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TWENTY-FOURTH REPORT
OF
THE POSTMASTER GENERAL,
ON
THE POST OFFICE.

Presented to both Houses of Parliament by Command of Her Majesty.



LONDON:
PRINTED BY GEORGE E. EYRE AND WILLIAM SPOTTISWOODE,
PRINTERS TO THE QUEEN'S MOST EXCELLENT MAJESTY.
FOR HER MAJESTY'S STATIONERY OFFICE.

1878.

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TWENTY-FOURTH REPORT.

TO THE RIGHT HONOURABLE THE LORDS COMMISSIONERS OF HER MAJESTY'S TREASURY.

MY LORDS,

I HAVE the honour to present to your Lordships the Twenty-fourth Report on the Post Office; being that for the financial year ended the 31st March 1878.

INLAND SERVICE.

The number of Post Offices established in the year 1877 was 316, raising the total number of offices open in the United Kingdom on the 31st December last to 13,763. Of this total 899 were Head Offices, and 12,864 Sub-Offices. The number of road and railway letter-boxes was increased during the year by the erection of 595 new boxes to 11,319.

Thus the accommodation provided throughout the United Kingdom for the deposit of correspondence in the Post is represented by no less than 25,082 receptacles. In 1867, 10 years ago, the number of receptacles was 17,225, and before the establishment of Penny Postage, in 1840, only little more than 4,500.

The number of postal receptacles in London alone is 1,881.

The works in connexion with the erection of a new building in Queen Victoria Street for the Central Savings Bank have been commenced, and it is hoped that the building may be completed by the end of 1879.

A commodious Branch Office for postal and telegraph business has been opened in Mark Lane, affording greater convenience to the mercantile public in that important district of the City.

Several improved Letter Carriers Sorting Offices have been or are in the course of being provided in the Metropolitan District.

The new Post Offices at Grimsby, Gravesend, Hull, Kilmarnock, Oldham, Rochester, Rotherham, Shrewsbury, Swindon, and Warrington have been completed and occupied.

Arrangements have been authorised, and are in a more or less forward state, for providing new Post Offices at Blackburn, Burnley, Cork, Dudley, Durham, Exeter, Kingstown, Manchester, Middlesborough, Oxford, Queenstown, Reading, St. Helens, Stockton, and Walsall.

The Post Office at Glasgow is in course of re-construction and enlargement.

Arrangements have been made, in the case of those Post Office buildings which are Crown property, for the efficient ventilation of the house drains, and for the complete separation of the supply of water for dietetic use from that provided for cleansing and other purposes.

Measures are also being taken to improve the internal ventilation of several of these buildings by the introduction of perpendicular shaft ventilators, and by other means.

The system of late night or early morning collections from pillar boxes has been extended to the outer suburbs of the North Western, South Western, and Western districts of London, and to some additional provincial towns.

The Midnight Mail from London, formerly due at Liverpool at 9 a.m., now reaches that town at 6 a.m., and is in time for the first delivery instead of the second as previously. About 12,000 letters a week are thus accelerated in their delivery.

The Night Mail from Ireland now reaches Derby, Nottingham, and Leicester about three hours earlier than formerly.

Greater facilities have been provided in the Down Night Mail train for sorting the Glasgow correspondence, so that the first delivery in that city now includes the London letters, which was not before practicable.

The correspondence by this mail is also delivered at 23 places on the outskirts of the city by the first delivery instead of by the second as formerly.

The Service by Mail Cart between Glasgow and Oban has been abandoned, and the Mails between these points are now forwarded over the Callander and Oban Railway as far as Dalmally, and thence by Mail Cart and Coach to Oban. Postal communication with the West Highlands has been much improved by the change.

By the employment of the Ilen Valley Railway the Mail Service between Bantry and Skibbereen and throughout the extensive rural district served by those places has been much improved.

The Up Night Mail train from Londonderry has been accelerated, thereby admitting of the despatch from Derry by that mail being made 35 minutes later than formerly.

A long desired improvement has been made in the winter hours of the Day Mail to Killarney and Tralee, and the Service is now uniform throughout the year.

On the 1st April last the Down Night Mail to Aberystwith, on the Cambrian Railway, was accelerated, and an extensive district served by that Mail has thereby derived important benefit.

On the same date an arrangement came into operation on the Furness Railway, by which a later despatch of the Night Mail from Whitehaven and other towns in Cumberland was obtained.

Earlier delivery in Liverpool of London Midnight Mail.

Earlier arrival of Irish Night Mail at Derby, &c.
Additional sorting facilities in Glasgow Night Mail Train.

Improved communication with Oban and the West Highlands.

Improved communication with Bantry and Skibbereen.

Acceleration of Up Night Mail from Derry.

Improvement of Killarney and Tralee Mail Service.

Acceleration of Down Night Mail to Aberystwith.

Improved service on Furness Railway.

The following railways recently opened have been employed for the conveyance of Mails :—The further portion of the Wigtownshire Railway between Garliestown and Whithorn in Scotland ; the Branch Railway to St. Ives, Cornwall ; the Railway between Gunton and Cromer, in Norfolk.

Additional railways used for conveyance of Mails.

Improvements have been effected in the deliveries at Glasgow, by which correspondence received at the Chief Office up to 3.40 p.m. is delivered in the business parts of the city during business hours.

Improved delivery at Glasgow.

A Week-day Mail Service has been established by steamer between Barrow-in-Furness and Belfast for a payment at ship letter rates, and the accommodation thus afforded is much appreciated at Barrow-in-Furness.

Daily Mail Packet Service between Barrow-in-Furness and Belfast.

A second steamer of Messrs. Burns' Line sails to and from Greenock and Belfast five nights a week, by which a Supplementary Mail is forwarded, admitting of letters for Ireland being posted in Greenock fully an hour later than formerly, and affording additional postal facilities to many places in the North of Ireland.

Supplementary Mail between Greenock and Belfast.

Numerous improvements of a less important kind, which need not be mentioned in detail, have been effected throughout the kingdom.

Minor improvements effected.

Some useful alterations have been made in the apparatus for exchanging bags with the Travelling Post Offices, the object being to prevent damage to the pouches, and to render their exchange less liable to failure.

Improvements in Travelling Post Office apparatus.

The total number of pouches exchanged with Travelling Post Offices throughout the Kingdom in 24 hours is now 1,070 :—550 pouches being delivered and 520 received. The number of pouches daily exchanged last year was 999.

Pouches exchanged with Travelling Post Offices.

The past winter having proved unusually mild and dry, the postal service throughout the Kingdom suffered little or no interruption from rain or frost.

Mildness of winter season.

Several officers of the Railway Post Offices were either injured or much shaken, on the occasions of collisions which happened to the trains by which they were travelling.

Accidents to officers of Travelling Post Offices.

I regret having to report the following sad cases of death. On the evening of Christmas Day last a rural messenger at Bannow, in Ireland, while returning from his journey along a narrow path flanked on each side by a deep ditch, is believed to have been tripped up by a root of furze, and being precipitated into one of the ditches was unfortunately drowned. In another case a messenger at Loch Carron, in Scotland, being unable to take his usual route, over a hill 2,000 feet high, on account of a heavy fall of snow, proceeded by water to complete his journey, but the boat which he had engaged capsized, and both the messenger and two other persons who accompanied him were drowned. In the third case a rural messenger was delivering letters at a farmhouse, when he was severely bitten by a retriever dog, and died six weeks afterwards, from tetanus.

Sad cases of death.

LETTERS, POST CARDS, BOOK PACKETS, NEWSPAPERS, &c.*

Returns of
letters, &c.

The following table shows the estimated number of Letters, Post Cards, Book Packets, Newspapers, &c. which passed through the Post during the year ended the 31st of March 1878, as also the rate of increase on the year ended the 31st December 1876, together with the proportion of letters to population :—

	No. of Letters.	Increase per cent. on No. in 1876.	No. of Post Cards.	Increase per cent. on No. in 1876.	No. of Book Packets, Newspapers, and Circulars.	Increase per cent. on No. in 1876.	Total No.	Increase per cent. on No. in 1876.	No. of Letters per head.
	(a.)		(b.)		(c.)		(d.)		
England and Wales.	883,968,700	3·3	86,051,500	9·7	255,924,000	5·8	1,225,944,200	4·2	36
Ireland - -	74,248,200	3·4	5,118,300	4·8	25,714,700	6·5	105,081,300	4·2	14
Scotland - -	99,515,300	9·2	11,067,500	14·8	36,219,900	10·5	146,802,700	9·9	28
United Kingdom	1,057,732,300	3·8	102,237,300	10·0	317,858,600	6·4	1,477,823,200	4·7	32

The number of newspapers alone, included in the total set forth in column (c) of the above table, is estimated at 128,558,000. Taking the correspondence of all kinds together, the figures for the year 1877-8 show an increase on the figures for 1876 of 4·7 per cent.

Correspon-
dence ex-
changed with
European
countries.

The number of letters, &c. forwarded to and received from European countries and Egypt in 1877, is stated in Appendix A., where it will be seen that the number of letters, &c. received from and forwarded to the countries in question was 24,947,900 and 30,257,900 respectively, or an excess of exports above imports of 5,310,000. This Appendix also exhibits a comparison of the total correspondence exchanged with those countries in the three years during which the provisions of the Postal Union Treaty have been in force, whereby it appears that the yearly rate of increase in letters, &c. received has been 11·6 and 9·8 per cent., and in letters, &c. despatched 11·5 and 16·1 per cent.

Registered
Letters.

The number of letters registered in the United Kingdom during the years ended the 31st December 1876 and 1877, was as follows, viz. :

	Registered and Official Remittance Letters.			Registered Letters only.		
	1876.	1877.	Increase per cent.	1876.	1877.	Increase per cent.
England and Wales:						
Country Offices -	2,699,477	2,765,094	2·4	2,352,926	2,378,973	1·1
London District -	1,606,403	1,641,975	2·2	1,251,308	1,284,716	2·6
Scotland - -	426,970	463,691	8·7	351,510	373,915	6·5
Ireland - -	362,266	376,133	3·8	271,497	278,443	2·5
Total -	5,095,116	5,246,893	2·9	4,227,241	4,316,047	2·1

* See also Appendices A. and B.

On the 1st January last some important changes were made in the system of registration for letters, and the fee was at the same time reduced from 4d. to 2d. During the first three months of the change a considerable increase took place in the number of letters registered, as shown by the figures in the subjoined table. That part of the arrangement under which country letter carriers now collect registered letters for transmission is reported to work satisfactorily. In one case a rural letter carrier registered on his walk, in the first quarter of the present year 50 letters, while sometimes not a single letter had been previously registered over the same area during a like period.

Changes in system of registration, and reduction of fee.

STATEMENT showing the estimated increase in ordinary Registered Letter business consequent upon the introduction of the New System of Registration.

				1877.	1878.	Increase per cent.
				Estimate for one Quarter.	First Quarter.	
England and Wales:						
Country Offices	-	-		594,743	866,363	45·6
London District	-	-		321,179	393,747	22·5
Scotland	-	-	-	93,479	112,044	19·8
Ireland	-	-	-	69,611	97,256	39·7
Total	-	-	-	*1,079,012	*1,469,410	36·2

* These numbers do not include official registered and remittance letters.

In the Report for 1877 it was shown that Returned Letter Offices had been established in five of the largest provincial towns, in addition to the Chief Offices in London, Edinburgh, and Dublin. Provincial Returned Letter Offices.

This improvement in the system has been further extended during the past year by the establishment of two more Returned Letter Offices, so that letters which cannot be delivered are now returned to their writers with the least possible detention, from no fewer than 172 towns, an arrangement which must have the effect of saving much unnecessary annoyance.

As opportunities offer, I propose to complete the system, so that all needless delay may be avoided.

The total number of letters sent during the year to the Returned Letter Offices, together with those returned to the writers direct from the London District Offices, under an arrangement about to be described, was 4,873,625. Compared with the number for the preceding twelve months that figure

Returned letters.

shows an increase of 161,615. The proportion of letters sent to the Returned Letter Offices out of the whole number transmitted was as 1 to 217. It was found possible to return to the writers, or to re-issue to corrected addresses, about nine-tenths of the whole number received.

Letters, &c.
returned to
the senders
without pass-
ing through
the Returned
Letter Office.

Taking advantage of the information afforded by the covers, the experiment has been tried of returning to the senders, direct from the principal offices in the London District, without passing through the Returned Letter Office, all letters, book packets, &c., which have the senders' names and addresses stated upon them. The experiment has worked satisfactorily; and as it is desirable that letters, &c. which cannot be delivered to the addressees should again reach the hands of the senders without delay, the public would greatly assist the Department in that aim by more generally printing their names and addresses upon their covers.

Unaddressed
letters.

Nearly 28,500 letters were posted without addresses, being an estimated increase of 2,000 on the figures for the preceding 12 months; 757 of these letters were found to contain in the aggregate 214*l.* 12*s.* 5*d.* in cash and bank notes, and 9,088*l.* 11*s.* 11*d.* in bills of exchange, cheques, &c.

Newspapers
for places
abroad insuffi-
ciently pre-
paid.

The number of newspapers detained for insufficient postage shows a considerable increase, the number being about 1,800 per month in excess of the figures for the previous year.

Loose postage
stamps.

52,856 postage stamps were found loose in the different post offices, having, no doubt, in many instances, been insecurely affixed to letters, &c. by the senders.

Articles found
without covers.

No less than 12,525 miscellaneous articles reached the Returned Letter Offices without covers or addresses. Although in some cases the covers may have become detached owing to exceptional circumstances, the great majority of the cases are to be attributed to the use of flimsy covers wholly unsuitable for the purpose.

Number of
public in-
quiries.

The number of inquiries dealt with during the year in the Returned Letter Office in London was over 91,000.

Additional
correspondence
at Christmas,
&c.

During last Christmas and New Year's season, the number of letters, &c. which passed through the Inland Branch of the General Post Office, in excess of the ordinary correspondence, is estimated at 4,500,000. A large portion of this additional matter reached the Chief Office on Christmas morning. About 1,000 extra bags had to be brought into use.

At Christmas, and also on St. Valentine's Day, 40 hand-carts were employed in Liverpool to facilitate the deliveries in 40 of the busiest districts of that town, a messenger in each case propelling the hand-cart, while the letter carrier effected the delivery of the contents. It would have been impossible in some cases for the letter carriers to carry the weight of correspondence which fell to their share in the general distribution.

Weight of
Mails passing
through the
General Post
Office.

The average total weight of Mails received daily at the Chief Office, St. Martins-le-Grand, is 23 tons, and of Mails despatched 43 tons. On heavy mail days those weights may be taken at

26 tons and 53 tons respectively. The great disparity between the weight of mails outwards and inwards is partly due to the fact that London issues far more correspondence than it receives; and partly to the circumstance that a larger proportion of correspondence is sent from the Travelling Post Offices direct to the District Offices, without passing through the Chief Office, than is received by the Travelling Post Offices from the District Offices.

The average number of bags despatched daily from the Chief Office is 5,872, and the number of bags received 5,573.

Number of
Bags dealt
with in Chief
Office.

On the occasion of the wreck of the "European," one of the fleet of the Union Steamship Company, in December last, off Ushant, the Mails from the Cape of Good Hope were recovered, but not without serious damage through saturation with sea water. One of the Registered letter bags from Cape Town, on being opened in the Chief Office in London, proved to contain several large packets of diamonds, the addresses on which had been destroyed by the action of the water, and about 7 lbs. weight of loose diamonds, which had evidently escaped from covers wholly or partially mutilated, and found in pulp at the bottom of the bag.

Wreck of the
Cape Mail
Steamer
"European."

Every possible endeavour was used by the Officers of the Department to discover the rightful owners of those packets which were nearly intact, and with such success that they were all, with very little delay, duly delivered. After very great trouble and much correspondence, the whole of the persons for whom the loose diamonds were intended, were, it is believed, ascertained. The diamonds were valued by an experienced broker, and sold, the amount realized, viz., 19,000*l.*, being sufficient to satisfy the several claimants to such an extent that not a single complaint was heard.

Frequent robberies of letters having taken place from letter boxes affixed to the doors of offices and private houses in Liverpool, it was thought right to call attention to the construction of the boxes in those cases where they did not seem to afford ordinary security. I am glad to know that when such notice has been given the insecure box has generally been superseded by one of better construction.

Thefts from
door letter
boxes.

The number of Registered Letters containing coin or jewelry which were returned to the Countries of Origin as contravening the regulations of the Postal Union was 441, as against 437 returned in the year 1876.

Registered
letters returned
to country of
origin.

In consequence of representations made to the Department that a want existed for a system under which receipts might be obtained by the senders for ordinary letters handed to the post for transmission, such a system has been experimentally tried at Liverpool, and at some other towns, but with results which can hardly be deemed satisfactory to its advocates.

Certificates of
posting.

Although the charge for a "certificate of posting" was only one halfpenny, the average daily number of certificates granted

at Liverpool for letters posted prior to the 1st January was 27. In the month of January, when the reduced registered letter fee came into operation, the average daily number fell to 21, and in March it further declined to 14. The result seems to show that the alleged want was not general, and that such want as did exist has been partially met by the reduction of the registered letter fee.

Articles passing through the post.

