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TWENTY-FIFTH 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.

1879.

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TWENTY-FIFTH 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-fifth Report on the Post Office; being that for the financial year ended the 31st March 1879.

INLAND SERVICE.

The number of Post Offices established in the year 1878 was 258, raising the total number of offices open in the United Kingdom on the 31st December last to 13,881. Of these 905 were Head Offices, and 12,976 Sub-Offices. The number of road and railway letter-boxes was increased during the year by the erection of 580 new boxes to 11,880.

Thus the accommodation provided throughout the United Kingdom for the deposit of correspondence in the Post is represented by no less than 25,767 receptacles.

In 1840, on the establishment of Penny Postage, there were only 4,028 places of deposit.

Now in London alone there are 1,981.

Progress continues to be made with the new Central Savings Bank in Queen Victoria Street; and it is hoped that the works may be completed in time for the staff to be moved into the building by the end of the current financial year.

New and commodious Branch Post Offices have been opened in Charterhouse Street, near Smithfield Market, and in Queen Victoria Street.

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

New Post Offices at Altrincham, Bedford, Burnley, Cork, Kilmarnock, Kingstown, Middlesbrough, Queenstown, Reading, Rotherham, St. Helens, Stirling, Stockton, and Walsall have been completed, or are approaching completion.

Arrangements are in a more or less forward state for providing new Post Offices at Barnsley, Blackburn, Carnarvon, Dudley, Durham, Ipswich, Manchester, Oxford, Scarborough, Southampton, and West Bromwich.

Orders have been given for the construction of a new building at the Bute Docks, Cardiff, to serve partly as the Head Telegraph Office and partly as offices for the Mercantile Marine Board.

Schemes for new Post Offices at several other places are under consideration.

Improvements
effected in
Provincial
Offices.

The new Post Office at Glasgow has made great progress, and a large part of it is now occupied.

At several other places alterations have been made in the internal arrangements of the offices in order to provide additional accommodation.

Measures continue to be taken to improve (by means of column ventilators and otherwise) the ventilation and general sanitary condition of Post Office buildings.

Reduction of
size of certain
of the London
Postal Districts.

Owing to the vast growth of London, it has been found necessary, for the purpose of supervision, to diminish the area hitherto under the control of the Postmasters of the Western, South-Western, and South-Eastern Postal Districts. Thus the Western suburbs are now under the control of the Paddington Office; Putney and Wimbledon have each a Head Postmaster, as also has Norwood.

Improvements
in Mail Service.

The following are the more important improvements which have been effected in the Mail Service of the country during the past year, the result of which, with other minor improvements, is shown in a tabular statement given in Appendix A.

In consequence of the London and North-Western Railway Company having put on a midnight passenger train, it has been found practicable to extend the midnight despatch of letters from London to Blackburn, Lancaster, Leamington, Stafford, Stratford-on-Avon, Warrington, Warwick, Wigan, Wolverhampton, and several other towns.

The midnight despatch of letters from London has also been extended in other directions, as opportunities occurred.

The system of late night or early morning collection of letters is in force in the outer suburbs of London, and in some provincial towns. In London, letters thus collected fall into the first morning delivery, and catch the early morning mails to the provinces.

An additional day mail from London to Scarborough has been established, which enables a mid-day delivery of about 1,800 letters a week to be made in Scarborough.

The towns of Derby and Nottingham have been provided with early day mails to London; and Loughborough and Newark have been given additional day mails.

Arrangements have been made for the delivery at Bedford of letters coming by the Irish night mail at 11.0 a.m. instead of at 5 p.m. as hitherto.

An extension of the time for posting at Dundee for the up night mail has been effected.

An early despatch of letters is now made from Dundee to London in order to expedite the delivery at certain places by

enabling the letters to leave London by the midnight despatches the same night.

The evening delivery in Edinburgh of letters from the North, the occasional delay of which was a cause of complaint, has, by the adoption of special measures for the transmission of such letters from Larbert to Edinburgh, been placed on a more satisfactory footing.

The opening of the Tay Bridge at Dundee by the North British Railway Company has afforded facilities for improving the Mail Service between Edinburgh, Dundee, and Fifeshire generally. Thus the morning train from Edinburgh through Fife now reaches Dundee in time for the correspondence from Edinburgh and Fife to fall into the second delivery at 9.50 a.m. instead of the third at 12.15 p.m. as formerly ; and the afternoon train from Dundee arrives in Edinburgh for a delivery of letters from Dundee and the chief towns in Fife the same evening instead of the following morning.

Opening of the
Tay Bridge.

By arrangement with the Companies, Day Mails have been given to Bromyard, Dungarvan, Felixstowe, Halesowen, Lismore, Malmesbury, and Presteign.

Improved facilities given by
railway companies.

The arrangements made for the conveyance of mails by packet between the various parts of the United Kingdom are described in Appendix B., and are the same as those in force in 1877-8.

Home Packet
Service.

The Packet between Dunvegan and Lochmaddy in the South Hebrides now makes six instead of three voyages a week whenever the state of the weather permits ; and a corresponding increase in the frequency of the Rural Posts throughout Long Island, and the establishment of four additional sub-offices, have been effected.

Mails are now sent direct to and from Glasgow and Lochmaddy and other places in the South Hebrides.

The remodelling of the Post Office fittings on board the four Dublin and Holyhead Mail Packets has been completed during the year. The improvements which have been effected enables the Sorting duties to be carried on with much greater facility than heretofore.

Post Office fittings in
Dublin and Holyhead Mail
Packets remodelled.

A gradual increase in the use of the Mail Bag Apparatus with which Railway Post Offices are fitted continues to take place. The total number of pouches exchanged with these Travelling Post Offices throughout the kingdom in 24 hours is now 1,090 ; 546 pouches being delivered, and 544 received. The number of pouches exchanged daily last year was 1,070.

Pouches exchanged with
Travelling Post Offices.

A considerable reduction has been made in the scale of fees for late posting for the evening mails at the General Post Office in London.

Additional facilities for
late posting of letters in
London.

Special letter boxes for late posting for Continental letters, &c. for despatch by the evening mails have been put up at the Cannon Street and Charing Cross Railway Stations. Continental letters, bearing a late fee of 6d., can thus be posted at

Cannon Street up to 8.15 p.m., and at Charing Cross up to 8.0 p.m.; the latest time for posting such letters at the General Post Office, even when bearing the late fee, being 7.30 p.m.

Improved form of Letter Box used in London and Glasgow.

In London and Glasgow the gradual use of Branch Office and Receiving House Letter Boxes, opening from the outside, is being proceeded with. By this means Newspapers and Book Packets as well as letters can be posted when the offices are closed.

Improved Aperture Plates used in Liverpool.

In Liverpool the Letter Receiving Offices and Sub Post Offices have been fitted with Enamelled Plates, which, being very conspicuous, are a great improvement upon the metal plates hitherto employed.

The expediency of extending the use of these plates is under consideration.

Certificates of Posting.

The system under which senders of ordinary letters could obtain, upon application, certificates of the posting of such letters, has proved to meet no demand on the part of the public, and has been abandoned.

Measures adopted in London for disposing of extra work at Christmas.

On Christmas Eve for several years past there has been much difficulty in sorting the correspondence in time for the Night Mail trains out of London, owing to the enormous number of Christmas cards and packets; and measures were taken last year to secure extra time for dealing with the excess of work. Arrangements were accordingly concerted with the principal Railway Companies, and the despatch of the Night Mail trains was postponed to a later hour than usual. On the London and North-Western Railway special mail trains were run to overtake those despatched at the usual hours for Scotland and Ireland. By these means the whole of the correspondence was sent forward.

Effect of severity of past winter upon the Mail Service.

