The letters and letter-cards increased 2.59 per cent., post-cards decreased 7.56 per cent., other articles decreased 6.39 per cent., and parcels increased 1.27 per cent.

In 1916, letters and letter-cards increased 1.72 per cent., post-cards decreased 9.36 per cent., other articles decreased 4.27 per cent., and parcels increased 3.30 per cent.

The average number of letters and letter-cards posted per unit of population during 1917 was estimated at 110 27. The average in 1916 was 109 54.

The declared value of parcels received from places outside the Dominion in 1917 was £580,126, as against £668,377 in 1916. The Customs duty amounted to £107,432 15s. 3d. The declared value of parcels despatched to places beyond the Dominion in 1917 was £31,215, as against £39,133 in 1916.

RATES OF POSTAGE FOR PACKETS AND PARCELS.

On the 15th October, 1917, the rates of postage on inland packets (comprising commercial papers, books and printed papers, pattern and sample packets, and unregistered magazines) were amended to ½d. for each 2 oz. or fraction thereof up to 1 lb., and 2d. for each additional 1 lb. up to 5 lb. The inland parcel rates were also altered to 4d. for the first pound and 2d. for each additional pound up to 6 lb., and 1d. for each additional pound up to 28 lb.

In regard to the rates on inland packets, a concession has been given in respect of commercial papers up to 2 oz. in weight, but the postage on inland packets above 12 oz. in weight has been

slightly increased.

The postage-rates on parcels up to 12 lb. in weight have been somewhat increased, but this was found necessary as the cost of handling had absorbed more than the postage collected for some years.

A special rate of 6d. on inland fragile parcels has also become necessary owing to the heavy expenses incurred in the conveyance of all parcels in hampers or boxes. It was found that in the case of light-weight bulky parcels the cost of conveyance far exceeded the postage. All inland parcels on which the "fragile" fee is not paid are now conveyed in bags.

DEAD AND MISSING LETTERS.

There were 6,241 inquiries made during 1917 for postal packets alleged to have been posted and not delivered. In 3,695 of the inquiries—nearly three-fifths of the total number—the investigations made by the Department resulted in the missing articles being traced or accounted These may be summarized as follows:-

Number of Traced Cases.		Result.
831		 Sender responsible for delay.
1,177		 Addressee responsible for delay.
479		 Post Office responsible for delay.
1,208	• •	 No delay, or responsibility not fixed.

Total .. 3,695

The proportion of dead or unclaimed letters, letter-cards, and post-cards to the total number

delivered within the Dominion was 0.51 per cent.

296,472 letters (including letters addressed to soldiers and registered letters) were opened and returned to writers through the Dead Letter Office; 39,413 were returned unopened to other countries; 65,088 (including those addressed to soldiers) were reissued; 39,098 were destroyed; 212,568 were returned by Chief Postmasters to senders within New Zealand; 13,790 were returned by Chief Postmasters to other countries: a total of 666,429 letters, as compared with 630,014 in

8,483 other articles were returned to foreign countries; 2,791 were returned to the senders through the Dead Letter Office, and 86,115 by Chief Postmasters; 13,625 were returned by Chief Postmasters to other countries: a total of 111,014 other articles, as compared with 163,238 in 1916.

14,153 letters were wrongly addressed; 81 letters were discovered to have been posted with previously used stamps; 8,480 unclaimed registered letters were dealt with.

3,858 newspapers and 3,541 books and other articles without addresses were received, many of which were subsequently applied for and delivered.

17,628 newspapers were returned to publishers; 7,661 letters and 1,662 letter-cards were posted without addresses.

293 letters with libellous addresses were intercepted.

PROHIBITED CORRESPONDENCE.

The correspondence of 21 persons or firms was prohibited transmission, under section 28 of the Post and Telegraph Act, 1908. Letters addressed to prohibited persons or firms withheld from delivery during the year numbered 223. Prohibition was withdrawn in the case of 4 persons.

Under the authority of the regulations made under the War Regulations Act, 1914, postal packets were prohibited transmission to 40 persons or firms. Telegrams may not be transmitted to, or money-orders issued in favour of, such persons or firms.

NEWSPAPERS.

Twenty-one newspapers were registered for transmission by post, and 14 were removed from the register. Three magazines were registered, and 1 was removed from the register.