The Post Office continues to be used as a means of transmitting articles of almost every variety from one part of the country to another. The following articles, amongst others, were observed during the year : a dormouse, four white mice, two goldfinches, a lizard, and a blind worm, all alive ; cutlery, medicine, varnish, ointments, perfumery, articles of dress, a stoat, a squirrel, fish, leeches, frogs, beetles, caterpillars, and vegetables. Many of these being prohibited articles were sent to the Returned Letter Office.

Snakes in the Post Office.

A snake, about a yard in length, which had been committed to the post for transmission in a box, was observed to be at large on the floor of one of the Night Mail sorting carriages on the London and North-western Railway. After a good deal of confusion and interruption to the work, it was killed.

A small box which reached the Returned Letter Office in Liverpool, was found, on being opened, to contain eight living snakes.

Loose cheque found in a pillar box.

A cheque for 9*l.* 15*s.* was found loose in a Pillar Letter-box in Birmingham, but the owner, who was traced through the bank, was unable to explain in any way how it had got out of his possession.

Insecure means of remitting money.

Though convenient and secure means are provided by the Post Office for the remittance of small sums of money, the public, either through ignorance or from a desire to save the commission for a money order, or the fee for registration, sometimes send remittances by means which involve great risk. In one case two sovereigns were found within the folds of a newspaper addressed to a person in Ireland, yet there was no writing upon the paper to show why or by whom the money had been sent.

Letters, &c. accidentally carried abroad.

It occasionally happens that letters and post cards, which are intended for transmission merely from one part of the United Kingdom to another, are returned to this country from abroad, after having been conveyed thither in newspapers, within the folds of which they had accidentally slipped during transit.

Letters posted outside a pillar-box.

Two letters were observed to be forced behind the plate which indicates the hours of collection affixed to a Pillar Letter-box in Liverpool, where it is presumed they had been placed by the sender under the idea that he was posting them.

Groundless complaints against the Post Office.

Instances are not uncommon of the alleged failure of post letters to reach the addresses, when the letters have been delivered, but have subsequently been lost or mislaid. In one such case, the letter having fallen from the addressee's letter-box on to the hall floor, is stated to have been taken away by a dog and buried in some straw where it was afterwards found. In

other cases the letters have been found sticking in the house letter box, placed between the leaves of books, or consigned to drawers, and have thus been overlooked. Owing to similar acts of neglect or oversight on the part of the writers, letters are frequently reported to have failed in transmission which had never been posted.

Complaint having been made last year that certain letters which ought to have reached a bookseller in a country town had not been received, it was concluded, after inquiry, that they had been duly delivered, but had subsequently been withdrawn from under the street door, which was furnished with a slit to receive letters, but without a box to retain them. During recent alterations in the shop, however, when it was necessary to remove the flooring under the window, the discovery was made of 31 letters, six post cards, and three newspapers, which had been carried thither by rats. The corners of the letters, &c. bearing the stamps were nibbled away, leaving no doubt that the gum upon the labels was the inducement to the theft. Several of the letters contained Cheques and Money Orders. Letters stolen by rats.

The Department not only takes much trouble to investigate cases of irregularity, of which definite particulars can be given, but it has frequently to enter into correspondence with persons who seem to have no clear idea of the grounds upon which they make their complaints. A person having stated that his newspapers were not delivered regularly was requested to answer certain questions on the subject, and the following is the result:— Complaints made on insufficient grounds.

Question.	Answer.
Title and date of newspaper	- Don't know.
Whether posted within eight days from the date of publication? - - - }	Don't know.
How many papers were there in the packet? - - }	One.
Was each newspaper under 4 oz. in weight? - - }	Don't know.
Where posted, when, and at what hour? - - }	Don't know.
By whom posted - -	- Don't know.
Amount of postage paid, and in what manner paid? - }	Don't know.

Of course, where no certain information can be given, satisfactory inquiry cannot be made.

The following specimens of applications addressed to the Department by persons both at home and abroad show that in some quarters a very vague notion exists as to the scope of postal operations:— Curious applications.

Dear Sir,

May 1877

"I write to ask you for some information about finding out persons who are missing—I want to find out my mother and sisters who are in Melbourne in Australia i believe—if you would find them out for me please let me know by return of post and also your charge at the lowest.

"Yours &c."

"Sir,

" May 1877.

"As I have no correspondent in London at present I adopt this plan of procuring one that I can transact business through—the matter I wish to call your attention to is this. To the estate of—— and the——heirs—The papers were sent here once but have been lost.

"——died in London about 45 years ago and left a large estate of which my client's interest would be about seventy-five thousand dollars at the time of his death. Will you please inform me what it is necessary for us to do in the matter in full.

"I am &c."

"My Lords and Gentlemen,

" June 20 1877.

"I humbly beg your consideration if there is no law to stop persons from calling all manner of bad names day after day as it is annoying me very much in my calling as a Gardener & Seedsman; as I have applied to the office at——for a summons for a little protection and they tell not, so i think it rather too hard for me as i have done all the good I have had the means to do with to the Hospitals and Institutions and all charityable purposes both in——and elsewhere if needed, but i suffer from lameness with a ulcerated leg not being able for laborious hard work although i wish to do as i would be done by. Please to answer this at your leisure."

Sir,

8 Sep 1877.

"Will you do me the favour of dropping me a line to say if you know of an Herbalist or Greengrocer that could send me a parcel of Mithridate Mustard—It grows at Hatfield by the river side and in the street of Peckham on the Surrey side. As I am a stranger, if you will kindly see if you can get any one to send it me I will send a post office order or stamps for what it will cost before they start it by train; or if you will get it I will send it to you. I will send you some partridges for your trouble if you will kindly let me know. It dont grow in any part of ——shire that I am aware of—We have the common hedge mustard growing here but that wont do what the gentleman wants it for."

"Sir, "Switzerland,
"3 Oct 1877.
"You will excuse me of the liberty which I take to write
"to you, but as I know nobody in your town, I have not found
"an other way for find relations with some body honourable.
"I will ask you if you can procure me a place in the English
"Colonies or plantations as teacher in an institution or tutor in
"a good family. I am old of 22 years. I have gone a good
"course of study in the college and the gymnasium in ———,
"and I have held during a 1½ year in the pensionnat ——— an
"place as teacher of French language and Mathematics. I can
"give you some good Certificates; I speak French, German and
"a little English. I should wish for be entirely defrayed of the
"charges of lodging, nourishment &c., to have a good salary and
"the voyage paid. These are my conditions; perhaps will you
"found something for satisfy them—I will give you a commission
"proportionably to the importance of the place. I hope Sir a
"favorable answer, and it is in this expectation that I am &c."

"Sir— "——— School.
"Nov 8. 1877.
"Not having received the live bullfinch mentioned by you
"as having arrived at the Returned Letter Office two days ago,
"having been posted as a letter contrary to the regulations of
"the Postal System, I now write to ask you to have the bird
"fed and forwarded at once to ———, and to apply for
"all fines and expenses to ———. If this is not done, and
"I do not receive the bird before the end of the week, I shall
"write to the Postmaster General, who is a very intimate friend
"of my father's, and ask him to see that measures are taken
"against you for neglect. This is not an idle threat, so you will
"oblige by following the above instructions."

"Dear Sir, "Wales
"Nov 12, 1877.
"I am taking the liberty of writeing you those few lines
"as I am given to understand that you do want men in New
"South Wales, and I am a Smith by Trade, a single man. My
"age is 24 next birthday. I shoold be verry thankfull if you
"wood be so kind and send all the particulars by return."

"Sir, "London,
"Nov 5—1877.
"i right to you and request of you sinsearly for to help
"me to find out my husband. i ham quite a stranger in London,
"only two months left Ireland—i can find know trace of my
"husband—Your the only gentleman that I know that can

“ help me to find him. thears is letters goes to him to ———
 “ in his name and thears is letters comes to him to the ———
 “ Post Office for him—Sir you may be sure that i ham low in
 “ spirit in a strange contry without a friend. I hope you will
 “ be so kind as not to forget me. Sir, I would never find——
 “ for I would go astray, besides i have no money.”

“ Tennessee

Oct. 4. 1877.

‘ Dear Sir,

“ I want you to do me a kines to hand this to some good
 “ watch maker and tell him to see if I can by a instrument to
 “ tell where gold or silver is in the ground or if there is a
 “ instrument maid to find mettel—gold or silver—that are in
 “ the ground. If it will attrack it—A instrument for that
 “ perpos—I understand there are sutch a thing made. If so, be
 “ pleas tell me where I can by one and what it will cost me—
 “ It can be sent to New York to ——— where I can get it—I
 “ want to get a instrument to hunt gold & silver—You will
 “ pleas write to me as I think if there are sutch a thing maid I
 “ could get one in your country—I send you a stamp.”

“ Indiana U.S.

“ Nov 29 1877.

“ Dear Sir,

“ Enclosed you will please find a letter which I would like
 “ for you to give some young lady or gent—lady preferred—who
 “ you think would like a correspondent in this country. Will
 “ correspond on topics of general interest—For further particulars
 “ glance at enclosed letter as it is not sealed.”

“ To the person in whose hands this message may fall, I would
 “ like a correspondent in your city which I think would be of
 “ interest to each of us in the way of information.

“ My home is in the central part of the United States—my age
 “ is 18—I am a partner in the manufacturing of———. We
 “ are also dealers in —— work. I have travelled all over the
 “ United States and Canada. I can give you any information
 “ you may desire in reference to this country—this must
 “ necessarily be brief. Would like to discuss the habits &
 “ nature of our people—Today is Thanksgiving Day set apart by
 “ our President as a day of thanksgiving for our prosperity &c.;
 “ it is observed annually all over the U.S. It is principally
 “ observed by giving receptions, dinners &c. It is snowing
 “ today; it is the first day of winter we have had—The thermo-
 “ meter is ten above zero. All business is suspended today—
 “ Please state what day you receive this, as I would like to know
 “ how long a letter is on the road—if you do not wish to answer
 “ this please give to some of your friends who will—my address
 “ you will find on the enclosed card.”

" Birmingham
14 Jany 1878.

" We heard in the paper about 12 or 14 months back
" Mary Ann ——— the servant girl at London was dead.
" Please send it to the Printer's office by return of post whether
" their was a small fortune left for ———."

" Springfield Illinois U.S.
1 Jan. 1878.

" Mr. Postmaster if you would be so kind as to seek for
" us work as we are two colored young men of ——— Illinois,
" and would like to come to England and get work as Coachmen
" or race horse trainers, as we have been experance for twelve
" years practicesing training—if any further information about
" it we can be reckemend to any one that wish to hire us,
" pleas to advertise it in the papers for us."

" Kansas
Feb 16—1878.

" Honerad Sir,
" My Grandfather Mr. John ——— made a will on or
" about 22 Oct 18— dated at ———— leaving to his son, my
" Father, £1000, the interest to be paid to him half yearly, the
" prinsaple to be divided among his children at his death. My
" father died on the ——— last leaving myself and one brother
" who wishes you to look up & collect the money for us."

" Sir,
" i rite a Line two see if you hard Enny thing of my
" husband ——— that was left at ——— ill. please will you
" rite back by return of post as we are in great trobble."
" To Controul of the
" Dead Office,
" Newcastle "

" Dec 31 1877

" John ——— acting as Farmer here would be very
" much obliged to the Postmaster at ——— if he would be so
" good as to name a suitable party at ——— to whom he might
" sell a 30 stone pig of good quality well—for he understands it
" is the best place to sell. The pig is now quite ready for
" killing."

" Sir,
" Will you, if you please, let me know if there is such a
" gentelman as Mr. — in ———. i beleave he is a Chirch
" Clurdegman. There is a young man in ——— who has been
" engaged to my sister and he says Mrs ——— at ——— is his
" sister. i should very much like to know, if you will oblige me

" by sending. i thought if Mrs ——— was his sister i would
 " rite and ask for his charctar because he is a stranger to us
 " all.

" please oblige
 " ———."

TELEGRAPHS.*

Development of Service.

The continued depression in trade was not without its effect upon the telegraph business; and, although the number of public messages was larger than in the preceding 12 months, the increase only amounted to 445,640. On the other hand, the interest attached to the progress of the war between Russia and Turkey, and to the negotiations for peace and consequent debates in Parliament, led to a large increase—25 per cent.—in the amount of matter transmitted on behalf of the Press. The Post Office delivered upwards of 250 millions of words of news in the course of the year to various newspapers, clubs, exchanges, and news-rooms in the United Kingdom.

Press Mes- sages.

Number of Offices.

During the year 22 additional Post Offices were opened for the transaction of telegraph business. The number open on the 31st March was 3,756, in addition to which 1,555 railway stations were also open for transacting public telegraph business.

Unprofitable- ness of Orkney and Shetland Telegraphs.

The acquisition by the Post Office of the Orkney and Shetlands Telegraph Company's undertaking has, as I expected, proved unremunerative. During the year ended the 31st March last the receipts amounted to 842*l.*, while the expenditure was 1,474*l.*, the result being a loss of 632*l.*

Increase in number of free Government Messages.

The rapid increase in the number of telegrams forwarded by Government Departments, for which the Post Office receives no payment, has attracted my attention, and I have had communications with several Departments, which will, I believe, result in a very strict supervision being exercised over the character of the telegrams charged to the public. It will be observed by Appendix I. that the value of services rendered under this head, which was 6,300*l.* 17*s.* 9*d.* in 1876-7, amounted to 9,550*l.* 15*s.* 9*d.* in 1877-8, being an increase during the latter year over the former of 50 per cent.

Interruptions through gales.

Two serious interruptions of telegraphic communication were caused in October and November by violent gales; but I am glad to be able to state that the work of repair was accomplished on each occasion with rapidity, and that the inconvenience caused by the interruptions was of short duration.

Private wires.

The number of private wires leased from the Department has been increased during the past year, and on the 31st March last the receipts from this class of business amounted to upwards of 60,000*l.*

* See also Appendices G., H., I., and Q.

The close attention necessary on the part of telegraphists while in the act of receiving messages, in order to interpret accurately the delicate symbols conveyed either to the eye or to the ear, and the nice operations of the instruments by which the symbols are delivered, cannot of course be generally understood; and errors which to the public may occasionally seem gross and inexcusable, are sometimes to be traced to failures of the most trifling kind. The following are illustrations of such mistakes.

A pleasure party telegraphing to some friends, stated that they had "arrived all right," but the message was rendered "we have arrived all tight." The words "right" and "tight" in the Morse Code are as follows:—

<i>r</i>	<i>i</i>	<i>g</i>	<i>h</i>	<i>t</i>
— — — —	— — — —	— — — —	— — — —	— — — —
<i>t</i>	<i>i</i>	<i>g</i>	<i>h</i>	<i>t</i>
— — — —	— — — —	— — — —	— — — —	— — — —

and the error was due to an electrical defect causing the three members of the Morse letter "r" to run together forming the letter "t."

In another case a poor person desiring to state that her daughter was ill wrote on her message "Mary is bad." This was rendered "Mary is dead," the sense being changed by a slight imperfection of spacing, thus—

<i>d</i>	<i>e</i>	<i>a</i>	<i>d</i>
— — — —	— — — —	— — — —	— — — —

instead of—

<i>b</i>	<i>a</i>	<i>d</i>
— — — —	— — — —	— — — —

In a third case, owing to failing signals, possibly from so simple a cause as the intermittent contact of the wire with a wet branch of a tree, or a particle of grit or dust finding its way between the points of the instrument, the import of the message was altogether changed. Thus, "Alfred doing well, enjoyed egg to-day," was received "Alfred dying, enjoyed GG to-day."

But other errors are frequently attributable to the indistinct writing of the senders, and it would aid greatly in expediting transmission, and securing accuracy, if a general improvement were effected in this respect.

MONEY ORDERS.*

The great relative increase which had taken place in the number of orders for sums of small amount, the commission upon which, during the period from 1871 to the 31st December 1877, was insufficient to cover the cost of a Money Order, resulted latterly in the Money Order business being carried on

Revision of
rates of com-
mission.

* See also Appendix J.

at an actual loss of about 10,000*l.* a year. The lower rates of commission were accordingly, with Your Lordships' sanction, revised on the 1st January last, as shown in the following table, viz.:—

Former rates of commission—

For sums under 10 <i>s.</i>	-	-	-	1 <i>d.</i>
„ of 10 <i>s.</i> and under 1 <i>l.</i>	-	-	-	2 <i>d.</i>
„ 1 <i>l.</i> „ 2 <i>l.</i>	-	-	-	3 <i>d.</i>

Present rates of commission—

For sums under 10 <i>s.</i>	-	-	-	2 <i>d.</i>
„ of 10 <i>s.</i> and under 2 <i>l.</i>	-	-	-	3 <i>d.</i>

I have reason to hope that the increase in these rates will have the effect of not only protecting the Department from positive loss, but of producing some profit upon the Money Order business as a whole.

Money Order
Offices.

The number of new Money Order Offices established during the year ended the 31st March last was 221; raising the total number of offices open for Money Order business on that date to 5,719.

Number of
Inland Orders.

The number of Inland Orders issued during the year was 18,368,901, being an increase on the previous 12 months of 545,980, and at the rate of 3·1 per cent. The increase is less marked than that of previous years, but is not unsatisfactory considering the alteration of rates above referred to, and the reduction of the registration fee, which took effect at the same time.

Aggregate
amount of
orders.

The aggregate amount of the orders was 27,870,117*l.*, and their average value 1*l.* 10*s.* 4*d.* Thus the annual decrease in the average value, which has been going on since the year 1873, and to which I adverted in my last Report, still continues, the average value of Money Orders in the year ended the 31st March 1877 having been 1*l.* 10*s.* 10*d.*

Decrease in
average value.