The frost and snow of the past winter gave rise to considerable delay in the transmission and delivery of letters in many parts of the kingdom. For several weeks it was necessary to reduce the speed of the Limited Night Mail train to and from Scotland, and to make additional stops for the purpose of examining the wheels;—measures which, of course, affected the Branch Services both by Train and Mail Cart. In the North of Scotland, especially on the Sutherland and Caithness Railway, and on parts of the Great North of Scotland Railway, the traffic was altogether suspended by the snow; and, although special means were adopted for forwarding the Mails—the Wick and Thurso Bag for example, being on several occasions sent by the Shetland Mail Packet—the Mails suffered much detention.

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

From the particulars given in Appendix C. it will be seen—

* The number of letters, postcards, &c., is estimated from an account taken for a short period in the year.

1. That the number of Letters delivered in the United Kingdom during the year 1878-9 was greater than the number delivered during the preceding year by 39,640,500, or an increase at the rate of 3·7 per cent. Number of Letters, &c.

2. That the number of Post Cards delivered during the year is greater by 9,208,400, or 9 per cent.

3. That the number of Book Packets and Circulars is greater by 7,775,900, or 4·1 per cent.

4. That the number of Newspapers is greater by 2,337,300, or 1·8 per cent.

Thus, taking the correspondence of all kinds together, the year 1878-9 shows an increase of 58,962,100 on 1877-8, being at the rate of very nearly 4 per cent., and an average of 45 per cent. per head of the population.

The number of circulars, the postage of which was paid for in money at the General Post Office, was— Circulars of which the Postage was paid in money.

At the penny rate - - 1,736,891

At the halfpenny rate - 4,362,201

being an increase of 361,960 at the penny rate, and of 862,576 at the halfpenny rate, on the numbers thus prepaid during the preceding year.

The weekly number of letters, newspapers, &c. posted in London and its suburbs during 1878 was 7,150,000, and the weekly number delivered was 7,145,000. Of all the letters, &c. posted about one half were for delivery within that area. More than one third (viz., 2,415,000) of the letters were posted in the East Central District, and more than one fifth of the letters, &c. delivered (viz., 1,754,000) were delivered in that District. London Letters, &c. posted and delivered.

The letters delivered in the London District form rather more than one fourth of all the letters delivered in the United Kingdom. They are more than twice as numerous as the letters delivered in Scotland, and above three times as numerous as the letters delivered in Ireland.

Of the total number of letters, &c. posted in the London District about one tenth fall into the midnight or early morning collection; rather more than one tenth into the last evening or 9 p.m. collection; and nearly four tenths into the collection for the night mail.

In the East Central District, in which 12 daily deliveries are made, out of 1,754,000 letters delivered weekly, about 1,008,000, or 57 per cent., fall into the first daily delivery; and about 280,000, or 16 per cent., into the last daily delivery. Out of 2,415,000 letters posted weekly, 218,000, or nearly 10 per cent., are for delivery in that District.

About one million letters, &c. a week are posted at the General Post Office itself: more than half a million at the Branch Office in Lombard Street; about a quarter of a million at the Branch Office in Gracechurch Street; nearly as many at

the Branch Office in Mark Lane ; and about 200,000 a week at the Branch Office at Ludgate Circus.

An actual counting of the letters, &c. dealt with in the East Central District Office was taken for one week in November last, from which it appeared that a day's work consisted roughly of 1,000,000 letters ; viz., about 400,000 posted at Offices in the District, about 300,000 delivered, and about 300,000 passing through the Office, *i.e.*, having been posted at and having to be delivered from Offices outside the District.

The largest number of letters, &c. received daily by any one firm or company in London is about 3,000.

The average yearly number of letters (exclusive of post-cards, books, and newspapers) delivered per head in the London Postal District was 72, as compared with 43 in the Liverpool Postal District, with 37 in England and Wales, with 28 in Scotland, with 14 in Ireland, and with 32 in the United Kingdom.

Articles passing through the post.

The past year was no exception to the rule as regards the miscellaneous nature of articles passing through the post ; many of which (about 6,000 packets), having been forwarded contrary to the regulations of the Department, were sent to the Returned Letter Office for disposal. The following are some of the numerous articles observed during the year :—Live animals—such as rabbits, rats, moles, tortoise, bees, and crabs—Devonshire cream, eggs, fruit, mince and pork pies, sausages, horse-shoe nails, artificial teeth, revolvers, china ornaments, geranium cuttings, tobacco and cigars, glazier's diamonds, &c. &c.

A packet containing a small snake and a lizard found its way to the Returned Letter Office. Upon examining it the next day the lizard had disappeared, and, from the appearance of the snake, it was feared that it had made a meal of its companion.

Curious applications.

The following is one of many applications to the Department upon matters not connected with the Post Office ; it was addressed to the postmaster of Leeds :—

"SIR,

"I HOPE you will pardon me for asking of you the favour of satisfying a curiosity which cannot, without distortion, be called a morbid one. The question I am about to put is prompted by the statement in the London papers that Marwood is to be the executioner of Peace.

"Now, being fully cognizant, from my readings of journals more than 50 years back, that York has always retained its own executioners (Askern having succeeded Howard), I am sceptical as to the correctness of the above statement. But, assuming it to be correct, I should like to be informed why Peace's particular case should cause a deviation from the old bylaws of your county, which gives name to an archiepiscopal province.

"Hoping to be pardoned for thus troubling you,

"I am, &c.,

"H—— S——."

The following notice on the subject of the Registration of Letters appeared in the "Times," and many of the leading provincial newspapers, just before Christmas 1878 :—

Facilities
afforded for
Registration of
Letters.

"At the beginning of the present year the Post Office adopted a cheap system of registering letters, and at the same time undertook the sale of registered letter envelopes. The change has led to a large increase in the number of letters registered; and, if the public were better acquainted than they appear to be with the facilities thus offered for the safe transmission of money and articles of value, the use of these envelopes and registration generally would, no doubt, be adopted to a still greater extent.

"The envelopes have been devised with great care, and seem well suited for the purpose, being strong as well as cheap. They are sold at prices varying from $2\frac{1}{4}d.$ to $3d.$ each, and are in five useful sizes, from small note size to a large cover suitable for bankers and merchants.

"It may be well to call attention to this subject at this season of the year, when all kinds of presents are sent by post.

"But the reduction in the charge and the sale of safe envelopes are not the only improvements which have been made, for the Post Office now undertakes to make good up to $2l.$ the value of the contents of any registered letter which it loses, simply stipulating in the case of money that it shall have been sent securely and in one of its own envelopes.

"It is on every account most desirable that money and articles of value should not be loosely committed to the post; and, with the facilities of sending letters securely which are now offered, it is to be hoped that the public will avail themselves of them."

Owing possibly to this notice the number of Registered Letters has increased, as will be seen on reference to Appendix D., from 4,316,047 in 1877 to 7,200,350 in 1878, the quarterly rate of increase since the charge for registration was reduced from $4d.$ to $2d.$ having been 36·2 per cent. in the first quarter of 1878, 45·8 in the second quarter, 61·8 in the third quarter, 77·7 in the fourth quarter, and 82·1 in the first quarter of 1879. But, although these figures may be regarded as satisfactory, it is clear that much greater advantage might be taken of them than is even at present the case.

Number of
letters regis-
tered.

Under a regulation which came into force in January 1878, undelivered letters and packets found to contain money or valuables easily convertible into money, if unregistered, have been charged the registration fee of $2d.$, and returned as registered to the senders. The number of letters so returned during the past year was 38,311.

Letters re-
gistered and
returned to
senders.

Irregular transmission of money by post.

Many devices are still employed, either from ignorance or with the view of evading payment of the Registration Fee, small as it is, to make remittances in an irregular manner.

In one instance a 20*l.* Bank of England note was pinned to one of the pages of a book addressed to the initials of a lady at a Receiving House in the Metropolitan District; and in another a halfpenny wrapper was found to contain a letter, a bill of sale, and four 5*l.* Bank of England notes.

