

The New Zealand - Australia service was maintained from April to September by the "Wanganella," the "Marama," and the "Monowai," together with the vessels of the Union Royal Mail Line, the Canadian-Australasian Royal Mail Line, and the Matson Line. On the 15th September, the "Awatea," specially built by the Union Steam Ship Co. for the New Zealand - Australia service, left Wellington for Sydney, replacing the "Monowai." On the termination of the Wellington - San Francisco contract service towards the end of the year the vessels of the Union Royal Mail Line were withdrawn from the New Zealand - Australia service also, but the high speed of the "Awatea" enabled this vessel, together with the "Wanganella" and the trans-Pacific liners, to maintain a frequent service in each direction. A service between Bluff and Melbourne was maintained during the year by the "Waitaki," and the "Marama" also operated on this route between October and March.

The service between New Zealand and Suva was maintained by the "Niagara," the "Aorangi," and the "Matua," and the service between New Zealand and Tonga in the early part of the year by the "Port Whangarei" and in the latter part by the "Matua." Since the withdrawal of the Wellington - San Francisco steamers, a monthly service between New Zealand and Rarotonga has been maintained by the "Matua." The service between New Zealand and Western Samoa has been performed by the "Maui Pomare," the "Matua," and the vessels of the Matson Line calling at Pago Pago. A monthly service to Niue was also maintained by the "Maui Pomare."

Since the Wellington - San Francisco contract service was discontinued a monthly service to Tahiti has been maintained via Suva.

AIR MAILS.

INLAND.

In addition to the air-mail services established in March, 1936, between Palmerston North and Dunedin and between Nelson, Blenheim, and Wellington the despatch of air mails was commenced on the 7th December on the service operated by East Coast Airways, Ltd., twice daily between Gisborne and Napier, and on the 23rd February on the thrice-weekly service inaugurated on that date by Cook Strait Airways, Ltd., between Nelson, Greymouth, and Hokitika.

The progressive increase in the number of letters conveyed on the inland air services during the year is shown hereunder:—

June quarter	..	..	..	..	..	..	179,073
September quarter	..	..	..	..	..	..	215,202
December quarter	..	..	..	..	..	..	256,559
March quarter	..	..	..	..	..	..	283,807

On the air parcel-post service inaugurated on the 25th May, 4,274 parcels were conveyed up to the end of the year.

The air-mail contract service between Hokitika, Bruce Bay, Haast, and Okuru was maintained during the year almost without interruption.

AUSTRALIA-LONDON SERVICE.

The Australia-Singapore section of the Australia-London air-mail service was duplicated in May and a twice-weekly service in each direction is now operating over the whole route between Australia and London.

A further acceleration in the service was effected in February by the elimination of surface transport on the Brindisi-Paris section over which the air mails were previously conveyed by train.

On a number of occasions during the year the normal time of seventeen days between New Zealand and Great Britain was exceeded owing to delays which occurred through unforeseen circumstances. The average time taken by mails despatched to Great Britain was slightly over eighteen days.

New Zealand mails for Great Britain were delayed when the flying boat "Scipio" crashed in the sea near Crete on the 21st August. The mails were recovered, but suffered some damage from seawater.

Of the twelve bags of New Zealand mail despatched from Great Britain on the 23rd September two were destroyed when the aeroplane "Athena" caught fire at Delhi on the 29th September. Although a considerable number of the letters contained in the salvaged bags were damaged by fire, it was possible in the majority of cases to effect delivery to the addressees.

The number of letters forwarded from New Zealand for despatch by the Australia-London service has increased considerably, as the following comparative table shows:—

	Number of Letters.	
	1935-36.	1936-37.
June quarter	35,031	49,933
September quarter	30,459	48,455
December quarter	36,520	75,369
March quarter	35,894	70,780