Proportion of
orders to
population.

The average number of Money Orders per 100 persons in the three divisions of the United Kingdom was as follows, viz.:—England and Wales 63·7; Scotland 43·0; Ireland, 22·5. These figures show that the Money Order system continues to grow in favour as a means of remitting sums of money; but, considered in connection with the fact that the average value of the orders decreases, they would appear also to argue that the growth of business is chiefly in connection with remittances of small amount. How far the revised rates of commission, which came into force on the 1st January last, will affect the tendency in question, there has not yet been sufficient time to show.

Number of
Colonial
Orders.

The number of Money Order transactions with the Colonies was 148,436, being an increase of 2,598 upon the figures of last year; but the aggregate value of the Orders exhibits a decrease of 11,192*l.* This is the first year since 1874 that the number of issues in the Colonies has shown an increase on the issues of the preceding year. The number of Orders issued in the United Kingdom on the Colonies continues to increase as hitherto.

The Money Order transactions with foreign countries show a considerable increase in both directions, the number exchanged being 239,200, and the amount 672,492*l.* The remittances from this country show an increase in number of 14,412, and in amount of 26,293*l.*; and the remittances from foreign countries an increase in number of 13,625, and in amount of 33,274*l.*

POST OFFICE SAVINGS BANKS.*

Notwithstanding that various circumstances operated during 1877, in the direction of restricting the power of saving, such as a bad harvest, depression in trade, and disputes between employers and workmen, the business of the Post Office Savings Bank, as exhibited by the figures in Appendix K, shows a satisfactory increase.

The number of additional offices opened for Savings Bank business during 1877 was 220, of which 189 are in England and Wales, 7 in Scotland, and 24 in Ireland; the total number of offices open on the 31st December last being 5,668.

By the closing of the Trustee Savings Banks at Hillsborough, Fermoy, Hampstead, and Fakenham, the number of old Savings Banks was reduced at the close of 1877 to 462. The amount transferred from the four banks named to the Post Office Savings Bank was 34,290*l.*, and transfers by certificate were also made from other Trustee Savings Banks during the year, amounting to 13,781*l.* The total amount thus transferred to the Post Office Savings Bank from old banks during 1877 was 48,071*l.*; while the amount transferred from Post Office Savings Banks to old Savings Banks was 15,165*l.*

The total number of deposits made in 1877 was 3,267,851, and the number of withdrawals 1,252,965; the total amount of the deposits being 9,166,738*l.*, and of the withdrawals 8,083,991*l.*

The average value of the deposits which rose from 2*l.* 16*s.* 1*d.* in 1875, to 2*l.* 16*s.* 9*d.* in 1876, fell again to 2*l.* 16*s.* 1*d.* last year; as regards withdrawals, the average of which gradually increased up till 1875, when it reached 6*l.* 11*s.* 8*d.*, they have slightly decreased in amount during the last two years, the average for 1877 being 6*l.* 9*s.*

The proportion of depositors to population (excluding depositors whose accounts have been carried to the "dormant" ledgers) was 1 to 19 in the United Kingdom, or 1 to 15 in England and Wales, 1 to 74 in Scotland, and 1 to 82 in Ireland.

The interest accrued for the year 1877, and placed to the credit of depositors was 661,459*l.*, being an increase of 42,128*l.*, over that similarly credited for the previous year. The total amount of interest allowed to depositors since the establishment of the Post Office Savings Banks is 5,237,430*l.*

The number of accounts open at the end of 1877 was 1,791,240, as against 1,702,374, showing an accession to the number of depositors during the year of 88,866.

* See also Appendix K.

Sum at credit
of depositors.

The total amount of the balances at the credit of depositors, together with interest accrued at the close of 1877, was 28,740,757*l.*, being an increase of 1,744,207*l.* upon the figures of the previous year.

Average
balance at
credit of
depositors.

The average amount standing at the credit of depositors (excluding the depositors whose accounts have been transferred to the "dormant" ledgers) was 16*l.* 0*s.* 10½*d.*, being an increase of 3*s.* 9*d.* upon the balances at the close of 1876.

Average daily
number of
Deposits.

The average daily number of deposits was 10,679 ; but on the 31st December last, on which day the largest number of deposits was made, there were 25,857, the amount deposited being 83,590*l.*

Per-centage of
deposits and
withdrawals
at offices other
than those at
which the
accounts were
opened.

Of the total number of transactions, deposits and withdrawals, during 1877, 27 per cent. were effected at offices other than those at which the depositors first opened their accounts; but dealing with the withdrawals separately, it is observed that as many as 40½ per cent. of these transactions for the quarter ended the 30th September were effected at other than the original offices. This circumstance points, I think, to the conclusion that depositors fully appreciate the Post Office Savings Bank System which places at the service of the public every one of its offices throughout the Kingdom.

Increase of
deposits
greater in
number than
in amount.

It is worthy of note that while the increase in the number of deposits in 1877 over the number of deposits in 1876 was three times greater than the increase in the latter year over 1875, the increase in the amount deposited in 1877 over 1876 was 14,110*l.* less than the increase in 1876 over 1875. This result is doubtless due chiefly to three causes, viz.: to the depressed and unsettled state of trade, preventing the depositors from making their usual savings, to small deposits being made by children and others influenced by the Penny Bank movement, and to the accession of new depositors, making deposits of small amounts, as a result of the house-to-house distribution of handbills on the subject of Post Office Savings Banks, mentioned in my last report.

FOREIGN AND COLONIAL POSTS.*

Accessions to
Postal Union.

It is satisfactory to find that the advantages of the General Postal Union are extending to distant countries, the accessions to the Union during the year under review comprising Brazil, the Argentine Republic, Japan, and Persia, as well as the Foreign Possessions of Spain, Portugal, Denmark, and Holland.

Egypt ;
abolition of
British Post
Offices.

During the last four years the Egyptian Government has made great improvements in its Postal Service, and has organised an administration which promises to afford all that efficiency and regularity which is so essential in a Department like the Post Office.

Having satisfied myself that due provision had been made for securing to the commercial community as well as to British travellers passing through Egypt the same amount of postal

* For Table of Contracts see Appendix E.

accommodation that they had previously enjoyed, I have not hesitated, at the urgent request of the Government of the Khedive, to close the British Post Offices hitherto maintained in Alexandria and Suez, and to leave the local authorities free to control the postal business of those ports as they have for some time past done in the case of all other parts of Egypt.

An additional weekly Mail to Alexandria has been established for conveyance by Italian Packets sailing from Naples; and that port, instead of Marseilles, is now used for embarking the Mails for Egypt by French Packet; a change which admits of the dispatch of correspondence from London to be conveyed by those steamers, taking place on Wednesday morning instead of on Tuesday evening.

Improved
service with
Egypt.

The arrangements for the conveyance of Mails from this country to the United States have been again the subject of negotiation. Towards the end of last year the owners of the three principal lines of steam vessels engaged in the Transatlantic trade represented to the Post Office that, owing to diminished receipts from other sources, they could no longer consent to carry Mails for the amount of sea postage which had been paid to them for the service during the previous 11 months; the sum thus received not constituting, in their opinion, a fair contribution towards their working expenses, including those incurred through the ships having to wait for the Mails at Queenstown, often for many hours.

Transatlantic
Mail Service.

Finding that it would be impossible to maintain a really efficient Mail Service without their co-operation, I eventually arranged with the Cunard, Inman, and White Star Companies to increase the rate of payment from 2s. 4d. to 4s. a pound for letters, and from 2d. to 4d. a pound for printed papers and patterns; the Companies agreeing, on their side, to make three regular and equal departures in each week from the port of Queenstown. This arrangement, although more expensive than that which had previously existed, had the great advantage of securing to the public the use of the most efficient steam vessels employed in the Transatlantic trade, and has not failed to give general satisfaction. In order to admit of better terms being obtained by the Post Office at some future time, should circumstances become more favourable, the arrangement has been made for one year only, and is thenceforward terminable at six months notice.

I have renewed the contract with Mr. William Cunard for the conveyance of Mails between Halifax, Bermuda, and St. Thomas on somewhat reduced terms and subject to short notice of termination. This service, however, is maintained less for Post Office purposes than for affording the means of keeping up a regular communication between the several points embraced within the command of the senior officer on the North American and West Indian Naval Station; and I am glad that on this ground Your Lordships have agreed that the greater portion of the Mail subsidy shall as soon as possible be provided by other public departments.

Halifax, Ber-
muda, and St.
Thomas Mails.

**Dover and
Calais Mail
Service.**

I have also renewed the contract with the South Eastern and London, Chatham, and Dover Railway Companies for the conveyance of the Mails between Dover and Calais. The service was advertised, as usual, for public competition, but no tenders being received from any other persons, the Post Office has been obliged to yield to a moderate demand on the part of the two Railway Companies for an increased subsidy. In agreeing to these higher terms the Post Office has had the satisfaction of believing that, judging from past experience, the service will be well performed.

**Pacific Mail
Service.**

The contract with the Pacific Steam Navigation Company for the conveyance of Mails from this country to the West Coast of South America has been renewed from the 1st July 1878 on greatly reduced terms, and in anticipation that Chili and perhaps some of the other states of South America will shortly apply for admission into the General Postal Union, I have agreed with the Pacific Company for the conveyance of the outward Mails only, leaving the countries on the other side to provide for the conveyance of their Mails to England.

**Brazil and
River Plate.**

In view of the reduced rates of postage recently adopted for letters to Brazil and the Argentine Republic, the Royal Mail Steam Packet Company has agreed to a reduction in the remuneration it receives for the conveyance of Mails by its Brazil line of steamers.

**East and West
India Mail
Services**

The period having arrived at which notice could be given by this Department to terminate the present contracts for the East and West India Mail Services, I have given the necessary notices to the two Companies concerned. The contract with the Peninsular and Oriental Steam Navigation Company for the East India China, and Japan Mail Services will terminate on the 31st January 1880, and that with the Royal Mail Steam Packet Company for the West India Mail Service will terminate on the 31st December 1879.

The question as to the maintenance of these services after the expiration of the existing contracts is now under consideration.

STAFF.***Number of
officers.**

The total number of officers in the service of the Post Office Department on the 31st December last was 45,506, being an increase of 482 on the figures for the previous year. Of that number 11,473 are employed exclusively on telegraph work.

There are 13,763 postmasters; 10,000 clerks; and 21,000 letter-carriers, sorters, and messengers.

The staff employed in London alone is 10,665, of which 5,800 are attached to the Chief Offices in St. Martin's-le-Grand.

**Health of
Officers.**

The report of the Chief Medical Officer of the Department, Dr. Waller Lewis, shows that the rate of mortality among the officers in London during the year 1877 was about the same as that in

* See also Appendix N.

the two years immediately preceding, being something less than 5 per 1,000. That the death rate among the officers of the Department in London should continue at so low a figure during a period of three years is highly satisfactory.

The average age of the officers who died during the year was 29.

Of the 46 deaths which occurred, 16 were due to affections of the lungs, two to typhoid fever, and two to heart disease. The deaths from pulmonary affections were in a lower proportion than usual, a consequence probably of the absence of severe cold during the year. This circumstance may likewise have contributed to the very low rate of mortality. Still the year was marked by rather more than the usual amount of sickness.

There were 57 cases of zymotic disease during the year, including 34 of small-pox, 14 of scarlet fever, and eight of typhoid fever.

The number of pensioned Metropolitan officers living on the 31st December last was 808, and their average age was 57½. Superannuated Officers. Twenty died during the year, whose ages averaged 64.

Not only has the conduct of the officers generally throughout the country been good, but I have had gratifying reports from several quarters of improvement in the moral tone of the Officers and of a tendency to greater sobriety. Conduct of Officers.

POST OFFICE ANNUITIES AND LIFE ASSURANCES.*

There has been a slight increase in these branches of business during the past year, but the progress made is slow, and the subject does not call for special remark. Progress.

INLAND REVENUE LICENCES† AND RECEIPT STAMPS.

The number of licences issued on behalf of the Inland Revenue Department during the year 1877-78 was 1,210,483, being an increase of 80,242 upon the number issued in the preceding year. Increase in number of Licences issued. The amount collected was 482,700*l.* 7*s.* Of the whole number of licences issued, 930,056 were for dogs, showing an increase in this class of licences of 82,447. There was a decrease of 4,152 in the number of licences for male servants.

In the year ended the 31st March last the sales of receipt stamps by the Post Office for the Inland Revenue Department amounted to 205,000*l.* The increase in this branch of business has been very rapid, the value of receipt stamps sold by the Post Office in the year 1874-75 having been only about 106,000*l.* Receipt Stamps.

* For details see Appendix L.

† " " " " M.

REVENUE AND EXPENDITURE.

I.—POSTAGE AND MONEY ORDERS.*

Gross revenue. The total postal revenue for the year 1877–8 was 6,047,000*l.*, as compared with 6,017,000*l.* for 1876–7, there being an increase amounting to 30,000*l.* The change in the mode of preparing the Australian accounts referred to in my last report, and which brought about an unduly favourable aspect of the revenue of the year to the 31st March 1877, has had its re-action upon the revenue for 1877–8, causing the increase of revenue to appear less than it would otherwise have been.

Expenditure. The expenditure for the year 1877–8 was 3,991,000*l.*, which as compared with that for the preceding year, shows a decrease of 79,000*l.*; the decrease being more than accounted for by savings under altered arrangements made for the conveyance of the American and African Mails.

Chief items of expense. The chief items of expense were 2,117,000*l.* for salaries, wages, pensions, &c.; 679,000*l.* for conveyance by mail packets and private ships; 692,000*l.* for conveyance by railway; 173,000*l.* for conveyance by coaches, carts, and omnibuses; and 180,000*l.* for buildings, repairs, &c.

As compared with the figures for 1876–7, these items exhibit an increase of 71,000*l.* for salaries, wages, &c.; of 8,000*l.* for conveyance by railway; of 2,000*l.* for conveyance by coaches, &c.; and a decrease of 101,000*l.* for conveyance by mail packets and private ships; and of 26,000*l.* for buildings, &c.

The total expense of conveying correspondence, however, has been reduced by the sum of 32,565*l.*, being the estimated cost of conveying the correspondence of the Post Office Savings Banks, which has been made a charge upon the funds of these banks for the first time since the year ended 31st March 1868.

Net revenue. The net revenue for 1877–8, which was 2,057,000*l.*, shows an increase of 110,000*l.* upon that of the previous year.

If the several departments of Government had been charged with postage, both the gross and net revenue from postage would have been increased by 103,000*l.*

II.—TELEGRAPHS.†

Revenue. The gross earnings of the Telegraph Service in the year ended the 31st March 1878 amounted to 1,333,542*l.*, as compared with 1,313,107*l.*, the amount of the gross earnings in the previous financial year, the increase being 20,435*l.*

Work was performed for other Government departments without payment, to the value of 17,417*l.*

Expenditure. The expenditure in the year ended 31st March 1878, amounted to 1,164,000*l.*, as compared with 1,124,000*l.* in the preceding

* For details see Appendices O. and P.

† " " Appendix Q.

financial year, the increase being 40,000*l*. This increase was, however, due rather to fluctuation of some of the charges than to actual increase of expenditure, which was very small.

The true financial results of the telegraph business for the year will be exhibited in the profit and loss accounts to be presented shortly to Parliament.

III.—POST OFFICE SAVINGS BANKS.*

The number of deposits and withdrawals effected in 1877 was *Progress.* larger than in any previous year, being 3,267,851 and 1,252,965 respectively.

Since the establishment of the Post Office Savings Banks, 5,335,978 accounts have been opened and 3,544,738 closed, leaving 1,791,240 accounts remaining open on the 31st December 1877. In the year 1877, 21,779 accounts were transferred to Dormant Ledgers, by which number the open accounts have been diminished. The total amount deposited from the commencement, inclusive of interest credited to depositors, was in round figures 100,827,000*l*.; and the amount withdrawn 72,087,000*l*.; leaving a balance remaining on deposit on the 31st December 1877 of 28,740,000*l*.

The assets belonging to the Post Office Savings Banks at the *Profit.* close of the year 1877 amounted to 1,070,000*l*., which is less than the relative amount for the previous year; but the assets for 1877 have been diminished by the payment into the Exchequer (under Act 40 Vict. c. 13. Sec. 14), of 126,279*l*. 14*s*. 11*d*. being the excess of interest accrued to the Post Office Savings Banks Fund, during the previous year, as shown in a return prepared by the National Debt Commissioners. (See Parliamentary Paper No. 334 for 1877.)

The average cost of a Post Office Savings Bank transaction,— *Average cost per transaction.* i.e., a deposit or a withdrawal,—in the year 1877 was 8 $\frac{1}{10}$ *d*.; but, for the whole period of the existence of the Post Office Savings Banks, the cost per transaction has been 6 $\frac{1}{2}$ *d*. The cause of the increased cost in the year 1877 is the addition of the cost of conveying correspondence to the expenses of the banks, which had not been previously charged since 31st March 1868.

I have the honour to be,

My Lords,

Your Lordships' obedient humble Servant,

JOHN MANNERS.

General Post Office,
14th August 1878.

* For details see Appendix K.

APPENDIX (A.)

Letters Delivered.

ESTIMATED NUMBER of Chargeable Letters delivered in the United Kingdom in the year immediately preceding the first General Reduction of Postage on the 5th day of December 1839, and in the years subsequent thereto; also (in the first year) the number of Franks.