A brown paper parcel, which was tied with string, unsealed, and not even registered, was found to contain six sovereigns, one half-crown, two sixpences, and three threepenny pieces, wrapped up in small articles of ladies' dress.

In several instances coins have been imbedded in cake and pieces of toast.

Daily number of Registered Letters delivered in the E.C. District.

It appears that the average daily number of registered letters delivered in the East Central District of London approaches 5,000; and that on Mondays the number rises to about 6,000.

Registered Letters and Parcels at Christmas.

The parcels of Christmas presents which passed through the Registered Letter Branch of the General Post Office in London exceeded 30,000 in number and 3 tons in weight; and the officers of the Branch were continuously employed from 3.45 a.m. on the 24th December until noon on the 25th, in disposing of this unprecedented amount of extra work.

Use of special Registered Envelopes.

The number of registered letters passing through the General Post Office, enclosed in the special covers provided by the Department, now averages 4,000 per diem, as compared with 2,000 per diem a year ago.

Undelivered Registered Letters.

Owing, no doubt in a great measure, to the increased number of Registered Letters forwarded in consequence of the reduction of the registration fee from 4*d.* to 2*d.*, the number of undelivered registered letters and parcels has increased from 127,995 in the year 1877-8 to 136,649 in 1878-9.

Complaints of missing Registered Letters.

For the same reason complaints of missing registered letters have been, as might be supposed, more numerous; but inquiry has shown that in some cases the letters had never been posted, while in others their delivery had been forgotten, and the letters mislaid. In one case, a number of Suez Canal coupons, which were applied for as missing, were found in the addressee's waste-paper basket, where they had been thrown under the impression that they were circulars. In another, a letter containing bank notes, said to have been registered, was found behind a desk in the sender's office.

Inquiry was made respecting a letter addressed to Paris, and intended to have been registered, the contents of which were stated to be worth 125,000*l.* The letter was found among the ordinary correspondence.

Inquiry was also made for a packet containing a watch, addressed to a watchmaker in London, who positively denied having received it. The missing watch was found in a drawer in his shop.

The Department is frequently called upon to make enquiries for letters which, although duly delivered, have been regarded as lost, as in the following instance: Unnecessary enquiries.

The Norwegian Post Office had not acknowledged the receipt of a registered letter which had evidently been forwarded to that country with others from England. Enquiry was therefore instituted with the view of tracing the letter which it was assumed had been stolen; and in due time the result of the enquiry, which proved unsatisfactory, was communicated to the supposed sender. The following letter was then received from the addressee, who had returned home while enquiry was being made.

“ Dear Sir,

“ I am sorry you have had so much trouble respecting the registered letter supposed to have been lost in transmission from my wife here to me in ———. But I assure you the letter was most carefully and punctually delivered, not having been even a post behind its due time, and I think your case can hardly have referred to me at all. There was another Rev. J—— D—— travelling in Norway at the same time, whose letters kept crossing my path everywhere; and when I read them I was almost in doubt whether I was myself or him, for his wife had the same name as mine, and his baby the same name as mine and just the same age; but who he can be I cannot make out, only he is not I. Perhaps the registered letter which has given you such trouble may have been for him. It may satisfy you, however, to know that mine was all right.

“ I am, &c.,

“ J—— D——.”

In order further to expedite the return of letters which it has not been possible to deliver, arrangements have been made for the Returned Letter Branches, not long since established in certain provincial towns, to receive and return to the senders undelivered correspondence from a number of small towns in their respective districts. This arrangement, in addition to expediting the return of a large number of letters, will afford proportionate relief to the Returned Letter Office in London, to which all such correspondence had hitherto been forwarded for disposal.

Provincial
Returned
Letter Offices.

As a further measure for the object of expediting the return of undelivered correspondence to the senders, the arrangement, which had already been adopted in the London District Office, under which letters bearing on the outside the address of the sender were returned direct (*i.e.*, without passing through a Undelivered Letters bearing outside the name and address of the senders.

Returned Letter Office at all), has been extended to more than 300 Provincial Post Offices. This measure will also relieve the Returned Letter Offices.

Undelivered correspondence in 1878-9 as compared with 1877-8.

A statement of the undelivered correspondence dealt with during the past year, as compared with that of the year 1877-78, is given in Appendix E. From this statement it will be seen that the total number of letters received in the Returned Letter Offices or returned direct to the writers during the year was 5,025,333, showing an increase of 151,708 as compared with the number for the preceding year; and that the total number of post cards, book packets, and newspapers received was 4,080,974, or an increase of 212,057 on the number for the preceding year.

Undelivered and unreturnable letters.

It will also be seen that 501,968 letters could neither be delivered nor returned to the sender.

Articles found without covers or addresses.

No less than 18,252 articles of different kinds reached the Returned Letter Offices without covers or addresses, showing that the necessity for the use of strong wrappers and for careful packing is not yet sufficiently recognised by the public.

Letters posted without addresses.

The number of unaddressed letters posted during the past year was 22,672. Of these 923 contained in the aggregate 249*l.* 2*s.* 1½*d.* in cash and bank notes, and 7,853*l.* 14*s.* 0½*d.* in cheques, bills of exchange, &c.

Loose postage stamps.

72,580 postage stamps were found loose in the various Post Offices throughout the country.

Curiously addressed letters.

As may be supposed many curiously addressed letters are found among those undelivered in consequence of insufficient addresses. The two following are among those which came under notice in the course of the past year:—

1. A letter from America addressed to—

“Little Alice,

“Serio Comic Singer,

“London,

“England.”

2. A letter from Versailles addressed—

“Please to put

“This young man

“in the right

“Train for Penge.”

Unclaimed letters of value addressed to Australia.

Two packets addressed to Australia were returned to this country marked “unclaimed,” and on being opened were found to contain respectively 100 sovereigns and 50 sovereigns without any communication in either. It is presumed that the sender directed these packets to himself, and followed them in another ship bound for the Colony; but that, having died on the passage, or the ship having been lost, no application was made at the Post Office for them.

FOREIGN AND COLONIAL POSTS.

1. According to the provisions of the Postal Union Treaty of 1874 it was arranged that every three years a Congress of Plenipotentiaries of the countries participating in the Treaty should be held, with the view of perfecting the system of the Union, of introducing into it improvements found by experience to be necessary, and of discussing common affairs. In the natural course, therefore, the first Congress should have been held in 1877, but for the sake of general convenience it was found desirable to postpone it until the spring of 1878, Paris being fixed upon as the place of meeting.

2. The Congress assembled on the 2nd May and completed its labours by the 1st June, on which latter date a new Convention was signed. Congress held in Paris, May 1878.

3. The modifications determined on did not materially affect the principles of the original Treaty of 1874, but the experience of the four years which had intervened since the inauguration of that Treaty led to an alteration of many of its details. The most important change made was in reducing the payment for land and sea transit of mails, which, although involving a considerable sacrifice of Postal revenue, has resulted in a reduction of the postage rates charged to distant countries, which will, no doubt, be generally appreciated. For example, the rate on a letter to India or China which was 6*d.* has been lowered to 4*d.*, while the charge upon books and patterns has been reduced from 2*d.* to 1*d.* for each weight of two ounces. Modifications determined on by new Convention.

4. There has been a considerable accession to the Union during the year, the following British Colonies and Foreign Countries having become members. Further accessions to Union.

British Colonies	{	Canada,
		Newfoundland,
		British Honduras,
		Gold Coast,
		Gambia,
		Lagos,
Foreign Countries	{	Sierra Leone, and the
		Falkland Islands.
		Mexico,
		Salvador,
	{	Liberia,
		Honduras Republic.

