F.—1.

LAND.

Areas of land were acquired for departmental purposes as follow: Hampden, site with building for post-office; Hastings, extension of post-office site; Mamaku, extension of post-office site; Naumai, new site for post-office building; New Plymouth, site for line depot; Thornbury, site for post-office building; while areas of departmental land no longer required were disposed of as follow: Blenheim, portion of storage-site (for street purposes); Cheviot, departmental land; Kamo, portion of postoffice site; Rotorua, portion of post-office site; Tangitu, old post-office site; Urenui, old post-office site; Waiuku, additional portion of old post-office site.

DEPARTMENTAL MOTOR - VEHICLES.

The falling-off in the demand for transport continues. Of forty-three vehicles withdrawn from service only two required to be replaced; and consequently only two new vehicles were purchased

At the end of the year the number of departmental motor-vehicles in commission was 557,

comprising 451 lorries, trucks, and vans, 100 cars, and 6 motor-cycles.

The decrease in transport activity has been reflected in a reduction of over half a million miles in the distance travelled by the fleet during the year; the reduced total being 3,821,131 miles.

POST OFFICE.

INLAND MAIL-SERVICES.

The various services performed under contract in the South Island expired on the 31st December. Some months earlier, action had been taken to invite public tenders for the performance of the services for a further term of three years. In many cases alternative services were advertised with a view to ascertaining the cost entailed in effecting improvements. As a result of the reletting, a saving of approximately £6,500 per annum will be made over the three-year period, in addition to improved facilities being provided in a number of cases. A notable feature in connection with the reletting was the increasing number of services tendered for in "blocks" of two or more. In practically all cases, the prices for the services were very finely cut, due to increased competition. The tendency towards centralization in the larger towns of the commencing-points of services to outlying districts was again in evidence this year.

On the 3rd and 4th April, floods interrupted the Nelson-Westport and Nelson-Blenheim services.

The Westport mails had to be diverted via Christchurch.

In February, slips on the Gisborne-Napier Road as the result of heavy rain delayed mail

communication for a few days.

Exceptionally heavy rain between the 18th and 21st February caused serious floods in South Canterbury. The swelling of the waters of the Pareora and Otaio Rivers resulted in damage to the Pareora Railway-bridge and a washout at an approach to the Otaio Railway-bridge; and, as a result, railway traffic between Pareora and Otaio was completely interrupted from the afternoon of the 20th February until the afternoon of the 25th February. The approaches to the Pareora Road-traffic Bridge were also flooded to a depth of several feet; and there was no access by road across the Pareora River between the afternoon of the 20th February and the evening of the 21st February. On Sunday, the 21st February, the services of seven aeroplanes, which were returning to Christ-church from the Invercargill air pageant, were utilized to convey first-class mail-matter from Dunedin and Oamaru to Christchurch. Four bags of letters were carried from Dunedin; and from Oamaru there were despatched thirty-nine bags of letters, made up principally from mails held there as a result of the dislocation of the railway services. Approximately 13,000 letters, including the whole of the Otago letter-mail for connection with the San Francisco despatch from Wellington on the 23rd February, were conveyed in this way. The aeroplanes reached the Mosgiel aerodrome, near Dunedin, about the middle of the afternoon, on the flight from Invercargill; and, despite unfavourable weather and poor visibility, the machines arrived at Christchurch, via Oamaru, between 7 and 8 p.m. From the 22nd to the 25th February trains from Timaru and Oamaru ran to Pareora and Otaio respectively, and passengers and mails were transferred between these places, a distance of about eight miles, by motor-lorries. As a result of efficient co-operation between Railway and Postal officials, the work of transferring the mails was carried out expeditiously and without damage

The supplementary road mail-service between Invercargill and Dunedin continues in operation.

Formerly performed by departmental officer, the service has now been let to private contract.

A weekly service by the s.s. "Tamatea" has been arranged for the conveyance of mails between Bluff and Half-moon Bay.

RAILWAY TRAVELLING POST-OFFICES: DISCONTINUANCE.

As an economy measure the running of a number of railway travelling post-offices was discontinued during the year. The post-office established on the express train running between Auckland and Paeroa was discontinued on the 1st October; while those established on the routes Wellington-