Year ending 31st December, until 1876, and thereafter the Financial Year.	Delivered in England and Wales.				Total in England and Wales.		Total in Ireland.		Total in United Kingdom.		Average number to each person.	
	By Country Offices.	Increase per cent. per annum.	In London District, including Local Letters.	Increase per cent. per annum.	Total in England and Wales.	Increase per cent. per annum.	Average number to each person.	Total in Ireland.	Increase per cent. per annum.	Average number to each person.	Total in United Kingdom.	Increase per cent. per annum.
Estimated No. of Letters, 1839 -	-	-	-	-	60,000,000	-	4	8,000,000	-	1	78,000,000	-
Estimated No. of Franks, 1839 -	-	-	-	-	5,172,000	-	3	1,055,000	-	1	6,583,000	-
Estimated No. of Letters, 1840 -	88,000,000	-	44,000,000	-	132,000,000	120.0	8	18,000,000	119.2	2	169,000,000	122.2
Average of 5 years, 1841-45 -	122,000,000	10.7	57,000,000	9.0	179,000,000	10.2	11	24,000,000	9.5	3	227,000,000	10.0
" " 1846-50 -	180,000,000	5.5	79,000,000	5.5	259,000,000	5.2	15	34,000,000	5.0	4	327,000,000	5.0
" " 1851-55 -	233,000,000	6.5	97,000,000	5.0	330,000,000	6.0	18	39,000,000	3.5	6	410,000,000	5.7
" " 1856-60 -	302,000,000	4.2	125,000,000	5.5	427,000,000	4.5	22	45,000,000	3.0	7	523,000,000	4.2
" " 1861-65 -	373,000,000	5.7	161,000,000	5.7	534,000,000	5.7	29	53,000,000	3.2	9	646,000,000	5.5
" " 1866-70 -	472,000,000	4.2	192,000,000	3.2	664,000,000	4.0	31	60,000,000	3.2	11	800,000,000	4.0
Year 1871 -	501,000,000	0.5	220,000,000	7.0	721,000,000	2.5	33	66,000,000	3.0	13	867,000,000	2.3
" 1872 -	510,000,000	1.7	237,000,000	3.0	757,000,000	2.2	32	68,000,000	-	13	885,000,000	2.0
" 1873 -	518,000,000	1.5	238,000,000	5.0	756,000,000	2.5	32	68,000,000	1.5	13	907,000,000	2.5
" 1874 -	553,573,100	6.8	250,474,000	5.0	804,053,100	6.5	33	73,254,500	8.8	14	967,503,300	6.7
" 1875 -	530,061,400	4.8	203,771,000	6.5	846,352,400	5.3	35	70,563,500	0.8	13	1,008,392,100	4.2
" 1876 -	564,513,600	2.5	261,252,800	-	865,042,400	1.1	35	71,792,100	1.7	13	1,018,965,200	1.0
" 1877-8 -	568,773,000	0.7	285,192,700	9.0	883,968,700	3.3	36	74,243,200	3.4	14	1,057,752,300	3.8

* Through a clerical error this number was overstated by about 3,250,000.

APPENDIX A.—*continued.*

ESTIMATE, 1st, of the Number of Letters, Post Cards, Circulars, Book Packets, and Newspapers received *from the several Countries in Europe, and also from Egypt*, for delivery in the United Kingdom; and 2nd, of the Number of Letters, Post Cards, Circulars, Book Packets, and Newspapers despatched *from the United Kingdom* for delivery in the several Countries in Europe, and also in Egypt, during the year 1877.

Foreign Countries.	Estimated Yearly Number of Letters, &c. from <i>Foreign Countries</i> for Delivery in the United Kingdom.		
	Letters and Post Cards.	Circulars, Book Packets, and Newspapers.	Total.
Austria - - -	406,900	442,300	849,200
Belgium - - -	1,218,300	385,100	1,603,400
Denmark - - -	322,100	119,800	441,900
France - - -	5,847,700	2,502,700	8,350,400
Germany - - -	4,868,100	1,904,500	6,772,600
Greece, Turkey, and Egypt -	652,100	127,400	779,500
Holland - - -	1,116,600	243,300	1,359,900
Italy - - -	1,228,200	383,500	1,611,700
Norway and Sweden - -	591,300	138,900	730,200
Russia - - -	423,900	115,900	539,800
Spain and Portugal - -	728,400	171,500	899,900
Switzerland - - -	737,400	272,000	1,009,400
Totals - - -	18,141,000	6,806,900	24,947,900

Foreign Countries.	Estimated Yearly Number of Letters, &c. from <i>United Kingdom</i> for Delivery in <i>Foreign Countries.</i>		
	Letters and Post Cards.	Circulars, Book Packets, and Newspapers.	Total.
Austria - - -	572,800	300,400	873,200
Belgium - - -	1,322,200	545,500	1,867,700
Denmark - - -	348,500	117,100	465,600
France - - -	6,729,900	3,130,900	9,860,800
Germany - - -	5,056,300	1,990,900	7,047,200
Greece, Turkey, and Egypt -	1,086,000	625,600	1,711,600
Holland - - -	1,155,000	368,000	1,523,000
Italy - - -	1,322,700	872,300	2,195,000
Norway and Sweden - -	775,900	270,300	1,046,200
Russia - - -	579,000	256,100	835,100
Spain and Portugal - -	924,100	569,400	1,493,500
Switzerland - - -	845,400	493,600	1,339,000
Totals - - -	20,717,800	9,540,100	30,257,900

APPENDIX A.—*continued.*

ESTIMATE for the Period during which the uniform and Reduced Rates of Postage have been in Operation, of the Yearly Number of Letters, Post Cards, Circulars, Book Packets, and Newspapers received from European Countries for delivery in the United Kingdom; and of the Yearly Number despatched from the United Kingdom for delivery in those Countries.

ESTIMATED NUMBER received from EUROPEAN COUNTRIES for DELIVERY in the UNITED KINGDOM.

Year.	Letters and Post Cards.	Circulars, Book Packets, and Newspapers.	Total.
1875 - -	15,129,800	5,225,600	20,355,400
1876 - -	16,138,240	6,580,600	22,718,840
1877 - -	18,141,000	6,806,900	24,947,900

ESTIMATED NUMBER despatched from UNITED KINGDOM for DELIVERY in EUROPEAN COUNTRIES.

Years.	Letters and Post Cards.	Circulars, Book Packets, and Newspapers.	Total.
1875 - -	16,029,600	7,333,300	23,362,900
1876 - -	17,663,100	8,398,400	26,061,500
1877 - -	20,717,800	9,540,100	30,257,900

The numbers given for the year 1875 show the yearly rate for the second half of the year, during which period only the uniform and reduced rates of postage were in operation.

YEARLY Rate of Increase per cent. on Letters, &c. Received.

Year.	Letters and Post Cards.	Circulars, Book Packets, and Newspapers.	Total.
1876 - -	6·6	25·9	11·6
1877 - -	12·4	3·4	9·8

YEARLY Rate of Increase per cent. on Letters, &c. Despatched.

Year.	Letters and Post Cards.	Circulars, Book Packets, and Newspapers.	Total.
1876 - -	10·2	14·5	11·5
1877 - -	17·3	13·6	16·1

APPENDIX (B.)

Returned Letters.

LETTERS, POST CARDS, BOOKS, and NEWSPAPERS received in the RETURNED LETTER OFFICES of LONDON, MANCHESTER, LIVERPOOL, BIRMINGHAM, LEEDS, BRISTOL, NEWCASTLE-ON-TYNE, EDINBURGH, GLASGOW, and DUBLIN, respectively, in the 15 months ended the 31st March 1877, and in the Year ended the 31st March 1878.

15 Months ended 31st March 1877.										Year ended 31st March 1878.									
	Letters received.	Letters re-issued to corrected Ad-dresses.	Letters returned to the Senders.	Letters returned unopened to Foreign Countries.	Letters which could not be either delivered or returned to the Senders.	Post Cards received.	Books received.	Newspapers received.		Letters received.	Letters re-issued to corrected Ad-dresses.	Letters returned to the Senders.	Letters returned unopened to Foreign Countries.	Letters which could not be either delivered or returned to the Senders.	Post Cards received.	Books received.	Newspapers received.		
LONDON - Do. District Office.	4,352,636	67,089	3,746,318	146,914	392,365	363,219	2,002,368	533,537		3,053,685	45,608	2,663,518	95,424	240,135	233,631	1,731,726	408,593		
MANCHESTER	248,068	4,557	224,698	13,740	13,090	27,944	150,102	10,494		254,602	5,787	228,719	4,928	15,104	27,490	140,787	11,308		
LIVERPOOL	240,719	2,801	205,672	13,444	18,795	23,248	138,190	14,081		271,535	4,975	232,078	12,959	21,523	24,590	188,531	14,408		
BIRMINGHAM	120,854	719	109,085	1,919	9,155	17,016	101,126	4,991		116,349	737	105,491	2,074	7,987	10,162	97,180	4,705		
LEEDS -	62,392	830	53,790	791	6,978	7,333	42,017	3,118		208,683	3,925	184,233	3,637	16,863	22,706	132,584	8,044		
BRISTOL	—	—	—	—	—	—	—	—		99,804	460	20,781	3,775	4,703	7,914	31,835	3,569		
NEWCASTLE-ON-TYNE.	—	—	—	—	—	—	—	—		79,368	393	65,394	2,341	11,255	8,443	41,713	2,500		
EDINBURGH.	271,569	7,975	227,146	7,187	29,291	34,941	188,198	24,025		245,333	6,112	212,031	5,570	21,320	35,432	169,272	23,800		
GLASGOW -	166,292	6,265	132,551	4,401	6,135	24,235	86,413	13,459		137,857	6,044	137,857	4,101	6,506	21,674	83,623	5,277		
DUBLIN -	433,205	6,765	255,908	21,640	147,962	15,954	216,694	44,455		354,039	4,787	207,273	17,353	126,651	15,978	196,146	41,491		
TOTALS -	5,897,724	90,381	4,975,114	202,046	623,681	513,946	2,993,598	647,113		4,373,625	77,968	4,102,119	102,651	461,013	471,005	2,867,381	580,581		

APPENDIX (C.)

Official Correspondence.

A STATEMENT showing the WEIGHT of CORRESPONDENCE carried, and the VALUE of POSTAL SERVICE performed, for the following Public Offices, &c. in the Year ended the 31st March 1878.

NAMES OF OFFICES.	England and Wales.		Scotland.		Ireland.		Total.	
	Weight.	Amount.	Weight.	Amount.	Weight.	Amount.	Weight.	Amount.
	oz.	£	oz.	£	oz.	£	oz.	£
Adjutant General	—	—	—	—	84,593	396	84,593	396
Admiralty, Lords Commis- sioners of	983,573	12,991	—	—	—	—	983,573	12,991
Army Medical Department	—	—	—	—	48,659	228	48,659	228
Attorney General	5,863	24	—	—	—	—	5,863	24
Board of Education	—	—	39,967	166	—	—	721,915	2,543
Board of Supervision	—	—	26,772	110	681,948	2,377	26,772	110
Board of Trade	462,932	2,441	—	—	—	—	462,932	2,441
Board of Works	—	—	—	—	195,119	890	195,119	890
Central Loan Fund	—	—	—	—	2,837	13	2,837	13
Chancellor, The Lord	21,117	93	—	—	—	—	21,117	93
Charity Commissioners	116,837	513	—	—	—	—	116,837	513
Chelsea Hospital	18,272	101	—	—	—	—	18,272	101
Chief and Under Secretary, Dublin Castle	—	—	—	—	328,311	1,533	328,311	1,533
Civil Service Commissioners	148,831	686	—	—	—	—	148,831	686
Clerk of the Parliaments	35,527	350	—	—	—	—	35,527	350
Colonial Office	300,644	7,198	—	—	—	—	300,644	7,198
Colonial Land and Emigration Commissioners	1,908	39	—	—	—	—	1,908	39
Commander of the Forces	—	—	—	—	7,426	34	7,426	34
Commissariat Department	—	—	—	—	115,941	536	115,941	536
Constabulary Office	—	—	—	—	259,288	1,147	259,288	1,147
Convict Prisons, Directors of	—	—	—	—	64,795	303	64,795	303
Council Office	1,245,947	5,821	—	—	—	—	1,245,947	5,821
Court of Chancery	33,954	154	—	—	—	—	33,954	154
Court of Probate	57,569	380	—	—	—	—	57,569	380
Crown Office, House of Lords	1,549	6	74,907	312	—	—	76,516	318
Crown and Hanaper	—	—	—	—	2,277	9	2,277	9
Customs	497,152	2,205	—	—	22,091	103	519,243	2,308
Exchequer and Audit Depart- ment	102,772	657	—	—	—	—	102,772	657
Fines and Penalties Office	—	—	—	—	129,564	478	129,564	478
Foreign Office	233,552	4,610	—	—	—	—	233,552	4,610
Home Office	577,133	2,318	—	—	—	—	577,133	2,318
Inland Revenue	2,807,855	12,024	230,248	949	378,097	1,673	3,506,200	14,646
Inspector of Fisheries	—	—	—	—	63,417	291	63,417	291
Inspector General of Prisons	—	—	—	—	33,815	158	33,815	158
Insurance and Annuities	761	3	—	—	—	—	761	3
Irish Office	59,946	290	—	—	—	—	59,946	290
Local Government Board	1,089,977	4,535	—	—	270,627	1,221	1,360,604	5,756
Lord Lieutenant and Private Secretary	—	—	—	—	11,692	54	11,692	54
Mercantile Marine Board	56,571	254	—	—	—	—	56,571	254
Merchant Seamen, Registrar of	373,634	1,912	—	—	—	—	373,634	1,912
National Debt Office	36,216	169	—	—	—	—	36,216	169
Ordnance Survey	—	—	—	—	83,157	153	83,157	153
Paris Exhibition	61,365	262	—	—	—	—	61,365	262
Paymaster of Civil Services	—	—	—	—	40,179	186	40,179	186
Paymaster General	55,834	321	—	—	—	—	55,834	321
Public Record Office	—	—	—	—	8,998	27	8,998	27
Quartermaster General	—	—	—	—	33,027	154	33,027	154
Queen's Remembrancer	—	—	18,038	75	—	—	18,038	75
Register House, Edinburgh	—	—	71,832	301	—	—	71,832	301
Registrar General	351,864	1,234	301,277	745	319,720	1,427	972,861	3,406
Registrar of Friendly Societies	108,632	492	6,295	26	1,789	8	116,716	526
Registrar of Trade Marks	20,270	92	—	—	—	—	20,270	92
Science and Art Department	977,609	3,966	—	—	—	—	977,609	3,966
Solicitor General	9,273	38	—	—	—	—	9,273	38
Stationery Office	47,391	250	—	—	37,733	176	85,124	426
Tithe Commissioners	61,453	281	—	—	—	—	61,453	281
Treasury	456,045	2,023	—	—	—	—	456,045	2,023
Valuation Office	—	—	—	—	30,942	144	30,942	144
War Office	2,360,364	16,631	38,528	160	127,011	584	2,465,903	17,375
Woods and Forests, Commis- sioners of	67,969	300	—	—	—	—	67,969	300
Works and Buildings, Commis- sioners of	75,154	341	—	—	—	—	75,154	341
TOTALS	13,953,315	86,005	807,924	2,844	3,333,053	14,303	18,094,292	103,152

APPENDIX (D.)

Home Packet Service.

Line of Communication.	Contract.		Payment.	Contract Time.	Penalties for Overtime.	Premium for Under-time.	Penalty for General Non-performance.	Remarks.
	Com-mencement.	Termination.						
HOLYHEAD and KINGSTOWN	1st Oct. 1860	On 12 months' notice.	85,000 <i>l.</i> per annum.	Not defined, being included in General Contract for Conveyance of Mails between London and Kingston.	1 <i>l.</i> 1 <i>s.</i> 6 <i>d.</i> per minute, if journeys between London and Kingston, and Crewe and Kings-town exceed 11 hours and 74 hours respectively from appointed time of departure.*	-	-	The Annual Payment is liable to be reduced in amount when the receipts arising from Passenger traffic, or (if the Contractors are hereafter empowered to carry Cattle and Goods) from the traffic generally, reach a certain sum.
LIVERPOOL and DOUGLAS, ISLE OF MAN.	-	-	850 <i>l.</i> per annum.	-	-	-	-	This Contract expired long since, but the service is continued upon the same terms. The Company's vessels run more frequently than required under the old Contract, and carry Mails on every voyage.
LIVERPOOL and RAMSEY, ISLE OF MAN.	-	-	100 <i>l.</i> per annum.	-	-	-	-	-
PORTSMOUTH and RYDE	1st Aug. 1865	On 6 months' notice.	800 <i>l.</i> per annum.	-	-	-	-	-
PENZANCE and SCILLY	-	On 6 months' notice.	450 <i>l.</i> per annum.	-	-	-	-	-
SOUTHAMPTON and COWES	-	-	150 <i>l.</i> per annum.	-	-	-	-	-
GREENOCK and BELFAST	16th July 1849	On 6 months' notice.	Per annum, Performed free of expense.	-	-	-	100 <i>l.</i>	-
ORKNEY Islands	27th July 1877	On 12 months' notice.	2,000 <i>l.</i> per annum.	-	20 <i>l.</i> for undue delay or deviation from course.	-	200 <i>l.</i>	-
SHETLAND Islands	1st Feb. 1840	On 6 months' notice.	1,200 <i>l.</i> per annum.	60 hours	-	-	500 <i>l.</i>	Contract of 1840 terminated in 1855, but was renewed. Steamers may touch at intermediate ports of Wick and Kirkwall, but sailing vessels must go direct.
STORNOWAY and ULLAPOOL	3rd Aug. 1871	After 10 years on 6 months' notice.	1,300 <i>l.</i>	-	20 <i>l.</i> for undue delay or deviation from course.	-	500 <i>l.</i>	When a sailing vessel is employed a deduction of 2 <i>l.</i> a trip may be made if the Postmaster General thinks proper.
CHANNEL Islands	1st Jan. 1870	On 6 months' notice.	6,000 <i>l.</i>	To or from Guernsey in 12 hours, and to or from Jersey in 12 hours.	-	-	2,000 <i>l.</i>	-
Do. (additional services)	-	-	900 <i>l.</i>	-	-	-	-	-

* These penalties are at present suspended, owing to the state of the harbour at Holyhead.