5. In consequence of the Government of Cyprus having been assumed by Great Britain, I established a Post Office in that Island, as well for the purpose of regulating the internal conveyance of mails as for keeping up a postal communication with this country. At present the staff employed is a temporary one, consisting mainly of officers borrowed from this country, under the control of Mr. French, of the Telegraph Department, Cyprus : Postal arrangements.

Inland postal rates. who has succeeded in organizing a tolerably efficient service between the principal towns in Cyprus. The British Inland Rates of Postage have been introduced, and, having regard to expense, as many facilities as possible have been afforded; but the people generally have not yet accustomed themselves to the use of the post, and the amount of internal correspondence is at present small.

Course of Post between Cyprus and England. 6. The Mail service with this country, which is in the hands of Bell's Asia Minor Company, is efficiently performed. It is a weekly one, the boat running between Larnaca and Alexandria, in connexion with the Indian Mails via Brindisi, and the time occupied between London and Larnaca is eight days. Before the British occupation the Mails were fifteen days in transit.

West India Mail Service, new contract. 7. The contract of the Royal Mail Steam Packet Company for the conveyance of West India Mails being about to terminate on the 31st December next, I have entered into a new contract with the Company for another term of years, the services to be performed being similar to those under the present contract, but with an increase of speed (from 11 to 11½ knots an hour) on the main line between this country and St. Thomas, and between this country and Barbadoes. The subsidy is to be 80,000*l.* a year, or 6,750*l.* less than before.

East India and China Mail Service, new contract. 8. I have also entered into a new contract with the Peninsular and Oriental Steam Navigation Company for the conveyance of Mails to India and China for a further period of eight years' from the 1st February 1880, at the reduced subsidy of 370,000*l.* a year, being 60,000*l.* less than the sum now paid. This payment can be further reduced, at the option of the Post Office, by 10,000*l.* a year, in consideration of the penalties not being made absolute.

In this case also, simultaneously with a reduction of cost, an increase of speed has been secured. The Mails are to be conveyed between Brindisi and Alexandria, and between Suez and Bombay, at an average speed of 11 knots an hour, and between Suez and Shanghai at an average speed of 10½ knots an hour, in both cases a considerable acceleration over the previous rate.

Under the new contract the service will consist of—

1. A weekly line between Brindisi and Alexandria, and between Suez and Bombay.

2. A fortnightly line between Suez and Shanghai.

It has not been considered necessary to maintain any longer the subsidiary Mail services between Southampton and Suez, between Point de Galle and Calcutta, or between Hong Kong and Yokohama.

A statement of the existing contracts for the conveyance of Mails between this country and abroad is given in Appendix F.

Correspondence exchanged with European countries during year. The number of letters, &c. forwarded to and received from European countries and Egypt in 1878 is stated in Appendix G., where it will be seen that the number of letters, &c. forwarded

to and received from the countries in question was 34,400,415 and 28,683,762 respectively, or an excess of exports above imports of 5,716,653.

This Appendix also exhibits a comparison of the total correspondence exchanged with those countries in the four 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, 9·8, and 15 per cent., and in letters, &c. despatched 11·5, 16·1, and 13·7 per cent.

The number of registered letters containing coin or jewellery which were received from or returned to other countries as contravening the regulations of the Postal Union was 224, as against 441 in the year 1877-8.

The number of newspapers addressed to foreign parts detained on account of insufficient postage and for infringement of the regulations in various ways was 205,664, or an increase of 17,268 over the number detained during the preceding year.

Correspondence exchanged with European countries during the past four years.

Foreign registered letters returned to office of origin.

Newspapers for abroad insufficiently prepaid.

TELEGRAPHS.

It is satisfactory to find that, notwithstanding the continued depression in trade, the number of public messages forwarded during the year shows an increase over the preceding year, although to the extent of 317,617 only. (See Appendix H.) The total number of messages forwarded was 24,459,613, and of these it may be remarked that 11,240,609 passed through the Central Telegraph Office in London. Nearly 286 millions of words of news were delivered in the course of the year to various newspapers, clubs, exchanges, and news rooms in the United Kingdom.

Amount of business.

The estimated number of telegrams delivered in the London Postal District during 1878 was 4,816,000, or about one fifth of the total number delivered in the United Kingdom; viz., 22,792,000. The number delivered in the London District during 1872 (the first year in regard to which a correct estimate can be formed) was 3,324,000, so that the increase since then is at the rate of about 45 per cent.

London telegrams delivered.

Of the number of telegrams delivered during 1878, about 44 per cent. were delivered in the East Central District (London), about 13 per cent. in the Western District, and 11 per cent. in the South-western District.

The number of additional Post Offices opened for the trans-action of telegraph business during the year was 97, as compared with 22 during the preceding year. The total number of such Offices open on the 31st March 1879 was 3,853, and messages could also be forwarded from 1,401 railway stations.

Additional Offices.

By the purchase of the telegraphs of the Scilly Islands Telegraph Company, the advantages of the Post Office system of telegraphs have been extended to those islands. The cable laid

Extension of system to Scilly Islands.

by the company was repaired, and communication opened on the 20th April 1878. Although the extension will doubtless confer a great benefit on the inhabitants, it is not probable that it will prove remunerative, the expenses, including interest on the capital outlay and provision of a sinking fund for the renewal of the cable, having exceeded the first year's revenue by about 600*l*.

Condition of lines.

The general condition of the lines has been satisfactory, and notwithstanding an exceptionally long winter, fewer interruptions than usual have occurred. On two days, one of them in the middle of winter, the usual morning report showed the whole of the circuits as free from any defect.

Improvements in apparatus.

Amongst the improvements which have been introduced, and which have conduced to the efficient maintenance of communication, are a new form of insulator, and a superior class of battery.

Introduction of quadruplex.

The introduction of the quadruplex apparatus, by means of which one wire is made capable of simultaneously conveying four streams of messages, two in each direction, has added another to the fast-speed instruments in use by the Department. Important improvements in apparatus and methods of working have also been effected by the officers of the engineering staff.

Substitution of underground for overhouse wires.

The process of superseding overhouse by underground wires in London and other large towns has been continued. Up to the 31st March 1879 this change had been carried out in respect of 320 miles of overhouse wire.

Private wires.

The private wire business exhibits a satisfactory increase, especially when regard is had to the state of trade, on which it so greatly depends. The revenue from this source stood at 63,305*l*. at the close of the financial year, the number of renters being 1,889. (See Appendix I.)

Work done for Government Departments.

The number of telegrams forwarded by Government Departments, for which the Post Office receives no payment, is again very large, and shows an increase of about 14 per cent., whereas the increase in the number of messages forwarded by the public is only 1·4 per cent. The value of these telegrams was 10,906*l*. 8*s*. in the past year, as compared with 9,550*l*. 15*s*. 9*d*. in 1877-8 and 6,300*l*. 17*s*. 9*d*. in 1876-7. (See Appendix J.)

Settlements in respect of compensation under Telegraph Acts.

During the year three further settlements have been arrived at with railway companies in respect of their claims for compensation under the Telegraph Acts, namely, with the London and South-western, the Manchester, Sheffield, and Lincolnshire, and the Metropolitan Railway Companies, the last-mentioned including the Metropolitan, the Metropolitan District, the Metropolitan and St. John's Wood, and the Metropolitan and Great Western Joint Lines. All the companies specially named in the

Telegraph Act of 1868 as being entitled to compensation have consequently now been settled with.

In the case of the London and South-western Company the settlement was arrived at by negotiation, whilst in the others recourse to arbitration was necessary, the arbitrator on each occasion being Sir Henry Keating.

Manner of settlement.

The claim of the Metropolitan Companies amounted to 433,000*l.*, and the amount awarded to 51,907*l.*; that of the Manchester, Sheffield, and Lincolnshire Company to about 253,000*l.*, and the amount awarded to 39,455*l.*

Amount of compensation.

