INTRODUCTION OF REPLY SYSTEM FOR BUSINESS CORRESPONDENCE.

To meet the convenience of the business public, a system known as the "business reply system" was introduced in April enabling firms to pay postage on delivery on correspondence forwarded to them in specially marked envelopes, &c. The system, which covers envelopes, cards, and wrappers, is welcomed by business firms desiring to relieve the addressee of payment of the postage on the reply to a communication issued, and is much preferred to the system of issuing stamped envelopes, many of which were not returned. For the service rendered under the new system, a fee of $\frac{1}{2}$ d. in addition to return postage is collected on each reply envelope, card, or wrapper.

BACK-STAMPING OF LETTERS.

The back-stamping of letters (other than letters for delivery over the counter) has been abolished at all offices in charge of permanent officers of the Department. Previously, exemption from backstamping was granted only to the larger offices.

AUTOMATIC STAMPING-MACHINES.

The agreement between the Department and the Automatic Franking Machine Co. (N.Z.), Ltd., of Christchurch, governing the use in New Zealand of automatic stamping-machines of the fixed type requiring to be read on the premises of the holder at the Department's expense, expired at the end of 1930, and was superseded by one providing that machines issued thereafter be presented at the post-office for payment, in advance, of the charges involved. Machines already on issue were not affected by the decision, and continue to be read on users' premises.

Following the application of the new agreement, the company introduced in January, 1931, a two-value type of machine, known as the "F" model. This machine, which is of New Zealand manufacture, is provided with a detachable meter, which is presented at the post-office as occasion arises for reading and the making of advance payments. The numbers in the dies of the machine

preceded by the letter "F."

At the same time the "Neopost" machine, an appliance of English manufacture with a range of values up to six, was introduced in New Zealand. This machine is portable, and is presented complete at the post-office for setting on payment of a sum in advance. The introduction of the "Neopost" appliance marked the use in New Zealand of an automatic stamping-machine providing not only an impression on correspondence of a stamp representing the charge, but also an advertising slogan, and a postmark showing the town and date of posting. The letter "N" precedes the number in the die face.

In December, 1931, a portable five-value "slogan"-type automatic stamping-machine of New Zealand manufacture was introduced by the Automatic Franking Machine Co.—the "Rotex' "G" model. Like the "Neopost" machine, this appliance requires to be presented at post-offices for the payment of charges in advance. Also like the "Neopost," the machine is fitted with slogan and postmarking attachments. The dies of this machine have the distinctive marking "G."

With the new types of machine and the payment of charges in advance, the making of deposits

in respect of the use of the machines is not required.

Users of the new types of machine are licensed by the Post Office, the form of license setting out

in detail the conditions upon which use of the machines is permitted by the Department.

Correspondence that is postmarked by automatic stamping-machines is required to be handed in over the post-office counter, and must be presented on the date showing in the postmark.

INSPECTION.

During the year 1,362 visits of inspection to post-offices were paid by Inspectors. An audit is made on the occasion of each inspection. Under normal conditions the cash advances held at the various post-offices throughout New Zealand amount to approximately £303,000, while the value of the stamps, postal-notes, and British postal-orders held is £870,000. These figures demonstrate that

frequent audits at post-offices are necessary.

During the year under review a deficiency of approximately £600 was disclosed in the official cash at a certain office as the result of an audit, but in no other instances were serious discrepancies found by Inspectors. It is claimed that, speaking generally, the efficiency of the Department is high, and that this satisfactory state of affairs is due to a considerable extent to the efforts of Inspectors. These officers are specially selected for their ability to act as instructors at the various offices visited by them. It is the Department's aim to maintain a high standard of efficiency, and the obtaining and maintaining of this condition is entrusted to Inspectors. They are also required to see that each office is managed as economically as possible and that a minimum staff only is employed.

BURGLARY OF POST-OFFICE PREMISES, ETC.

An unusually large number of burglaries of post-office premises occurred during the year. Most of the offices entered were situated in store or other buildings not owned by the Department.

Thefts from public call offices (slot telephones) and stamp-vending machines have been common during the year. While these depredations provide a very small monetary gain to the offenders, the machines in almost all cases being penny machines, the expenditure incurred by the Department in restoring the damage caused is not inconsiderable.