APPENDIX (E.)

Colonial and Foreign

Line of Packets.	Contracts.		Payment.
	Com- mencement.	Termination.	
AUSTRALIA: Point de Galle and Melbourne, Singa- pore and Brisbane, San Francisco and Sydney	Contracts with Colonial Governments.		£
BRAZIL, RIVER PLATE, AND CHILI: Bi-Monthly Service from Southampton	1 Sept. 1876	On 6 months' notice	*9,601
Fortnightly service from Liverpool	1 Jan. 1873	On 30th June 1878	*9,008
CAPE OF GOOD HOPE and NATAL	1 Oct. 1876	Contracts with Colonial Govern- ments terminating on 30th September 1883, if 12 months' previous notice has been given	-
EAST INDIES, CHINA, and JAPAN	15 Aug. 1874	On 31st January 1880	430,000
EAST COAST OF AFRICA: Aden and Zanzibar	6 Dec. 1872	On 5th December 1882 (a)	10,000
Table Bay and Zanzibar	1 Aug. 1873	On 8th February 1881	20,000
NORTH AMERICA:	1 Jan. 1877	Monthly Contracts to 30th No- vember 1877.	*19,514
United States	1 Dec. 1877	On 6 months' notice after 1st December 1878.	*12,730
Queenstown and Halifax	Contract with Canadian Government		16,250 Imperial contri- bution, 6,094
Halifax, Bermuda, and St. Thomas	1 Jan. 1868	On 31st December 1877	19,500
	1 Jan. 1878	On 6 months' notice	Nil (c)
PACIFIC	1 Jan. 1873	On 30th June 1878	*16,340
WEST INDIES: Bi-monthly Service	1 Jan. 1875	On 31st December 1879	(b) 88,750
Non-Contract Service	-	-	*1,219
Additional Services: Liverpool and Puerto Cabello, Tam- pico, and Santa Martha.	1 Oct. 1875	On 6 months' notice	*1,041
Belize and Jamaica	Contract with Honduras Government		5,000 Imperial contri- bution, 2,000
St. Kitts, Nevis, and Montserrat	1 Jan. 1864	On 6 months' notice	490
Turk's Island and St. Thomas	Contract with Turk's Island Government		600 Imperial contri- bution, 300
WEST COAST OF AFRICA	No Contract.		*7,305

(a) This Contract may terminate on the 31st January 1880 provided that six calendar months' notice be given by the Postmaster General in the event of the existing Contract with the Peninsular and Oriental Steam Navigation Company coming to an end.

(b) Including a sum of 2,000*l.* paid to the Company for landing mails at Plymouth.

(c) Payment for first quarter under new Contract made in financial year 1878-79.

APPENDIX (E.)

Packet Service.

Penalties for Overtime.	Contributions towards the Cost of the Service.	Estimated British Share of Sea Postage on Letters, Newspapers, &c.	Estimated British Loss on the Service.	Rate of Postage per single Letter excluding Transit Rates.
- - - -	- - - -	£	£	6d.
- - - -	- - - -	- - -	Nil.	
One-eighth part of ordinary payment for every 24 hours.	- - - -	- - -	Nil.	{ Brazil - 6d. River Plate } 1s. Chili }
Ditto - - -	- - - -	- - -	Nil.	6d.
- - - -	- - - -	- - -	Nil.	6d.
- - - -	India, 107,500l.	90,000	232,500	{ Mediterranean 2½d. India - } Ceylon - } 6d. China, &c. - }
- - - -	- - - -	- - -	- - -	6d.
- - - -	- - - -	- - -	- - -	6d.
- - - -	- - - -	30,000	2,000	2½d.
- - - -	- - - -	- - -	- - -	
60l. for every 24 hours.	- - - -	3,000	22,200	{ Canadian Dominion and Newfoundland. } 2½d. Bermuda - } 6d.
One-eighth part of ordinary payment for every 24 hours.	- - - -	17,000	Nil.	1s. 6d.
50l. for every 12 hours.	- - - -	- - -	- - -	
- - - -	- - - -	- - -	- - -	
One-eighth part of ordinary payment for every 24 hours.	- - - -	58,000	34,000	{ Union Colonies - } 6d. Non Union Colonies, &c. } 1s.
- - - -	- - - -	- - -	- - -	
- - - -	- - - -	- - -	- - -	
- - - -	- - - -	- - -	- - -	
- - - -	- - - -	6,800	600	6d.

* The payments in these cases depend upon the amount of correspondence conveyed by the packets.

APPENDIX (F.)

NUMBER of MAILS daily between London and other Post Towns in England and Wales.

Year.	Towns having One Mail only.		Towns having Two Mails.		Towns having Three Mails.		Towns having Four Mails.		Towns having Five Mails.		Towns having Six Mails.		Towns having Seven Mails.		Towns having Eight Mails.		Towns having Nine Mails.		Towns having Ten Mails.		Total Number of Post Towns in England and Wales.
	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	
31 Dec. 1872	41	89	315	222	93	114	80	101	36	42	5	9	5	4	2	2	-	-	-	-	583
„ 1873	43	89	319	227	93	119	88	98	38	43	5	11	5	4	2	2	-	-	-	-	594
1874	43	89	302	226	92	118	96	97	43	45	17	17	4	4	2	3	-	-	-	-	599
1875	27	73	297	232	132	121	86	97	42	54	12	17	4	4	1	3	-	-	-	-	601
„ 1876	22	69	299	222	137	132	87	102	48	57	11	21	3	3	3	3	-	-	-	-	610
31 Mar. 1877	22	69	249	222	137	132	87	102	48	57	11	21	3	3	3	3	-	1	-	-	610
„ 1878	22	65	288	222	142	133	89	105	53	60	11	18	2	4	4	4	-	1	1	-	612

APPENDIX (G.)

Telegrams:

TABLE showing the NUMBER of MESSAGES forwarded from POSTAL TELEGRAPH OFFICES in the UNITED KINGDOM during each of the years 1876-77 and 1877-78; and the increase or decrease in each Month of the latter year over the corresponding Month of the former year.

Month.	Number of Messages.		Increase or Decrease.	
	To 31st March 1877.	To 30th March 1878.	Increase.	Decrease.
April - - -	1,967,856*	1,781,269	—	186,087
May - - -	1,630,712	1,769,796	139,084	—
June - - -	1,668,537	2,219,496*	550,959	—
July - - -	2,247,655*	1,827,633	—	420,022
August - -	1,830,432	1,864,402	33,970	—
September - -	2,195,224*	2,294,055*	98,831	—
October - - -	1,753,886	1,783,848	30,462	—
November - -	1,681,014	1,671,857	—	9,157
December - -	1,886,595*	1,899,496*	12,901	—
January - - -	1,426,374	1,467,426	41,052	—
February - -	1,472,440	1,540,738	68,298	—
March - - -	1,966,418*	2,051,767*	85,349	—
Total - - -	21,726,143	22,171,783	1,060,906	615,266
				Total increase 445,640

* Five weeks.

NOTE.—These figures are derived from returns made up to Saturday in each week, and as in 1876-77 there were 53 Saturdays, while in 1877-78 there were only 52, the totals given above are really for 53 and 52 weeks respectively.

APPENDIX (G)—*continued.*

TABLE showing the TOTAL NUMBER of MESSAGES forwarded from POSTAL TELEGRAPH OFFICES in ENGLAND and WALES (PROVINCES), LONDON, SCOTLAND, and IRELAND, in each Year since the transfer of the TELEGRAPHS to the STATE.

Year ended	Number of Messages.				
	England and Wales.		Scotland.	Ireland.	TOTAL.
	Provinces.	London.			
1st April 1871 - -	5,299,882	2,863,821	1,080,189	606,285	9,850,177
30th March 1872 -	6,594,590	3,612,772	1,388,434	878,000	12,473,796
29th March 1873 -	8,022,151	4,577,015	1,761,298	1,175,816	15,535,780
28th March 1874 -	9,233,854	5,254,547	2,009,893	1,323,236	17,821,530
27th March 1875 -	10,113,436	5,663,258	2,132,787	1,343,639	19,253,120
25th March 1876 -	10,843,268	6,390,573	2,287,859	1,452,180	20,973,380
31st March 1877	11,112,341	6,682,293	2,402,347	1,529,162	21,726,143
30th March 1878 -	11,242,609	6,849,909	2,490,776	1,588,489	22,171,783

APPENDIX (H.)

Private Wires.

TABLE showing the NET ADDITIONAL RENTALS, Quarter by Quarter, in each Financial Year since the transfer; with the Total Annual Increase, and the NET AGGREGATE RENTALS at the same date (31st March) in each of those Years.

Financial Year.	Net additional Rentals obtained within				Total increase within the Financial Year.	Aggregate Rentals current at the end of the Financial Year.†
	Quarter ended 30th June.	Quarter ended 30th September.	Quarter ended 31st December.	Quarter ended 31st March.		
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
*Amount at the 31st March 1870	- - -	- - -	- - -	- - -	- - -	*20,992 10 6
1870-71	101 0 0	525 16 6	527 4 0	432 5 6	1,586 6 0	22,578 16 6
1871-72	623 0 0	439 6 0	1,357 7 0	1,110 18 0	3,530 11 0	26,109 7 6
1872-73	1,312 7 0	1,135 17 0	1,645 16 6	2,496 8 0	6,590 8 6	32,699 16 0
1873-74	2,215 11 0	2,001 14 0	1,718 12 0	2,584 15 0	8,520 12 0	41,220 8 0
1874-75	2,112 17 0	1,099 1 0	1,154 4 0	2,309 12 0	6,675 14 0	47,896 2 0
1875-76	825 16 0	805 19 0	1,337 14 0	904 12 0	3,874 1 0	51,770 3 0
1876-77	965 2 0	999 9 0	1,077 17 0	1,539 10 0	4,581 18 0	56,352 1 0
1877-78	834 8 0	560 8 0	507 5 0	1,868 3 0	3,770 4 0	60,122 5 0

* The figures given in the last column, as the Total Rentals current at the 31st March 1870, are the aggregate Rentals of the Private Wire Systems of the late "Universal Private" and other Telegraph Companies, which were acquired by the Post Office at the transfer; they include also some Rentals which accrued between that date (29th January) and the 31st March 1870.

† The rentals current at the end of the year differ slightly from the rentals actually received within the year, as shown in Appendix (Q.)

APPENDIX (H.)—continued..

Private Wires.

STATEMENT showing the PROGRESSIVE INCREASE in the NUMBER of PRIVATE WIRE CONTRACTS, MILES of WIRE, and INSTRUMENTS in use on Lines of Private Wire, from the 31st March 1870.

Financial Year.	Net Increase.												Total Increase for the Year.			Total Number at End of Financial Year.		
	Quarter ended 30th June.			Quarter ended 30th September.			Quarter ended 31st December.			Quarter ended 31st March.								
	Contracts.	Miles.	Instruments.	Contracts.	Miles.	Instruments.	Contracts.	Miles.	Instruments.	Contracts.	Miles.	Instruments.	Contracts.	Miles.	Instruments.			
At the 31st March 1870	—	—	—	—	—	—	—	—	—	—	—	—	782	2,525	1,773			
1870-71	2	6	3	16	52	37	10	8	121	16	8	43	44	62	198	776	2,587	1,971
1871-72	22	29	41	11	28	16	16	126	40	37	87	69	86	270	166	862	2,857	2,137
1872-73	38	91	80	22	94	54	36	170	82	69	319	183	165	674	399	1,027	3,531	2,536
1873-74	52	179	323	62	149	154	45	150	139	80	224	217	239	702	833	1,266	4,238	3,369
1874-75	54	212	155	16	126	343	47	93	116	59	226	193	176	657	807	1,442	4,890	4,176
1875-76	37	76	81	30	68	67	39	137	108	34	70	84	140	351	340	1,562	5,241	4,516
1876-77	31	100	55	19	129	76	24	100	71	31	137	137	105	466	339	1,687	5,707	4,855
1877-78	28	63	60	24	42	61	9	25	54	82	143	269	143	273	444	1,830	5,980	5,299

APPENDIX (I.)

TABLE showing the VALUE of WORK PERFORMED by the POST OFFICE TELEGRAPH DEPARTMENT for other GOVERNMENT DEPARTMENTS, and for which no Payment has been made, from the 5th February 1870 to the 31st March 1878.

Period.	Telegrams.		Wire Rentals.	Salaries.	Work executed.	Total.
	Inland.	Foreign.				
Period to 31st March 1871	£ s. d. 243 3 1	£ s. d. 513 9 5	£ s. d. 882 1 7	£ s. d. 256 15 9	£ s. d. 1 15 0	£ s. d. 1,897 4 10
Year ended 31st March 1872	313 7 3	743 4 7	731 0 4	247 5 0	21 2 11	2,056 0 1
" 1873	486 10 8	408 13 11	892 1 3	273 5 0	43 1 1	2,108 11 11
" 1874	636 8 5	752 8 10	1,046 14 9	341 10 5	6 13 11	2,773 16 4
Nine months to 31st December 1874	714 18 4	91 15 9	2,018 16 10	1,131 0 10	23 18 11	3,980 10 8
Year ended 31st December 1875	1,703 2 1	1,707 16 9	4,544 5 11	2,495 4 2	2 17 8	10,453 6 7
Quarter ended 31st March 1876	933 5 0	—	1,174 5 10	642 14 8	5 7 8	2,755 13 2
Year ended 31st March 1877	6,300 17 9	—	4,977 14 10	2,367 2 8	—	13,845 15 3
" 1878	9,550 15 9	—	5,388 14 6	2,506 16 9	20 16 8	17,417 3 8
TOTALS	20,872 8 4	4,217 9 3	21,605 15 10	10,461 15 3	125 13 10	57,283 2 6

* All Government Departments since 1st April 1875 have paid for the transmission of Foreign telegrams. The increase in the value of Inland telegrams sent for Government Departments is attributable to an increase in the number of such telegrams, and to certain Departments which formerly paid for Inland telegrams having ceased to do so.

APPENDIX (J).—*Continued.*

Money Orders.

Year.	COLONIAL ORDERS.						FOREIGN ORDERS.						GRAND TOTAL.			
	Orders issued in the United Kingdom.		Orders issued in the Colonies.		Total of Colonial Orders.		Orders issued in the United Kingdom.		Orders issued in Foreign Countries.		Total of Foreign Orders.		Total of Inland, Colonial, and Foreign Orders.		Increase per cent. on Number.	Increase per cent. on Amount.
	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.		
1871	19,759	80,431	123,472	520,550	143,211	600,981	18,760	66,078	28,662	107,911	47,431	172,968	22,373,547	2	—	—
1872	20,882	83,923	131,341	580,004	152,173	633,927	28,761	94,138	77,469	277,871	106,950	372,009	25,019,683	16	11	11
1873	21,131	86,329	144,676	584,802	165,807	671,131	40,602	138,726	107,300	397,538	147,808	531,064	26,802,264	8	7	7
1874	22,381	90,570	141,106	585,661	163,486	676,231	53,930	172,108	108,626	362,868	157,455	535,000	27,507,672	5	3	5
1875	23,785	93,083	137,443	556,963	161,226	652,076	08,286	203,889	104,761	337,509	172,987	545,089	27,888,255	3	0	7
3 months ended 31st Mar. 1877	6,163	22,823	30,656	123,317	36,819	147,140	20,413	56,631	28,691	89,666	46,104	146,297	7,194,943	—	—	—
1876-77	26,057	100,590	119,781	472,156	146,838	572,752	04,963	270,001	116,180	342,934	211,163	612,926	28,702,576	8	1	3
1877-78	27,961	104,290	120,572	467,270	148,436	561,560	109,396	296,291	129,305	376,198	239,200	672,462	29,104,169	3	2	1

Note.—Money Order business with the Colonies commenced in 1856, and with Foreign Countries in 1869; but as 1871 was the first year in which the Foreign were separated from the Colonial Orders, the number and amount of these in previous years cannot be given in this Table.

APPENDIX (J.)—*continued.***Money Orders.**

TABLE showing the Amount (to the nearest Pound) of Money Order Transactions between the United Kingdom and the principal Colonies during the Year ended 31st March 1878.