The question of the right of the Manchester South Junction and Altrincham Railway Company to similar compensation, which has been for a long time pending, has been decided by the Court of Queen's Bench in favour of this Department with costs. This important decision, I am advised, practically disposes of any remaining claims of this nature, and it will therefore, I hope, shortly be possible to close the telegraph capital account, the payments on which amounted on the 31st March 1879 to 10,120,075*l.*

Legal decision upon claims of Manchester South Junction and Altrincham Railway Company.

The International Telegraph Conference which was to have been held in London in June 1878 was unavoidably postponed until the present year.

Postponement of International Telegraph Conference.

In consequence of this postponement special negotiations were opened with the German and Netherlands Telegraph Administrations for the introduction of a word tariff and the assimilation of the rate to be charged for telegrams between those countries and the provinces to that of the rate charged for London messages. These negotiations resulted in a charge of 4*d.* per word being fixed as the rate for telegrams between the United Kingdom and Germany, and of 3*d.* between the United Kingdom and the Netherlands, the alteration in the former case being carried out on 1st January 1879, and in the latter on the 15th March 1879.

Introduction of a word tariff for German and Dutch telegrams.

MONEY ORDERS.

Although, as will be seen from the figures given in Appendix K., the total Money Order business transacted during the past year shows a considerable decrease both in the number and in the amount of the Orders issued, yet the transactions result in a profit to the Department of 39,027*l.* against a profit of 6,420*l.* on the transactions of the preceding year.

General progress of business.

The number of Money Order Offices in the United Kingdom on the 31st December last was 5,831.

Number of Offices.

The Inland transactions show, as compared with those of the year 1877, a decrease of 978,137 in number, and of 1,958,194*l.* in amount, being at the rate of 5.3 and 7 per cent. respectively.

Inland Money Orders.

Causes of decrease.

This decrease is attributable, no doubt, in some measure, to the depression in trade, but more especially to the increase in the rate of commission on Orders for small sums, and to the reduction of the fee for the registration of letters. The discontinuance of the use of Money Orders for the payment of the salaries of national school teachers in Ireland, on the 1st of April 1878, was also, to some extent, especially as regards amount, the cause of the decrease, the amount paid for this purpose by means of Money Orders in previous years having exceeded 550,000*l.* per annum.

Average value of Inland Orders.

The average value of each Inland Order was 1*l.* 9*s.* 10*d.*, which shows that the decrease in the average value, alluded to in former Reports, continues at about the same rate.

Proportion of Inland Orders to population.

From the fact that the number of Inland Orders has decreased, it follows that the proportion of such Orders to population has also decreased, although not to so great an extent, being at the rate of 3·5 orders per cent. of population in the United Kingdom, of 4·3 per cent. in England and Wales, of 2·6 per cent. in Scotland, and of 5 per cent. in Ireland.

Effect of alteration of rate of commission for Money Orders and of reduction of fee for registration of letters.

Assuming that this decrease is mainly due to the increase in the rate of commission on Orders for small sums referred to above, the supposition put forward in my Report upon the Post Office for the year 1877 that the growth of Money Order business, which had hitherto taken place, was chiefly in connection with remittances of small amount, would appear to be correct. But, inasmuch as there were other causes tending to decrease the amount of Money Order business during the past year, it will, I think, be right to allow another year to elapse before expressing a definite opinion as to the effect upon that business of the alteration made at the commencement of the year 1878 in the rate of commission for Money Orders and in the amount of the fee for the registration of letters.

Colonial Money Orders.

The number of Money Order transactions with the Colonies was 184,819, of the aggregate value of 711,816*l.*, being an increase of 9,070 and of 32,445*l.* respectively on the figures for the preceding year. The number of Orders issued in the United Kingdom on the Colonies has again slightly increased, but their aggregate value has decreased; while those issued in the Colonies on this country have increased, both in number and amount.

Foreign Money Orders.

The Money Order transactions with foreign countries again show an increase in both directions, the number exchanged being 265,039, of the aggregate value of 679,354*l.*, as compared with 226,326, of the aggregate value of 603,964*l.*, in 1877. The remittances from this country show an increase in number of 16,316, and in amount of 26,587*l.*; and those from foreign countries an increase of 22,397 in number, and of 48,803*l.* in amount.

Under an arrangement, which came into force on the 1st April 1878, by which persons residing in England and Wales, outside the London District, were enabled to remit sums due in respect of Legacy and Succession Duties to the Receiver General of Inland Revenue by means of Money Orders issued free of charge, 12,189 Orders, of the total value of 80,293*l.*, have been issued during the year.

Payment of
Legacy and
Succession
Duties by
Money Orders.

Early last year the French and German Postal Administrations submitted proposals for a General Money Order Convention; but it was found upon examination that several of the proposals were so incompatible with the Money Order system of this country that they could not be accepted. Counter proposals were therefore drawn up and submitted by the Department; but, as sufficient notice had not been given, they could not be considered at the Postal Congress held in Paris last year, and consequently the Delegates of the British Post Office took no part in the proceedings of the Congress so far as they related to Money Orders.

General Money
Order Conven-
tion.

POST OFFICE SAVINGS BANKS.

The circumstances of the year 1878 may be regarded as having been unfavourable to the development of Savings Bank business, owing to the continuance of the pressure upon the industrial classes from the causes referred to in my Report upon the progress of this branch of Post Office business during the year 1877. Even the tendency to improvement which took place towards the latter part of the year was counteracted by the early setting in of a winter of unusual severity, which tended still further to restrict the saving power of the working classes.

Progress
during year.

The satisfactory progress of Savings Bank business shown by the figures given in Appendix L. must therefore be looked upon as due in a great measure to the numerous bank failures which have recently occurred, and which, while shaking public confidence in many modes of investment, could not fail to draw attention to the advantage of depositing savings under the security of the Government Savings Bank.

Cause of
progress.

The total number of Post Offices open for the transaction of Savings Bank business on the 31st December last was 5,831, the number having been raised from 5,668 at the end of 1877 by the opening during the year 1878 of 163 new Offices, of which 139 are in England and Wales, 14 in Scotland, and 10 in Ireland.

Total number
of Offices.

Increase in
number of
Offices during
the year.

The number of new Offices opened in 1877 was 220, viz., 189 in England and Wales, 7 in Scotland, and 24 in Ireland. It will thus be seen that, while in England and Wales and Ireland a

Comparison of
number of
Offices opened
in 1878 with

the number much smaller number have been opened during the past year
opened in 1877. than in 1877, in Scotland just double the number have been
opened.

Trustee Banks During the past year the Trustee Savings Banks at Kensington,
closed. Ipswich (Cornhill), Denbigh, and Manningtree were closed, re-
ducing the number of old Savings Banks to 458.

Amount trans- The amount transferred from these four Banks, and from some
ferred from other small Banks in process of closing, to Post Office Savings
Trustee Banks Banks was 46,289*l.* (including about 2,701*l.* transferred in cash),
during 1878, making, with 13,350*l.* transferred by certificate, a total of 59,639*l.*
as compared as against 48,071*l.* so transferred during the previous year ;
with 1877. while the amount transferred from Post Office Savings Banks to
Amount trans- old Banks during the year was 13,476*l.* as against 15,165*l.* in
ferred to 1877.
Trustee Banks
in 1878, as
compared with
1877.

Number of The number of depositors in Post Office Savings Banks in
depositors. the United Kingdom on the 31st December last was 1,892,756, of
whom 1,773,010 were in England and Wales, 51,107 in Scot-
land, and 68,639 in Ireland, while at the end of 1877 the total
number was 1,791,240, showing an increase during the past
year of 101,516.

Proportion of The proportion of depositors to population was 1 in 17 in the
depositors to population. United Kingdom, 1 in 14 in England and Wales, 1 in 70 in
Scotland, and 1 in 79 in Ireland.

