until the parcel itself arrives by goods or other train. When the parcel reaches the office of delivery the card is marked with a coloured pencil, a different colour being used for each day of the week. A slip attached to the card is handed with the parcel to the delivery-cart, and the card itself filed as a record. All book-keeping is thus avoided, while a perfect record of the parcel is kept. No receipts are taken from the addressee, the carter's slip being considered sufficient proof that the parcel was duly handed over. As I have already explained, our system has become unnecessarily cumbrous. It is estimated, apart from any general alteration in the policy of the Department, that the substitution of the German card system and the abolition of receipts and other records, except where specially paid for at the usual registered-letter rate, should result in a saving exceeding £1,000 It is recommended that this detail be brought into force forthwith, and that an early opportunity be taken of considering a change in our general policy. I do not propose that any officers should be removed from the parcels-post branch, as the very rapid increase of business now going on should enable the present staff to be absorbed within a short time.

## RURAL DELIVERIES.

Probably no postal question has created more public interest in the United States during the last few years than that of rural deliveries. While the United States at one time lagged considerably behind most other countries in the matter of letter-carriers' deliveries even in fairly populous places, the other extreme has now been reached, and deliveries are being made in more or less sparsely populated country districts. Rural deliveries as arranged comprise, as a rule, delivery into special boxes at cross-roads and other convenient places, and collection from the same boxes. In addition, the schedule of the rural letter-carriers is so arranged that settlers who may attend at the cross-roads can do other postal business with the carrier. The cost of rural deliveries in the United States last year amounted to about £7,000,000. As the system develops it is difficult to estimate what the ultimate cost will amount to. Most of the more populous country districts are now in the enjoyment of rural-delivery facilities, and it is only natural to suppose that sparsely peopled places will gradually be given the same privileges.

Notwithstanding the great cost of the system as compared with the revenue derived, it is contended that the introduction of rural delivery has materially improved the social and economic conditions of rural settlers. It is estimated, for example, that the value of land in rural-delivery districts has risen 35 to 45 per cent. This seems to be a somewhat optimistic estimate, but I was assured by a high official in Washington that his inquiries had proved the estimate to be an