Colony.	Issues on the United Kingdom.	Issues on Colonies.
	£	£
Australia - - -	158,331	30,617
British America - -	82,512	50,154
Cape Colony - - -	35,962	4,116
India - - -	63,362	5,166
New Zealand - -	73,964	10,319
South and West Africa -	19,708	1,609
West Indies - - -	66,441	4,118

TABLE showing the Amount (to the nearest Pound) of Money Order Transactions between the United Kingdom and certain Foreign Countries during the Year ended 31st March 1878.

Country.	Issues on the United Kingdom.	Issues on Foreign Countries.
	£	£
Belgium - - -	15,286	12,924
Denmark - - -	5,461	4,288
Egypt - - -	2,754	132
France - - -	48,136	69,924
Germany - - -	56,992	86,480
Italy - - -	8,417	20,039
Netherlands - - -	9,974	5,741
Switzerland - - -	6,633	16,702
United States - - -	157,707	72,186
Norway - - -	1,476	2,712

Post Office Savings Bank.

YEAR.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
From 16 Sept. 1861 to 31 Dec. 1862	2,535	639,216	2,114,669	3 6 2	22,189	97,294	438,637	4 10 2	20,361	19%	205,928	27,433	178,495	1,698,221	9 10 3	1 4 3	1,650,032*	35,692	1,694,724	3,137	1,732,555
1863	2,991	842,848	2,651,209	3 2 11	55,204	197,431	1,027,151	5 4 0	25,401	45%	185,934	44,760	319,669	3,377,450	10 11 4	0 15 0†	3,328,182*	44,413	3,372,595	3,594	1,876,389
1864	3,081	1,110,762	3,250,900	3 0 3	100,493	390,242	1,834,840	5 18 8	46,856	47%	223,163	74,964	470,868	4,998,123	10 12 1	0 18 4†	4,995,968*	5,522	5,001,185	3,659	1,907,663
1865	3,321	1,302,360	3,719,017	2 17 1	132,870	407,412	2,318,610	5 13 10	49,527	4%	239,686	99,160	611,384	6,536,400	10 13 6	0 15 2	6,582,320*	4,327	6,586,656	3,892	2,078,346
Average of 5 yrs.: 1860-70	3,815	1,802,031	5,293,108	2 18 1	253,014	647,620	3,770,531	5 16 5	62,803	45%	285,524	181,170	907,003	11,632,214	12 0 6	0 10 3†	11,824,594*	50,351	11,862,124	4,358	2,352,942
1871	4,385	2,362,621	6,664,620	2 16 5	576,738	845,279	5,115,467	6 1 0	69,427	5%	370,745	250,406	1,303,492	17,025,004	13 1 23	0 8 2	17,203,815	166,456	17,470,271	4,895	2,707,570
1872	4,607	2,745,245	7,990,916	2 16 4	430,079	933,975	5,894,690	6 4 11	78,404	5%	424,843	285,887	1,442,448	19,218,389	13 7 10	0 8 11	19,559,804	301,070	19,860,874	5,087	2,807,595
1873	4,855	2,917,698	7,955,740	2 16 4	477,851	1,025,333	6,584,181	6 8 5	84,160	5%	433,478	319,281	1,556,645	21,067,749	13 11 0	0 7 11	21,746,442	82,560	21,828,992	5,384	3,002,184
1874	5,068	3,044,692	8,341,852	2 16 4	524,559	1,069,669	6,876,995	6 8 7	90,616	5%	442,501	330,413	1,698,793	23,167,499	13 17 64	0 8 7	23,636,711	(c)	24,018,886	5,543	3,134,871
1875	5,260	3,132,433	8,783,822	2 16 4	571,684	1,119,637	7,325,560	6 11 8	122,325	5%	438,836	330,466	1,777,103	25,187,346	14 3 54	0 8 8	26,127,967	94,518	26,222,485	5,791	3,255,266
1876	5,448	3,196,136	9,082,330	2 16 9	619,231	1,195,603	7,792,477	6 10 4	125,912	6%	437,003	511,762	1,792,374	26,996,550	15 17 11	0 9 9	28,004,732	106,585	28,111,565	5,912	3,356,701
1877	5,668	3,267,851	9,166,738	2 16 1	691,459	1,252,965	8,083,691	6 9 0	152,184	48%	453,221	364,355	1,791,240	27,467,671	16 0 10	0 10 7	28,713,529	104,057	29,511,580	6,126	3,501,687

* These sums do not include the dividends accruing to the Post Office Savings Banks on the 5th January (that is, five days after the close of the account in each year) up to the year 1866 inclusive, but after that year the Securities belonging to the Banks have been valued by the Commissioners for the Reduction of the National Debt, and the amount, including dividends due but not paid at the end of the year, has been inserted in the above return.

† The falling off in the cost per transaction and in the per-centage of cost of management in 1863 and the increase in these items in 1864 are attributable to one and the same cause, viz., to the payment during 1864 of various charges properly belonging to 1863.

‡ In 1868, the charge for postage ceased to be debited against the Savings Bank Department, but in 1877 the sum of 22,543, 12s. was charged under this head for nine months. Had no charge for postage been made in this year the cost per transaction would have continued at 6½d.

§ Certain exceptional expenses incurred in 1875 tended to increase the average cost per transaction.

(a) The amount of outstanding Warrants on 31st December 1874 was 36,217*l.*, but the amount in the Postmaster General's hands to meet payment of these Warrants was 21,490*l.* only.
(b) 167,880 accounts having small balances, which had had no transactions for a considerable period, were transferred to the Dormant Account in the year 1876, and a similar transfer of 21,779 accounts was made in 1877. The number of open accounts was reduced accordingly.

APPENDIX (K.)—continued. POST OFFICE SAVINGS BANK. BALANCE SHEET.

RETURN of the BALANCE SHEETS of the Post Office Savings Banks for the Year 1877, showing the Balance due to Depositors, the Amount of Expenses remaining Unpaid, the Value of Securities at the Cost Price, less Depreciation of those which are Terminable by Lapse of Time, Amount of Cash in Hand and Dividends accrued but not received at the end of the Year, and the Surplus or Deficiency of Funds to meet Liabilities.

LIABILITIES.		ASSETS.	
	£ s. d.		£ s. d.
Balance due to Depositors on the 31st December 1877 (including interest)	29,740,757 4 1	Value of Securities at the Cost Price, less depreciation of those which are terminable by lapse of time	29,673,885 10 1
Amount of expenses remaining unpaid (partly estimated)	6,956 14 10	Amount of cash in hands of Commissioners for the Reduction of the National Debt	39,693 15 10
Surplus of Funds to meet Liabilities	*1,009,892 13 0	Total Amount in the hands of the Commissioners for the Reduction of the National Debt	-
		Amount received for issuing new Deposit Books	1,104 7 4
		Less—Amount paid to the National Debt Commissioners	893 4 4
		Amount in the hands of Her Majesty's Postmaster General	143,034 12 0
		Less—Amount required to meet Warrants issued to Depositors but not cashed on 31st December 1877	39,198 15 0
	£		£
	29,817,536 11 11		103,835 17 0
			29,817,536 11 11

Total amount received from Depositors, including interest, to 31st December 1877

Total amount repaid to Depositors to 31st December 1877

Number of Transactions.		Number of Accounts.	
Deposits.	Withdrawals.	Opened.	Closed.
33,541,966	11,084,942	5,385,978	3,544,738
			Remaining Open.
			1,791,240

The total cost of the Post Office Savings Banks from their establishment to the 31st December 1877, including the sum of 6,586l. 14s. 10d. charged as above, was 1,104,366l. 3s. 7d. The total number of transactions, i.e., Deposits and Withdrawals, in the period was 45,226,908.

The average cost of each transaction from the commencement of Post Office Savings Bank business to the end of the year 1877 was 6½d. Prior to the passing of the Post Office Savings Banks Act, 1861, it was estimated (see Parliamentary Paper, No. 523, 1861) that the average cost of each transaction would be 7d.

* A sum of 23,542l. 12s. was included in the expenses of the year 1877 being the estimated cost of the conveyance of Post Office Savings Banks correspondence from 1st April to 31st December 1877. No charge was made to the Post Office Savings Bank in respect of postage from 1st April 1868 to 31st March 1877 inclusive. The sum of 133,278l. 14s. 11d. was paid into the Exchequer out of the Funds of the Post Office Savings Banks in the year 1877 under sec. 15 of the Act 40 Vict. c. 18, being the excess of interest which had accrued during the previous year, as shown in Parliamentary Paper, No. 354, for 1877.

General Post Office, July 1878.

APPENDIX K—*continued.*

EXTRACT from the Report of the Controller of the Post Office Savings Banks.

* * * * *

“As evidence that, upon the whole, the business of the Trustee Savings Banks, must, for some time past, have been on the decline, it may be observed that, although there has been a considerable increase in the amount due to depositors at some of those in London and in certain large provincial towns; yet, as regards the rest of the old banks, and particularly those in the rural districts, there has either been a decrease, or any apparent increase has arisen solely from the accumulation of interest. On the 20th November 1876 the total amount of the balances due to depositors in Trustee Savings Banks was 43,283,700*l.*, as against 42,388,316*l.*, the previous year; but the increase of 895,384*l.*, thus shown, is actually less by 326,123*l.* than the interest accruing during the year, which is estimated at 1,221,507*l.*

Business of the Trustee Savings Banks on the decline. Amount due to depositors on 20th Nov. 1876. Increase over previous year less than interest.

* * * * *

“The number of trade, provident, and charitable societies authorised in 1877 to invest their funds in the Post Office Savings Bank shows an increase of 37 over the preceding year, the numbers being 1,173 in 1876, and 1,210 in 1877. The number of Friendly Societies similarly authorised, however, was only 253 as compared with 387 in 1876, the decrease being consistent with the falling off in the number of Friendly Societies registered during 1876 as shown in the Report of the Chief Registrar, and attributed by him chiefly to the general depression of trade and industry. Although, however, the Report, which is dated August last, further stated that the year 1877 would ‘show a considerable advance on its ‘predecessor,’ there has so far been no corresponding recovery as regards the number of applications to deposit in the Post Office Savings Bank, only 68 Friendly Societies having applied during the first quarter of 1878, as compared with 82 during the first quarter of 1877. The applications from Trade, Provident, and Charitable Societies also showed a decrease in the first quarter of 1878, when the number was 400, the number received during the same period of 1877 being 480. The smaller number of societies’ accounts opened is in some measure explained by the fact that, in consequence of the Trustee Savings Banks closed since 1876 having been fewer, and with a less average number of accounts than those closed in that year, fewer societies’ accounts have been transferred from that source to the Post Office Savings Bank. The correspondence in connexion with societies’ accounts, however, continues to be very large; and as being especially troublesome, I may refer to cases in which, without communicating with the Department, officers of societies, or even individual members, have deposited the funds irregularly in private accounts opened in their own names. When, as frequently happens, any of these depositors leave the neighbourhood and cease to be members, the society often experiences a difficulty in regaining possession of such funds, which are, of course, only repayable to the persons in whose names the accounts were opened, or in case of death to their representatives. An instance of this kind came to light in 1877:—A lodge of a Miners’ Association had, it appears, permitted 17 of its members

Trade, Provident, and Charitable Societies. Friendly Societies.

Correspondence in connexion with Societies’ accounts. Funds irregularly deposited by officers of Societies.

Large transactions in some Societies accounts.

to deposit 5*l.* each in separate private accounts, and at the time the society acquainted the Department with the facts of the case, one of the depositors was dead and several of the others had left the society. As showing the large transactions in some of the accounts opened by societies, it may be stated that in one case last year a warrant for 5,000*l.* was issued, and that even this large withdrawal by no means exhausted the society's funds, there being, at the time, a balance of more than 20,000*l.* standing to its credit. In another case a warrant was issued in January last for upwards of 6,000*l.*

Accounts opened by Registrars of County Courts.

"As regards accounts opened during 1877 under the provisions of the County Courts Act, in the names of the Registrars, it is rather curious that the number, 177, is precisely the same as that for the previous year.

Applications to deposit in excess of statutory limits.

"Besides the frequent applications which continue to be received from persons desirous of depositing in excess of the statutory limits in their private accounts, the privilege is sometimes sought for purposes of an exceptional kind. In two instances last year permission was asked to deposit the funds subscribed by bodies of workmen for the purpose of visiting the Paris Exhibition. A clergyman also applied to deposit week by week sums which he had been promised to enable him to visit the Holy Land.

Great activity in formation of Penny Banks in 1877.

"There has been great activity during the past year in the formation of Penny Banks, the increasing interest in the movement being doubtless, in some measure, attributable to articles in the newspapers, and other publications on the subject of thrift, in which the system of Penny Banks is made a prominent feature. In the year 1877 no less than 293 Penny Banks received authority to invest their funds in the Post Office Savings Bank, being 121 more than in the previous year. In the years 1874, 1875, and 1876, the increase over the preceding year in each case was only 40, 9, and 23, respectively. Many of such accounts in 1874 were not of a permanent character, having been opened through special efforts made about that time by the Provident Knowledge Society in establishing Penny Banks, the majority of which soon afterwards closed their accounts.

* * * *

Establishment of Penny Banks in remote villages.

"Fresh fields of operation are being opened by the establishment of Penny Banks in remote villages where there is no Post Office Savings Bank; and letters are frequently received from Clergymen and others testifying to the usefulness of the movement in this direction. Such Village Banks may be rendered more important in their character and tendency if their managers enable the depositors to avail themselves of the experimental arrangement recently sanctioned, by which, as soon as they have a certain sum in the Penny Bank, they may, without leaving the confines of their village, open accounts in the Post Office Savings Bank, and enjoy the full advantages of its system combined with those of the Penny Bank. In a Circular, dated the 16th January 1878, addressed by the Education Department to Inspectors of Schools, they are enjoined to call the attention of Teachers and Managers to the facilities which now exist for the establishment of School Penny Banks, and to the great success which has attended their introduction in many schools in the poorest districts. And, as one instance in which this injunction met with prompt co-operation, I may mention that, at a recent meeting of the School Board of an important and rapidly increasing town, a resolution was passed to the effect that the Managers of the schools under the direction of the Board be requested to encourage the establishment of Penny Banks in their Schools. These

Experimental arrangement recently sanctioned.

Circular as to Penny Banks addressed by Education Department to Inspectors of Schools.

special influences appear to be already taking effect, for, while only 68 of the Penny Banks which last year opened accounts with the Post Office Savings Bank were in connexion with schools, as many as 42 School Banks applied during the first quarter of 1878 alone. A Parliamentary Return for the year ended 31st August 1877 has been furnished by the Education Department 'of schools in receipt of Annual Grants which have Savings Banks attached to them for the use of the 'children.' The Return contains a list of 1,063 Penny Banks in England and Wales, and 63 in Scotland, a total of 1,126, of which only 27 are stated to be in connexion with the Post Office Savings Bank, and 32 in connexion with Trustee Savings Banks. There are included in the Return 52 branches of the Yorkshire Penny Bank and two branches of the National Penny Bank. One Bank is described as a Farthing Bank. In eight of the Banks, arrangements are made for opening an account in the Post Office Savings Bank in the name of a depositor when the amount reaches a certain sum, and in four Penny Banks similar arrangements are made for opening accounts in Trustee Savings Banks. A note has, however, been affixed to the Return stating that School Managers, in furnishing materials for it, had generally understood that information was only required from them respecting Savings Banks for the use of the school children exclusively, so that many of the institutions of the nature of Penny Banks connected with the schools under the Education Department do not appear in the Return. On the other hand, some Banks in the Return evidently include the accounts of adult depositors as well as those of the school children. To some extent, therefore, the Return must be considered incomplete. At a meeting of the London School Board, on the 13th March last, the School Management Committee submitted a Return as to Penny Banks established in the Schools of the Board for the year ended 31st December 1877, from which it appeared that Banks had been established in connexion with 40 schools, that the depositors numbered 9,611, and that the deposits and withdrawals during the year amounted to 3,007*l.* and 2,527*l.* respectively. Evidently the importance of making 'thrift' an element of education is becoming more and more acknowledged; and there appears to be a growing conviction that such practical lessons should not be restricted to Board or National Schools, but should be introduced, not only in all Ragged Schools and Workhouse Schools, but even in Private Schools, so that children of every class in society may have the benefit of similar teaching. Although various schemes have been proposed from time to time with the view of enabling the Department to receive the pence of children and of the humbler classes generally, either by means of stamps and cards, or by the establishment of Penny Banks at Post Offices, further experience only tends to confirm my opinion, that it is undesirable for the Department itself to undertake these functions. The Penny Bank movement, moreover, tends to obviate any supposed need for the reduction of the minimum limit of deposit in the Post Office Savings Bank below one shilling. Being convinced that the Department is pursuing the best possible course in encouraging the formation of Penny Banks by affording assistance in various ways to their promoters, I am glad to record the removal of what had often proved a formidable difficulty in the way of persons desirous of starting Penny Banks, namely, that of procuring suitable books of account. In November last this Department was authorised to supply sets of books at a price sufficient to defray their cost. The system provided for in these books is clear and comprehensive, having been in use for many years at some of the largest Penny Banks in London; and the set, charge.

Parliamentary
Return of
School Banks.

Penny Banks
established in
schools of London School
Board.

'Thrift' an
element of
education.

Undesirable
for Department
to undertake
receipt of
Penny deposits.

Sets of account
books now
supplied to
Penny Banks
at a moderate
charge.

Increased demand for deposit books supplied gratuitously.

Efforts for dissemination of principles and habits of thrift.