Balance due The balances standing to the credit of depositors on the 31st
to depositors December last, together with interest accrued during the year,
at end of 1878 amounted to 30,411,563*l.*, being an increase of 1,670,806*l.* upon
and 1877. the amount at the end of the year 1877.

The average balance to the credit of each open account at the
close of the year was 16*l.* 1*s.* 4*d.*, or an increase of 5½*d.* upon
the average balance at the close of 1877, the relative proportion
for England and Wales, Scotland, and Ireland being 16*l.* 1*s.* 11*d.*,
10*l.* 14*s.* 3½*d.*, and 19*l.* 6*s.* 3½*d.*, as compared with 16*l.* 1*s.* 5½*d.*,
10*l.* 11*s.* 11½*d.*, and 19*l.* 6*s.* 0½*d.* respectively in 1877.

Interest The total amount of interest allowed to depositors from the
allowed from commencement to end of 1878 is
commence- 5,937,033*l.*, of which 699,603*l.* accrued during the year 1878, being
ment to end an increase of 38,144*l.* above the amount which accrued during
of 1878. the previous year.

Interest The number of deposits made in 1878 was 3,360,636, or
allowed during 92,785 more than in 1877 ; their total amount was 9,485,391*l.*,
year as com- or 318,653*l.* more than in 1877 ; and their average value was
pared with that 2*l.* 16*s.* 5*d.*, which is the highest average attained since 1871,
in 1877. except in 1876, when it was 2*l.* 16*s.* 9*d.*

Number, total The number of withdrawals during the year 1878 was
amount, and 1,304,617, or 51,652 more than in 1877 ; their total amount
average
amount of
deposits.
Number,
amount, and
average

was 8,514,188*l.*, or 430,197*l.*, more than in 1877; and their average value 6*l.* 10*s.* 6*d.*, which is the highest average attained since 1875, when by a gradual increase it reached 6*l.* 11*s.* 8*d.* amount of withdrawals.

The average daily number of deposits during the year was 10,982 as against 10,679 in 1877, and the average amount deposited daily was 30,998*l.* as against 29,956*l.* in 1877; but on the 30th December last, on which day the highest number of deposits was made, there were 24,217, of the total amount of 80,096*l.* The largest amount received, however, in any one day of the year was 81,882*l.* on the 31st December, when the number of deposits was 21,087 only. Daily number of deposits and amount deposited.

The average daily number of withdrawals during the year was 4,280 as against 4,111 in 1877, and the average amount withdrawn was 28,049*l.*, as against 26,623*l.* in 1877. The largest number of warrants issued on any one day in the year was 9,051, of the total amount of 41,081*l.*, on the 19th December; but the amount of 8,391 warrants issued on the 17th December was greater, being 48,876*l.* Daily number and amount of withdrawals.

The amount withdrawn during each quarter of last year was less than the amount deposited during the same period, except in the quarter ended the 30th June, when the withdrawals amounted to 2,124,618*l.* and the deposits to 2,053,655*l.* This peculiarity, which also occurred at the same period in 1877, is obviously attributable to the large number of withdrawals usually made at holiday times, both Easter and Whitsuntide having fallen in the June quarter in the past year. Quarterly amount deposited as compared with that withdrawn.

Increasing use continues to be made of the facilities afforded by the cross entry system which enables a depositor to make a deposit or withdrawal at any Post Office Savings Bank in the United Kingdom with the same deposit book, the proportion of such transactions having risen from 19 per cent. 10 years ago to 27½ per cent. in the past year. Deposits and withdrawals made with one book at different Post Offices.

An arrangement has been adopted by which the navvies employed on the construction of several public works have afforded them, at the place where they receive their wages, the opportunity of depositing money in the Post Office Savings Bank and of procuring Money Orders. The introduction of this system has in some cases been of marked value to a class of men whose character for improvidence has ever been conspicuous. Savings Banks for navvies.

POST OFFICE ANNUITIES AND ASSURANCES.

The increase in these branches of business continues at about the same rate as hitherto, as will be seen on reference to Appendix M., and there are no circumstances in connection therewith which call for special remark.

INLAND REVENUE LICENSES AND RECEIPT STAMPS.

Licenses.

From the figures given in Appendix N. it will be seen that, although the number of licenses issued on behalf of the Inland Revenue Department in the year 1878-79 is less than the number issued in 1877-78 by 176,983, the revenue derived from the sale of such licenses is 38,298*l.* 4*s.* in excess of that derived from the larger number of licenses.

This result is apparently brought about by the increase in the price of Dog Licenses from 5*s.* to 7*s.* 6*d.*, which is doubtless also the cause of the decrease in the number of Dog Licenses issued during the past year. In 1877-78 the number issued was 930,056, while in 1878-79 it was only 751,875, but of this latter number 668,918 were at the higher price.

The number of licenses for male servants has again decreased, the number being 53,855 in 1878-79 as against 57,152 in the preceding year.

The number of Gun Licenses issued shows an increase of 6,349 over the number issued in 1877-78.

Receipt
Stamps.

The sale of receipt stamps by the Post Office for the Inland Revenue Department continues rapidly to increase, the amount of such sales having been 292,000*l.* in the past year as compared with 205,000*l.* in 1877-78, and with 106,000*l.* in 1874-75.

STAFF.

Number of
officers.

The total number of officers in the service of the Post Office on the 31st December last was 45,947, as shown in Appendix O., being an increase of 441 on the figures for the previous year; and of that number 11,448 are employed exclusively on telegraph work.

There are 13,881 postmasters, 9,836 clerks, and 22,068 letter carriers, sorters, and messengers.

The staff employed in London alone is 10,743, of which 5,919 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 1878 was rather higher than in either of the three preceding years, being about 5.5 per 1,000. The rate is still, however, extremely low, and may be considered as highly satisfactory.

The number of deaths which occurred among the officers of the Department during the year was 56, and the average age of the officers who died was 31 years.

Of the 56 deaths which occurred, 24 were due to affections of the lungs, 7 to typhoid fever, and 3 to heart disease. There was also one death from small-pox, almost the only case since the year 1854, when the operation of re-vaccination previous to admission to the service was made one of the conditions of appointment.

The number of pensioned Metropolitan Officers living on the 31st December last was 876, and their average age was 57½. Superannuated officers. The number who died during the year was 46, whose ages averaged 59½.

The conduct of the officers generally throughout the country has been satisfactory. Conduct of officers.

REVENUE AND EXPENDITURE.

I.—POSTAGE AND MONEY ORDERS.

The total postal revenue for the year 1878–9 was 6,274,000*l.*, Gross revenue. as compared with 6,047,000*l.* for 1877–8, the increase being 227,000*l.* (See Appendix P.)

The expenditure (see Appendix Q.) for the year 1878–9 was Expenditure. 3,840,000*l.*, which, as compared with that for the preceding year, shows a decrease of 150,000*l.*; the decrease being more than accounted for by arrears of the cost of conveying Post Office Savings Bank correspondence, which were recovered from the Commissioners for the Reduction of the National Debt and deducted from the total cost of the conveyance of correspondence as referred to below.

The chief items of expense were 2,178,000*l.* for salaries, wages, pensions, &c.; 685,000*l.* for conveyance by mail packets and private ships; 697,000*l.* for conveyance by railway; 178,000*l.* for conveyance by coaches, carts, and omnibuses; and 157,000*l.* for buildings, repairs, &c. Chief items of expense.

As compared with the figures for 1877–8, these items exhibit an increase of 61,000*l.* for salaries, wages, &c.; of 6,000*l.* for conveyance by mail packets and private ships; of 5,000*l.* for conveyance by railway; of 5,000*l.* for conveyance by coaches, &c.; and a decrease of 23,000*l.* for buildings, &c.

The total expense of conveying correspondence, however, has been reduced by the sum of 214,000*l.*, being the arrears of the estimated cost of conveying the correspondence of the Post Office Savings Banks from 1st April 1868 to 31st March 1877. The Post Office Savings Bank, in common with other Public Departments, ceased to be charged with the cost of its correspondence on 31st March 1868; but the practice of making the charge was resumed, so far as the bank was concerned, in the year 1877–8, and the arrears have now been charged as above stated.

The net revenue for 1878–9, which was 2,434,000*l.*, shows an Net revenue. increase of 377,000*l.* upon that of the previous year.

If the several departments of Government specified in Appendix R. had been charged with postage, both the gross and net revenue from postage would have been increased by 108,790*l.*

II.—TELEGRAPHS.

Revenue. The gross and net telegraph revenue and amount of working expenses charged to the Telegraph Vote are shown in Appendix S.; but 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.

The gross earnings of the Telegraph Service in the year ended the 31st March 1879 amounted to 1,346,892*l.*, as compared with 1,338,542*l.*, the amount of the gross earnings in the previous financial year, the increase being 13,350*l.*

Work was performed for other Government departments without payment, to the value of 20,602*l.*

Expenditure. The expenditure in the year ended 31st March 1878 amounted to 1,089,000*l.*, as compared with 1,164,000*l.* in the preceding financial year, the decrease being 85,000*l.* This decrease was, however, chiefly due to fluctuation of some of the charges, and not altogether to actual reduction of expenditure.

III.—POST OFFICE SAVINGS BANKS.

Progress. The number of deposits and withdrawals effected in 1878 was larger than in any previous year, being 3,360,636 and 1,304,617 respectively. (See Appendix L.)

Since the establishment of the Post Office Savings Banks, 5,783,527 accounts have been opened, and 3,890,771 closed, leaving 1,892,756 accounts remaining open on the 31st December 1878. The total amount deposited from the commencement, inclusive of interest credited to depositors, was in round figures 111,012,000*l.*, and the amount withdrawn 80,601,000*l.*, leaving a balance remaining on deposit on the 31st December 1878 of 30,411,000*l.*

Profit. The assets belonging to the Post Office Savings Banks at the close of the year 1878 amounted, as shown in Appendix L., to 765,000*l.*, which is less than the relative amount for the previous year; but the assets for 1878 have been diminished by the payment into the Exchequer (under Act 40 Vict. c. 13. sec. 14) of 147,116*l.* 16*s.*, 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. 209 for 1878.)

Average cost per transaction. The average cost of a Post Office Savings Bank transaction—*i.e.*, a deposit or a withdrawal—in the year 1878 was 1*s.* 11 $\frac{1}{10}$ *d.*, which is much higher than hitherto. The increase is, however, due to the fact that the charges of management in 1878 include sums of 214,434*l.* for arrears of postage for the nine years from 1st April 1868 to 31st March 1877, and 73,419*l.* on account of the new Savings Bank building in Queen Victoria Street and its site. If the working charges proper to the year 1878 only are taken into account, including 5 per cent. upon the expendi-

ture in respect of the new building, the cost per transaction would be $8\frac{3}{16}d$. And further, if the arrears of postage charged to the year 1878 be added to the expenses of the years which they affect, viz., 1868 to 1877 inclusive, the average annual cost of a transaction for those years will be $7\frac{1}{4}d$.

I have the honour to be,

My Lords,

Your Lordships' obedient humble Servant,

JOHN MANNERS.

General Post Office,
2nd August 1879.

APPENDIX A.

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
M ar. 1877	22	69	299	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
" 1879	20	60	260	217	156	138	93	111	63	56	16	21	3	6	1	3	1	2	1	-	614

APPENDIX B. 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.	85,900l. per annum.	Not defined, being included in General Contract for Conveyance of Mails between London and Kingstown.	12 1/4s. per minute, if journeys between London and Kingstown, and Crew and Kingstown exceed 11 hours and 7 1/2 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.	-	-	850l. 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.	-	-	100l. per annum.	-	-	-	-	-
PORTSMOUTH and RYDE	1st Aug. 1865	On 6 months' notice.	800l. per annum.	-	-	-	-	-
PENZANCE and SCILLY	-	On 6 months' notice.	450l. per annum.	-	-	-	-	-
SOUTHAMPTON and COWES	-	-	150l. per annum.	-	-	-	-	-
GREENOCK and BELFAST	16th July 1849	On 6 months' notice.	Performed free of expense.	-	-	-	100l.	-
ORKNEY ISLANDS	27th July 1877	On 12 months' notice.	2,000l. per annum.	-	20l. for undue delay or deviation from course.	-	200l.	-
SHEPHERD ISLANDS	1st Feb. 1840	On 6 months' notice.	1,200l. per annum.	60 hours	-	-	500l.	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.
STORKOWAY and ULLAPOL -	3rd Aug. 1871	After 10 years on 6 months' notice.	1,300l.	-	20l. for undue delay or deviation from course.	-	500l.	When a sailing vessel is employed a deduction of 2l. a trip may be made if the Postmaster-General thinks proper.
CHANNEL ISLANDS	1st Jan. 1870	On 6 months' notice.	6,000l.	To or from Guernsey 3 hours, and to or from Jersey in 12 hours.	-	-	2,000l.	-
Do. (additional services)	-	-	900l.	-	-	-	-	-

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

APPENDIX C.

Letters Delivered.

ESTIMATED NUMBER of 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.	Increase per cent. per annum.	Average number to each person.	Total in Scotland.	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.	Average number to each person.
	By Country Offices.	Increase per cent. per annum.	In London District, including Local Letters.	Increase per cent. per annum.												
Estimated No. of Letters, 1839 -	-	-	-	-	60,000,000	-	4	8,000,000	-	3	8,000,000	-	1	76,000,000	-	3
Estimated No. of Franks, 1839 -	-	-	-	-	5,172,000	-	8	338,000	-	7	1,055,000	-	2	6,563,000	-	7
Estimated No. of Letters, 1840 -	88,000,000	-	44,000,000	-	138,000,000	120.0	11	19,000,000	145.5	9	24,000,000	119.2	3	169,000,000	122.2	8
Average of 5 years, 1841-45	123,000,000	10.7	57,000,000	5.5	179,000,000	10.2	15	24,000,000	9.2	13	34,000,000	5.0	4	227,000,000	10.0	13
" " 1846-50	180,000,000	5.5	79,000,000	5.5	259,000,000	5.2	18	34,000,000	4.2	14	39,000,000	5.5	6	327,000,000	5.0	15
" " 1851-55	233,000,000	6.5	97,000,000	5.0	330,000,000	6.0	23	41,000,000	5.2	16	45,000,000	3.0	7	410,000,000	5.7	18
" " 1856-60	302,000,000	4.8	125,000,000	5.5	427,000,000	4.5	29	51,000,000	3.2	20	53,000,000	3.2	9	523,000,000	4.2	23
" " 1861-65	373,000,000	5.7	161,000,000	5.7	534,000,000	5.7	31	61,000,000	0.5	24	60,000,000	3.2	11	648,000,000	5.5	26
" " 1866-70	472,000,000	4.2	192,000,000	3.2	664,000,000	4.0	32	76,000,000	4.7	24	60,000,000	3.0	13	800,000,000	4.0	27
Year 1871	501,000,000	0.5	220,000,000	7.0	721,000,000	2.5	32	80,000,000	1.2	24	66,000,000	3.0	13	867,000,000	2.3	28
" 1872	510,000,000	1.7	227,000,000	3.0	737,000,000	2.2	32	82,000,000	2.5	24	66,000,000	-	13	885,000,000	2.0	28
" 1873	518,000,000	1.5	238,000,000	5.0	756,000,000	2.5	32	84,000,000	2.5	24	67,000,000	1.5	13	907,000,000	2.5	29
" 1874	553,579,100	6.8	250,474,000	5.0	804,053,100	6.5	35	90,185,300	7.4	25	73,254,400	8.8	14	967,503,500	6.7	30
" 1875	580,081,400	4.8	266,771,000	6.5	846,852,400	5.3	35	90,976,400	0.9	26	70,563,500	0.8	13	1,008,592,100	4.2	31
" 1876	594,519,600	2.5	281,592,500	-	876,042,400	1.1	35	91,120,700	0.2	26	71,792,100	1.7	13	1,018,956,500	1.0	31
" 1877-8	596,776,000	0.7	285,192,700	9.0	883,968,700	3.3	36	99,515,300	9.2	28	74,246,200	3.4	14	1,067,732,500	3.8	32
" 1878-9	632,449,800	4.6	295,903,500	3.7	928,353,100	4.3	37	96,991,200	-	28	76,078,500	2.5	14	1,097,372,500	3.7	32

* Through a clerical error this number was overstated by about 3,850,000.