Single-handed efforts.

Introduction of "the social element."

Effort to induce foreign workmen to invest savings.

which consists of Ledger and Cash Book, can be supplied at the very moderate charge of 1s. 6d. The books have already been issued to numerous applicants, and appear to have met with entire approval. As regards the deposit books which have long been furnished gratuitously by this Department to the Managers of Penny Banks, the demand for them has naturally kept pace with the growth of the movement; nearly 51,000 having been supplied during 1877, as against 28,000 the year before. 10,000 books were furnished for the Penny Banks of the London School Board, and 3,700 for those of other School Boards; while about 22,000 were specially printed with the names of particular Penny Banks, the hours of attendance, and the names of the Trustees.

"I may here notice certain special efforts for the dissemination of principles and habits of thrift, most of which are more or less closely connected with the Penny Bank movement. A society is now in course of formation at Oxford, to be called the 'National Thrift Society,' with which the Oxford Diocesan Provident Knowledge Society is to be incorporated, having for its chief objects the encouragement of thrift among school-children, the working classes, servants, and artisans, by various means, including the establishment of Penny Banks in connexion with schools, clubs, factories, temperance societies, working men's institutes, &c., and the wider circulation of information respecting the advantages of the Post Office Savings Bank. There is also a project for instituting a Penny Bank Association in Bedfordshire. Among private and single-handed efforts, there is the case of a lady in a country district who opened upwards of 80 accounts, with deposits of one shilling each, in the names of poor persons in whom she was interested, hoping that they would be induced to add thereto from time to time. This scheme, however, was not successful, owing probably to over-patronage on the part of the promoter, as she did not permit the persons to have the deposit books in their own possession, but retained them herself, apparently in order that any subsequent deposits might be brought to her. In another instance, a large paper-manufacturer left in his will the sum of 5*l.* to every man who had been in his employment for seven years, such amount to be placed in the Post Office Savings Bank. Of 55 men who received the legacy nine already had accounts in the Post Office Savings Bank, and in their cases, of course, the money was deposited in such accounts, fresh accounts being opened for the rest. A writer in the *British Quarterly Review* for January last, in an article entitled 'Savings and Savings Banks,' advocates, as a means of popularizing the Savings Bank movement, the introduction in relation to it of what is called 'the social element,' viz., the organization of public meetings, lectures, and various kinds of entertainments for depositors in the Post Office Savings Bank. Such means, he suggests, might be made the basis of an institution, which could successfully compete, greatly to the advantage of the people, with the system of friendly and benefit societies.

"An effort was made at the latter part of last year by the Central Association of Master Builders of London, to induce the foreign workmen, employed in consequence of the masons strike, to save the surplus of their wages. At the request of the secretary to the association, some hundreds of copies of the leaflet, containing the principal rules of the Post Office Savings Bank, were supplied for distribution, together with several large placards of the regulations to be posted up at the principal sites of building operations. A special memorandum was also sent to the Receivers at Post Offices in the neighbourhood of the new Law Courts. In October last the principal of a Training College for

Schoolmistresses was furnished, at his request, with 5,000 copies of the leaflet before mentioned, for the purpose of being bound up with a school reading book he was about to publish, which included the subject of saving.

"During last year 2,178 depositors who had lost or destroyed their books were supplied with new ones, being an increase of 210 over the number of similar cases in 1876. The decrease in the number of applications respecting missing books, alluded to last year as the result of efforts made to insure greater promptitude in the return of books to depositors, was still more remarkable in 1877, for while 750,498 books were received for examination, being 12,500 more than in the previous year, the applications for missing books were fewer by 777.

Books lost and destroyed in 1877.

Decrease in number of applications for missing books in 1877.

"The loss of a book is generally ascribed either to change of residence, or to its having been dropped in the street, or burnt with waste paper; but sometimes the explanations are very original, such as the following: 'I think children has taken it out of doors and lost it, as they are in the habbit of playing shutal cock with the backs of books.' One depositor stated that his book was 'supposed to have been taken from the house by our tame monkey'; while another wrote thus: 'I was in a yard feeding my pigs. I took off my coat and left it down on a barrell, while engaged doing so a goat in the yard pulled it down. The book falling out, the goat was chewing it when I caught her.' A depositor, a sergeant in the army, lost his book 'whilst in the act of measuring a recruit for the service,' and another, having pledged his coat, leaving his book in the pocket, found on applying to redeem his property that it had been mislaid by the pawnbroker and lost. Within the covers supplied to depositors for the purpose of forwarding their books a space is ruled for the depositor's address, and beneath is printed the request, 'State here whether the above address is permanent.' Instances have frequently occurred in which quaint remarks, and occasionally passages of Scripture, have been given in reply, such as 'Here we have no continuing city,' 'This is not our rest,' 'Heaven is our Home,' &c. Other depositors have contented themselves with 'Yes, D.V.' In one case the reply was 'No, D.V., for the place is beastly damp and unhealthy,' and in another 'Doant know what permanent is.'

Explanations as to loss of books.

Quaint answers as to addresses being permanent.

"The necessity for careful distinction in the nomenclature of streets has been curiously illustrated. It transpired that in a suburban district of London there were two terraces close together bearing exactly the same designation, and, by a singular coincidence, at the same number in both terraces there resided persons having the same surname and Christian names, one of them being a depositor. A precisely similar coincidence came to light in a provincial town. In the former case the delivery of an acknowledgment at the wrong house gave rise to a groundless claim, and in the latter a deposit book, returned after examination, was in the first instance delivered to a person who was not the depositor.

Nomenclature of streets.

"The large increase during the latter part of 1876 in the number of applications respecting the moneys of depositors who had become insane, noticed in my last year's Report, was maintained during the year 1877. The total number of such cases was 163 as compared with 136 in 1876, and the increase of 27 thus shown is more than double the increase in 1876 over 1875.

Insane depositors.

"During last year 11,063 claims were made to the moneys of Deceased deceased depositors, including 2,559 cases in which Probates of Wills or positors.

Probates of wills or letters of administration.

Decrease in number of claims in 1877.

Letters of Administration were forwarded for registration. The number of Probates and Letters of Administration received in 1876 was exactly the same, but the total number of claims was 11,891, or 828 more than last year. With reference to this decrease, it may be observed that according to the Registrar-General's Report, the death rate in England and Wales during the year 1877 was lower than in any year since civil registration was established. It seems probable, however, that, as the average death rate in the United Kingdom is 20 per 1,000 inhabitants, and the claims to moneys of deceased depositors are less than 7 per 1,000 accounts, many depositors close their accounts shortly before their death, either in order to save their relatives the trouble and expense of proving the death, or through the money being required to defray the expenses attending illness.

* * * *

Printed form of application.

Peculiar incidents in cases of decease.

" During the past year a printed form, which Postmasters are instructed to hand to persons applying respecting the moneys of deceased depositors, has been rendered more complete, so as to avoid unnecessary trouble on the part of the public, and at the same time to reduce the correspondence of the Department. The certificate of death forwarded in connexion with one claim described the deceased as 'a man unknown,' and it was ascertained on inquiry that the deceased had been found drowned, and had been subsequently identified by means of his clothing. In another case an account had been opened in a manufacturing town in Yorkshire, in 1868, by a girl who was described as a minor over seven years of age. Only one deposit was made, and nothing further was heard of the account until 1872, when a labourer wrote from Northumberland, claiming the money as having been deposited by his wife, who had recently died. On a marriage certificate being forwarded it was found that the marriage took place in 1851, and that the wife was 35 years of age at that time. The applicant also stated that he could swear to his wife's handwriting, whereas the depositor could not write. He was informed of these discrepancies, but he still insists that the money was deposited by his wife, and has recently employed a lawyer to urge his claim. Another case affords an illustration of secretiveness and its failure to bring about the desired results. A domestic servant who had invested in a Trustee Savings Bank about 100*l.*, which at the closing of that Bank was transferred to the Post Office Savings Bank, married in the year 1826, but did not inform her husband of her savings, to which she subsequently added about 50*l.* She lived with her husband until 1862, when she died leaving him with three children. Within a few months he married again, which according to the children's statement the depositor had said he would do. The second wife seems to have heard of the savings of her predecessor, and in consequence caused the old man, who did not know he had anything to leave, to make a will in her favour. Thus the depositor's children, among whom it is stated she thought her money would be divided on her husband's death, have derived no benefit whatever from their mother's secret savings. When, in the absence of Probate of Will or Letters of Administration, there are several persons entitled to share the money of a deceased depositor, it is generally found most convenient for one of them to obtain payment of the whole amount; but if each demands to be paid his or her own share separately, it is the practice to divide the money in accordance with the Statute of Distributions, and the following is an instance of the fractions into which it is sometimes necessary to divide the deposits. A Scotch collier, who had opened an account in 1872, died leaving rather less than 20*l.* in the Post Office Savings Bank. His family at the time of his death consisted

Division of moneys according to Statute of Distributions.

of his wife, five children by a former wife, and one grandson—the child of a deceased son. The children objecting to the whole amount being paid to the widow, it was decided to divide the money according to the Scotch Statute of Distributions. Three of the children were paid their shares, and a fourth child having recently applied it was found that her share was $\frac{1}{4}$ ths of the balance due.

“ In July last year the order for the immediate despatch of troops to Malta caused some of the soldiers to send urgent applications to withdraw their deposits, which in the ordinary course could not have been complied with in time ; but as the circumstances seemed to justify special instructions by telegraph, that course was adopted, and the applicants were thereby enabled to obtain payment before their departure.

Special repayments to soldiers ordered to Malta.

“ Among the miscellaneous correspondence of the Department I may notice letters from several Englishmen living in the United States, who were anxious to be depositors in the Post Office Savings Bank. Such applications, which are due probably to the insecurity of the American Savings Banks, to which I shall subsequently allude, cannot of course be complied with, as the Regulations do not provide for deposits being made by persons resident abroad.

Applications to deposit from Englishmen in the United States.

“ The following communications are somewhat curious. A depositor, having been written to for correct particulars of his account, the reply received from some one who had opened the letter on his behalf was :— ‘ Don’t know his address, but you’ll have no difficulty in finding him— ‘ He is a tall man, deeply marked with small-pox, has one eye, wears a ‘ billycock, and keeps a pea-booth at Lincoln Fair.’ In another case, it being doubtful to which of two accounts a certain deposit belonged, the depositors having the same surname and initial of Christian name, the following explanation was furnished :— ‘ Please Sir, we are two little brothers, one is James and the other is John.’ One depositor, having lost the acknowledgment for a deposit, wrote in great distress concerning it, stating that he was ‘ broken-hearted ’ and could ‘ neither ‘ eat or sleep,’ fearing it had fallen into the hands of some dishonest person. His apprehensions as to the safety of his money were of course groundless, as, although the receipt of an acknowledgment by the depositor is of the utmost importance, the acknowledgment itself is of no value to any other person. Cases frequently come to light where deposit books have been negotiated as security for private loans, &c., an arrangement which is not recognized by the Department. Last year a superintendent of police gave notice that a book had been placed in his hands as security for the appearance of a person charged with bigamy.

Curious communications.

Deposit Books negotiated as security for loans, &c.

“ The development of Post Office and other Savings Banks on the Continent of Europe, which has been so marked in the last few years, still continues. In France the School Savings Banks now number 4,000, and during the past year Savings Banks called *Bureaux d’Epargne* have been introduced, with much success, into many of the Government factories. When the operatives, male and female, in these factories receive their wages every ten days, a portion is retained, with their consent, as a Savings Bank deposit, the gross amount thus collected being subsequently paid into the nearest Savings Bank. The business of these *Bureaux d’Epargne* is transacted by the factory superintendents, whose services are gratuitous. In July last M. Auguste de Malarce was commissioned by the French Government to complete the investigation of our Post Office Savings Bank system, which he commenced in his mission to this country in 1875, and one of the principal

Continental Savings Banks. France.

Establishment of Savings Banks in Government Factories.

results of which was the conversion of a great portion of the funds of the French Savings Banks into terminable annuities, on a basis analogous to our own. M. de Malarce spent a fortnight in further studying the working of this Department. The number of the depositors in the French Savings Banks has, within the last three years, increased from 2,079,000 to 2,700,000, and the amount of their deposits from 20,600,000*l.* to 32,360,000*l.*; the number of Post Offices used for Savings Bank business being 377 at midsummer 1877. Among the numerous congresses to be held in Paris during the Exhibition, it is not surprising that there is to be one on Savings Banks, which will be opened on the 1st of July, under the auspices of the *Société des Institutions de Prévoyance*, with a view to which, it is said, the Minister of the Interior has ordered returns to be made as to the various Savings Banks and other self-help societies in France; and it also appears that various other Governments are, for the same purpose, preparing reports on the Savings Banks of their respective countries. I have received information as to the progress of the Savings Banks in Austria proper, which are above 300 in number, but have no connexion whatever with the postal system. It appears that since 1866 the amount of deposits, which was then 13,000,000*l.*, had risen to 60,680,000*l.* by the end of 1876, notwithstanding the political disturbances in the Empire since 1872. The Vienna Savings Bank alone held nearly 13,000,000*l.* of this sum. Last year, however, the increase in Savings Bank funds throughout Austria proper was comparatively small, consisting mainly of capitalised interest. In Italy the Post Office Savings Banks, the system of which, although very similar in principle to that existing in this country, has some of the features of the Belgian system, commenced their operations on the 1st January 1876, and had at the close of that year 57,519 depositors, with 96,515*l.* standing to their credit. The number of Post Offices used for the transaction of the business was 1,374, while the operations of the old established Savings Banks had almost doubled since 1867, the most perceptible increase having taken place within the last four years. The Italian Post Office Savings Bank system differs from our own, however, in one important particular, a record being kept of the depositors' accounts at the Post Offices at which they are opened as well as at the Central Office. Such an arrangement is necessitated by the provision which is made for withdrawals of 4*l.* and under, without notice, on presentation of the deposit book, together with an order or cheque to be detached from the book, stating the amount required, and duly signed by the depositor. The depositor need not attend personally, payment being made if the signature to the order corresponds with that in the book. In the case of a withdrawal taking place at an office other than that at which the account was opened, an authority to pay has to be obtained from the Chief Office. Applications have been lately received from the German and Belgian Governments asking for additional information, the former as to the disposal of the surplus funds arising from the Post Office Savings Banks of Great Britain, and the latter as to the means adopted by this Department to guard against fraud on the part of the officers appointed to receive and repay deposits. Information was last year personally obtained at this Department by a gentleman connected with the Government of the United States of America, anxious to gain an insight into our system, with a view to the adoption of a similar one in America, together with an affiliated scheme for converting the Savings Bank deposits into Government Bonds. An application for documents, which have been duly furnished, was received from a member of the American Social Science Association deeply interested in economic questions, who stated that an

Congress on
Savings Banks.

Austria-Hun-
gary.

Italy.

Payments on
demand.

Germany and
Belgium.

United States
of America.

effort was being made in Congress to pass a Post Office Savings Bank Bill, in order to stem the increasing evils arising from the insecurity of the American Savings Banks, and the large failures which are so constantly taking place. He added that little is known of the advantages of Post Office Savings Banks in America. I gather from other sources that these failures throughout the United States exhibit on all sides a corrupt or unsound management, many of them being attributed to the indifference, negligence, or chicanery of the Trustees and Officers. In some instances it has been ascertained that the funds of the Banks have been lent on mortgages which have been overvalued, or on property on which there exist preferential liens. In the State of New York alone nine Savings Banks have failed, the liabilities to depositors being 1,686,593*l.*, of which only 680,000*l.* has yet been recovered. The New York *Board of Trade Gazette*, with reference to the recent failure of the New York 'Sixpenny Savings Bank,' advocates the 'immediate adoption of the Government Postal Savings Bank scheme,' which 'is demanded in the name of the honest poor, the careful retailer, the newly arrived immigrant, and in the interests of humanity and morality,' so that there may be 'security for the self-denying saving classes, who will be content with lower interest accompanied by absolute safety.' The latest report of the Canadian Post Office Savings Banks shows that the business has been steadily declining for several years, and that the number and amount of the deposits received during the past year were, respectively, 2,521, and 205,204*l.* less than the previous year, whilst the average amount of each account open on the 30th June last was less than that of any former year. This falling off may perhaps be accounted for in a measure by the fact that in thriving Colonies there are ways of investing savings not met with elsewhere, such as the facilities afforded for the purchase of land for cultivation. The Post Office Savings Banks of Queensland and Victoria continue to prosper; and a movement has been set on foot for the establishment of School Savings Banks in New Zealand. According to the last Report from Queensland, the use of the telegraph wires in order to expedite the repayment of Savings Bank deposits, to which I alluded on a former occasion, has been much extended during 1876; 39.55 per cent. of the country withdrawals having been made by telegram without loss or inconvenience of any kind. The latest published Report of the Postmaster General of Japan states that at the end of June last there were in that country 161 Post Offices open for the transaction of Savings Bank business, and that the total amount due to the depositors was 12,293*l.*, interest being allowed at the rate of 12 per cent. Although the business is at present comparatively limited, its further development is evidently receiving the attention of the Japanese Government, whose Consul in London has recently applied for two copies of the book 'Origin and Progress of the System of Post Office Savings Banks,' which were of course readily supplied."

Insecurity of
American Sa-
vings Banks.

Failure of
Savings Banks
in State of New
York.

Canada.
Decline of
business.

Queensland
and Victoria.
New Zealand.
Telegraph
wires in
Queensland.

Annuities and Life Insurances.

(L.) TABLE showing the BUSINESS done in each YEAR since the commencement on the 17th April 1865.

Year.	ANNUITIES.						LIFE INSURANCES.					
	Immediate.			Deferred.								
	Contracts granted.	Receipts.	Payments.	Contracts granted.	Receipts.	Payments.*	Fees received on Immediate and Deferred Annuity Contracts, the Charges on Monthly Allowances being included in the Premium.			Contracts granted.	Receipts.	Payments.
	No.	Amount of Annuities.	Amount of Purchase Money.	No.	Amount of Annuities.	Amount of Purchase Money.	No.	Amount of Purchase Money.	No.	Amount of Insurances.	Amount of Premiums.	No. of Deaths and Surrender.
1865	87	£ 2,100	£ 22,738	32	£ 423	£ 949	67	£ 1,342	£ 139	547	£ 40,847	—
1866	196	4,327	48,829	280	3,183	1,380	297	2,845	267	621	47,301	1
1867	268	5,066	65,068	725	8,042	704	313	2,392	323	364	26,989	5
1868	323	6,396	70,775	1,286	14,112	668	310	2,505	345	360	26,781	11
1869	352	6,811	74,401	1,895	19,925	1,044	385	2,062	385	422	32,670	10
1870	306	6,120	67,738	2,529	26,099	1,195	514	3,529	347	385	31,254	1,676
1871	360	7,272	81,839	3,125	32,056	710	502	2,840	392	368	27,695	59
1872	1,019†	9,570	97,269	3,737	38,464	721	480	2,838	510	767	55,982	54
1873	1,344‡	10,290	105,877	6,257	47,374	883	520	3,925	516	396	33,073	76
1874	1,814‡	12,259	115,021	9,492	56,888	992	583	4,827	622	278	21,622	92
1875	682	7,926	85,781	11,129	63,641	708	661	3,543	481	370	32,023	84
1876	729	10,013	100,084	11,677	69,240	464	639	2,601	520	270	23,375	101
1877	745	10,933	130,256	12,414	76,612	1,251	687	4,747	595	393	33,444	98

* Prior to the year 1875 the payments consisted of Purchase Money Returned only, as no Annuities were payable till after the lapse of ten years.

† Claims on Surrender value of Life Insurance Contracts commenced in this year.

‡ The exceptional increase during these years arose from Contracts granted on the lives of Masters and Seamen of Mercantile Marine, through the Board of Trade. The circumstances which led to this increase had nearly ceased in 1876.

General Post Office,
June 1878.

APPENDIX (L.)—continued.

(II.) TABLE showing the Number and Amount of CONTRACTS entered into from the Commencement of Business on 17th April 1865 to the 31st December 1877, and the Number and Amount of Contracts in existence on the 31st December 1877.

	CONTRACTS GRANTED.				TOTAL.	
	From 17 April 1845 to 31 December 1876.		From 1 Jan. 1877 to 31 December 1877.			
	No.	Amount.	No.	Amount.	No.	Amount.
		£ s. d.		£ s. d.		£ s. d.
Contracts for Annuities entered into from the commencement of business on 17th April 1865 to 31st December 1877, viz. :—						
Immediate Annuities - -	7,380	89,353 19 4	745	10,932 17 4	8,125	100,286 6 8
Deferred Annuities and Monthly Allowances, Money not returnable - -	180	3,315 0 6	19	289 16 0	199	3,604 16 6
Deferred Annuities and Monthly Allowances, Money returnable - -	345	6,878 12 0	39	961 12 0	384	7,840 4 0
Contracts for Sums payable at Death entered into from the commencement of business on the 17th April 1865 to the 31st December 1877 - - - -	5,118	398,877 11 9	393	33,444 7 1	5,511	432,321 18 10
Contracts for Annuities in existence on the 31st December 1877, viz. :—						
Immediate Annuities - -	-	-	-	-	6,633	83,982 11 2
Deferred Annuities and Monthly Allowances, Money not returnable - -	-	-	-	-	178	3,132 14 6
Deferred Annuities and Monthly Allowances, Money returnable - -	-	-	-	-	220	4,517 0 0
Contracts for Sums payable at Death, in existence on the 31st December 1877 - - - -	-	-	-	-	4,220	337,814 3 2

APPENDIX (M.)

Inland Revenue Licenses.

NUMBER AND DESCRIPTION OF LICENSES ISSUED BY THE POST OFFICE SINCE 1869, WITH THE REVENUE FROM THE SAME.

Year	Dogs at 1s. each.	Male Servants at 15s. each.	Carriages.		Horse Dealers at 12/10s. each.	Horses and Mules at 10s. 6d. each.	Armorial Bearings.		Guns at 10s. each.	Game.			Game Keepers at 40s. each.	Total Number.	Revenue £ s. d.
			At 42s. each.	At 15s. each.			At 42s. each.	At 10s. 6d. each.		Red at 60s.	Green at 40s.	Blue at 40s.			
1869	473,218	—	—	—	—	—	—	—	—	—	—	—	—	473,218	113,504 10 0
1870	524,082	74,007	32,020	73,171	10	203,361	6,171	10,219	40,742	—	—	—	—	944,333	460,027 16 6
1871	532,929	70,865	31,837	73,111	10	201,527	5,945	10,303	63,161	—	—	—	—	1,008,038	473,311 15 0
1872	573,723	71,294	32,978	74,412	10	205,914	5,943	11,090	62,230	—	—	—	—	1,037,608	483,439 9 0
187	615,342	69,236	32,830	74,651	8	206,562	5,736	10,762	70,671	—	—	—	—	1,083,938	493,157 0 0
187	635,636	69,325	34,094	75,495	8	203,333	5,336	10,943	79,481	4	1	1	—	1,103,207	521,240 14 0
1875	755,408	67,340	34,964	77,531	—	—	5,741	10,963	86,378	10	—	—	2	1,039,241	438,346 8 0
Quarter ended 31 Mar. 1876	680,790	67,332	33,360	72,617	—	—	5,603	10,704	3,266	—	—	—	—	873,932	370,078 15 0
1876-77	847,609	61,304	38,600	81,107	—	—	5,713	11,279	86,554	14	—	—	1	1,190,241	463,837 15 0
1877-78	980,066	57,152	37,127	82,738	—	—	5,654	11,335	83,859	11	—	—	1	1,210,463	492,700 7 0

* The duty on Horse Dealers and Horses and Mules was abolished in the year 1874.

APPENDIX (N.)

Staff of Officers.

At the end of 1877 the Staff of Officers was as follows, as compared with the Staff at the end of 1876.

On 31st of Dec. 1876.			On 31st of Dec. 1877.	
		I. Officers in British Isles :—		
		(A.) Staff employed either wholly in postal duties (including Money Order and Savings Bank business,) or partly in postal and partly in telegraph duties, viz.:		
1		Postmaster General - - - -	1	
6		Secretary, financial secretary, assistant secretaries, surveyor general for Scotland, and secretary for Ireland.	6	
22		Other superior officers in the Metropolitan offices, viz. : heads of departments, chief clerks, &c.	23	
16		Surveyors - - - -	16	
13,447		Postmasters - - - -	13,763	
3,380		Clerks, &c. - - - -	3,465	
16,327		Letter carriers, sorters, messengers, &c. -	16,649	
82		Mail guards and porters - - - -	35	
3		Marine mail officers - - - -	3	
	33,284			33,961
		(B.) Staff engaged exclusively on telegraph duties, viz.:		
		Assistant Secretary - - - -	1	
21		Chief engineers and other superior officers -	11	
6,656		Clerks, subordinate engineers, &c. -	6,480	
4,977		Messengers, &c. - - - -	4,981	
	11,654			11,473
26		II. Postmasters, clerks, letter carriers, &c. in the colonies, the posts of which are under the direction of the Postmaster General.	26	
	26			26
60		III. Agents in foreign countries for collection of postage, &c.	46	
	60			46
	45,024			45,506

APPENDIX (O.)

Force and Expenditure in relation to Postage and Money Orders in the last Ten Years.

Year.	FORCE.		EXPENDITURE.												Total Cost of Post Office Service.
	Effective.	Non-Effective.	COST OF COLLECTION AND DELIVERY, OF MANAGEMENT, AND OF MONEY ORDER BUSINESS.				COST OF CONVEYANCE OF MAILS.								
			Staff Officers, Telegraph and Savings Bank Officers, Guards, Letter Carriers (exclusive of Sorters, Stampers, Messengers, Postmasters, Clerks, Attendants, of Substitutes during Holidays or Sickness, and amount of Official Postage, Law Charges, and incidental Expenses.	Manufacture of Stamped Stamps, Post Cards, and Stamped Newspaper Wrappers.	Stationery.	Buildings and Repairs, Rates, Taxes, Fuel, and Light.	Total Cost of Collection, Delivery, Order Management, and of Money Order Business.	Conveyance by Coaches, Carts, and Omnibuses.	Conveyance by Railways.	Mail Bags and Boxes, Tolls, and Petty-Miscellaneous Expenses.	Conveyance of Mails by Packets under Contract, and by private Ships.	Conveyance of Mails over Isthmuses of Suez and Panama and in other Foreign Parts, and Salaries of Admiralty Agents and other Officers in charge of Foreign and Colonial Mails.	Total Cost of Conveyance.	Conveyance of Savings Bank Correspondence.	
£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
1868	26,262	1,756	1,440,144	25,000	39,014	214,522	1,718,680	139,553	578,927	18,769	777,097	33,098	1,548,044	1,548,044	1,548,044
1869	26,010	1,871	1,455,251	25,000	40,788	115,123	1,696,162	139,316	583,596	17,593	1,056,798	25,822	1,823,065	1,823,065	1,823,065
1870	28,978	1,983	1,497,813	47,500	42,561	110,223	1,698,097	138,763	587,296	16,295	998,494	26,290	1,787,768	1,787,768	1,787,768
1871	28,959	2,084	1,550,793	49,300	45,297	136,072	1,781,422	140,822	595,221	19,911	1,047,044 (c)	26,280	1,839,278	1,839,278	1,839,278
1872	30,066	2,241	1,681,975	58,200	46,037	164,308	1,950,520	144,576	618,715	19,774	927,732	23,599	1,734,426	1,734,426	1,734,426
1873	31,085	2,421	1,774,762	66,170	37,272	132,397	2,010,451	147,877	644,179	23,970	944,896	21,306	1,782,228	1,782,228	1,782,228
1874	31,800	2,494	1,874,458	70,000	37,420	168,855	2,150,713	157,008	646,613	23,865	915,580 (d)	18,434	1,764,500	1,764,500	1,764,500
1875	32,143	2,591	1,941,704	86,420	42,405	142,881	2,213,470	162,321	666,357	25,426	885,895 (e)	16,922	1,707,421	1,707,421	1,707,421
Quarter ended 31st Mar. 1876	—	—	496,615	21,656	12,614	44,550	575,435	40,403	169,105	7,209	207,141	4,029	427,887	427,887	427,887
1876-7	32,526	2,673	2,045,876	92,191	48,925	206,483 (f)	2,398,475	171,370	684,465	24,241	779,632	16,823	1,676,531	1,676,531	1,676,531
1877-8	33,070	2,751	2,116,715	96,637	43,160	179,912 (g)	2,436,424	173,453	692,140	25,048	679,426 (h)	16,714	1,586,761	1,586,761	1,586,761

(a) Including £108,292 paid under the Post Office Extension Act, the greater portion of which has been charged to Buildings, &c. ditto.

(b) Including £17,544 ditto.

(c) For an explanation of this increase see Appendix (P.), Note (f).

(d) This decrease is chiefly attributable to a reduction in the amount of the subsidy payable to the Peninsular and Oriental Steam Packet Company, and to the Australian Colonies having taken the service beyond Point de Galle into their own hands, in the year 1874.

(e) This further decrease is attributable to a new and more favourable contract with the Royal Mail Steam Packet Company having commenced at the beginning of the year 1875.

(f) This sum includes £90,859 paid towards the purchase of the Sife of the Manchester New Post Office.

(g) Ditto

(h) This further decrease is chiefly attributable to new and more favourable arrangements with respect to the Conveyance of Correspondence to America.

(i) No charge was made in respect of the Cost of the Conveyance of the Post Office Savings Bank Correspondence from 1st April 1868 to 31st March 1877 inclusive.

APPENDIX (P.)

Gross and Net Revenue from Postage and Money Orders in the last Ten Years.

Year.	Gross Revenue from Letters, Post Cards, Newspapers, and Books.	Money Order Commission.	Unclaimed Money Orders.	Gross Revenue collected by the Post Office.	Produce of the Impressed Stamp on Newspapers collected by Inland Revenue Office.	Total Postal Revenue.	Total Cost of Post Office Service.	Net Revenue.
	£	£	£	£	£	£	£	£
1868	-	175,612	-	4,566,882	116,764	4,683,646	3,268,734	1,416,922 (a)
1869	-	176,480	-	4,646,226	115,349	4,764,575	3,459,927 (b)	1,305,348
1870	-	184,093	-	4,848,005	89,870	4,936,875	3,495,895	1,443,610
1871	-	182,140	20,707 (c)	4,900,454	-	4,900,454	3,610,700 (f)	1,289,754 (d)
1872	-	192,804	3,502 (e)	5,208,922	-	5,208,922	3,684,946	1,523,976
1873	-	208,057	5,167 (e)	5,248,040	-	5,248,040	3,792,679	1,455,361
1874	-	215,462	5,116	5,751,600	-	5,751,600	3,915,213	1,836,387
1875	-	219,197	5,300	5,815,632	-	5,815,632	3,920,891	1,894,141
Quarter ended 31st March 1876	1,280,951	56,640	1,270	1,338,861	-	1,338,861 (h)	1,003,322	335,539
1876-7	5,782,033	229,208	5,751	6,017,072	-	6,017,072	4,070,006	1,947,066
1877-8	5,795,801	242,463	6,048	6,047,312	-	6,047,312 (i)	3,990,620	2,056,692
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GROSS and NET REVENUE derived from the TELEGRAPH SERVICE since the transfer of the TELEGRAPHS to the POST OFFICE
(29th January 1870).

Year ended 31st March.	Gross Revenue from Messages and from Wires rented by Cable Companies.	News Produce and Special Wire Rentals.	Private Wire Rentals.	Miscel- laneous.	Extra Receipts.	Total Revenue collected. (a)	Payments out		Total Telegraph Revenue.	Working Expenses charged to the Telegraph Vote. (c)	Net Revenue.
							To Cable Companies. (b)	For Postage and Message Money refunded. (i)			
1870 (2 months.)	£ —	£ —	£ —	£ —	£ —	£ 107,479	£ 5,000	£ 1,719	£ 100,760	£ 62,373	£ 38,487
1871	908,351	31,975	16,763	14,128	—	971,217	255,952	17,331	697,984	394,477	303,457
1872	1,095,375	39,175	32,578	16,029	—	1,183,157	408,965	22,381	751,611	591,776	159,835
1873	1,306,055	43,300	37,817	2,050	11,855	1,401,077	385,684	25,472	989,921	874,946(d)	114,975
1874	1,403,793	52,688	42,063	3,626	25,642	1,527,812	416,475	27,871	1,083,466	967,790(e)	115,676
1875	1,448,823	58,478	50,849	5,212	13,285	1,576,647	410,770(f)	28,798	1,137,079	1,077,347(g)	59,732
1876	1,479,477	58,165	52,884	6,896	26,416	1,623,838	320,868	26,308	1,276,662	1,031,324(h)	245,116
1877	1,474,814	65,041	58,942	8,253	14,549	1,621,599	306,592	1,900(i)	1,313,107	1,123,790(k)	189,317
1878	1,486,990	64,367	58,329	8,087	16,074	1,633,847	298,059	2,246	1,333,542(l)	1,164,131(k)	169,411

(a) The revenue shown in this Table is the amount actually brought to account in each year.

(b) The payments to Cable Companies represent the sums actually paid in each year.

(c) The working expenses are those shown in the Appropriation Accounts of the Telegraph Vote; and do not include the Telegraph Expenditure incurred by the Office of Works in Ireland during the whole period, nor that incurred by the Office of Works in England since the 1st April 1874.

(d) The expenses of the year ended 31st March 1873 include arrears of pay for 1870 and 1871 amounting to 64,000*l*.

(e) The expenses of the year ended 31st March 1874 include for the first time the cost of extensions amounting to 31,502*l*.

(f) Arrears amounting to 30,006*l*. were paid in this year.

(g) Pensions of redundant officers of Telegraph Companies amounting to 41,695*l*., were for the first time charged to the Telegraph Vote. Of this amount 24,999*l*. was for arrears.

(h) From the 1st April 1875 stationery has been provided for in the Vote for the Stationery Office.

(i) Payments for the delivery of Telegrams beyond one mile were treated as charges on the Telegraph Revenue until 31st January 1876, but since that date they have been charged to the Telegraph Vote.

(k) The expenses of the years ended 31st March 1877 and 31st March 1878 include the sum of 57,338*l*. paid towards the purchase of the site of the Manchester New Post Office. They also include large sums paid to Railway Companies in settlement of arrears in respect of Message Work performed for the Department and the maintenance of the Telegraph plant.

(l) Telegraph Revenue as per Finance Accounts - 1,317,468*l*.

Add Extra Receipts - 16,074*l*.

1,333,542*l*.

L O N D O N :
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