APPENDIX C.—*continued.*

ESTIMATED NUMBER of POST CARDS delivered in the UNITED KINGDOM in each Year from 1872 to the present time, and the Increase per Cent. per Annum.

Year.	England and Wales.		Scotland.		Ireland.		United Kingdom.	
	Number.	Increase per Cent. per annum.	Number.	Increase per Cent. per Annum.	Number.	Increase per Cent. per Annum.	Number.	Increase per Cent. per Annum.
1872	64,000,000	—	8,000,000	—	4,000,000	—	76,000,000	—
1873	60,000,000	—	8,000,000	—	4,000,000	—	72,000,000	—
1874	66,000,000	8·7	9,000,000	13·2	4,000,000	15·5	79,000,000	9·7
1875	73,369,100	11·6	9,206,300	6·7	4,540,900	5·5	87,116,300	10·7
1876	78,412,100	6·9	9,640,100	4·7	4,883,500	7·5	92,935,700	6·7
1877-8	86,061,500	9·7	11,067,500	14·8	5,118,300	4·8	102,237,300	10
1878-9	94,471,500	9·8	11,599,000	4·8	5,375,200	5	111,445,700	9

ESTIMATED NUMBER of BOOK PACKETS and CIRCULARS delivered in the UNITED KINGDOM in each Year from 1872 to the present time, and the Increase per Cent. per Annum.

Year.	England and Wales.		Scotland.		Ireland.		United Kingdom.	
	Number.	Increase per Cent. per Annum.	Number.	Increase per Cent. per Annum.	Number.	Increase per Cent. per Annum.	Number.	Increase per Cent. per Annum.
1872	90,000,000	—	13,000,000	—	11,000,000	—	114,000,000	—
1873	104,000,000	15·5	14,000,000	7·7	11,000,000	—	129,000,000	13·1
1874	115,769,600	11·3	15,787,300	12·7	10,410,200	—	141,967,100	10
1875	133,394,900	15·2	15,723,700	—	9,548,000	—	158,666,600	11·7
1876	146,405,300	9	18,352,700	16·7	8,986,900	—	173,724,900	9·4
1877-8	167,691,600	7·7	21,336,800	16·2	10,272,200	14·5	199,300,600	8·9
1878-9	164,789,400	4·5	21,320,100	—	10,967,000	6·7	197,076,500	4·1

ESTIMATED NUMBER of NEWSPAPERS delivered in the UNITED KINGDOM in each Year from 1872 to the present time, and the Increase per Cent. per Annum.

Year.	England and Wales.		Scotland.		Ireland.		United Kingdom.	
	Number.	Increase per Cent. per Annum.	Number.	Increase per Cent. per Annum.	Number.	Increase per Cent. per Annum.	Number.	Increase per Cent. per Annum.
1872	87,000,000	—	12,000,000	—	10,000,000	—	109,000,000	—
1873	89,115,200	2·4	12,606,300	5	11,295,000	12·9	113,016,500	3·6
1874	91,230,400	2·3	13,212,700	4·8	12,539,800	11·4	117,032,900	3·5
1875	93,345,600	2·3	13,819,100	4·5	13,884,700	10·2	121,049,400	3·4
1876	95,460,800	2·2	14,425,400	4·3	15,170,700	9·3	125,056,900	3·3
1877-8	98,232,400	2·9	14,883,100	3·1	15,442,500	1·7	128,558,000	2·7
1878-9	100,424,300	2·2	14,477,500	—	15,993,500	3·6	130,895,300	1·8

APPENDIX D.

Registered Letters.

STATEMENT showing the Number of Letters Registered in the United Kingdom in each of the years 1876, 1877, and 1878-79, and showing the increase per cent. in 1877 over 1876 and in 1878-79 over 1877.

YEAR.	REGISTERED AND OFFICIAL REMITTANCE LETTERS.									
	ENGLAND AND WALES.					SCOTLAND.		IRELAND.		TOTAL.
	Country Offices.		London District.		Total.	Number.	Increase per cent. per Annum.	Number.	Increase per cent. per Annum.	Number.
	Number.	Increase per cent. per Annum.	Number.	Increase per cent. per Annum.	Number.					
1876	2,699,477	—	1,600,463	—	4,305,880	426,970	—	362,266	—	5,095,116
1877	2,705,094	2·4	1,641,975	2·2	4,407,069	463,091	8·7	376,133	3·8	5,246,893
1878-79	4,709,361	70·3	2,013,131	22·6	6,722,492	651,278	40·5	533,278	53·6	7,939,048
	REGISTERED LETTERS ONLY.									
	Country Offices.		London District.		Total.	Number.	Increase per cent. per Annum.	Number.	Increase per cent. per Annum.	Number.
	Number.	Increase per cent. per Annum.	Number.	Increase per cent. per Annum.	Number.					
	Number.	Increase per cent. per Annum.	Number.	Increase per cent. per Annum.	Number.					
1876	2,352,926	—	1,251,308	—	3,604,234	351,510	—	271,497	—	4,227,241
1877	2,378,973	1·1	1,284,716	2·6	3,663,689	373,915	6·5	278,443	2·5	4,316,017
1878-79	4,290,545	76·2	1,900,239	48·	6,190,814	551,715	47·6	468,821	60·2	7,200,350

APPENDIX E.

Returned Letters.

A COMPARATIVE STATEMENT showing the Number of LETTERS, POST CARDS, BOOKS, and NEWSPAPERS received and disposed of in the RETURNED LETTER OFFICES OF LONDON, MANCHESTER, LIVERPOOL, BIRMINGHAM, LEEDS, BRISTOL, NEWCASTLE-ON-TYNE, EDINBURGH, GLASGOW, and DUBLIN, respectively; also, the Number which, bearing outside the addresses of the senders, were returned direct from many other Post OFFICES not possessing RETURNED LETTER BRANCHES, in the Year ended 31st March 1878, and in the Year ended 31st March 1879.

	Letters received.		Letters re-issued to corrected Addresses.		Letters returned to the Senders.		Letters returned unopened to Foreign Countries.		Letters which could neither be delivered nor returned to the Senders.		Post Cards received.		Books received.		Newspapers received.	
	1877-8.	1878-9.	1877-8.	1878-9.	1877-8.	1878-9.	1877-8.	1878-9.	1877-8.	1878-9.	1877-8.	1878-9.	1877-8.	1878-9.	1877-8.	1878-9.
LONDON -	3,053,685	2,674,749	45,608	48,267	2,693,518	2,299,899	95,424	69,345	240,135	257,234	293,631	206,153	1,731,725	1,581,792	408,593	375,435
MANCHESTER -	254,602	270,528	5,787	6,293	238,719	240,476	4,992	5,788	15,104	8,971	27,430	38,692	140,737	164,120	11,305	13,193
LIVERPOOL -	271,535	273,181	4,975	2,874	232,578	233,047	12,959	17,605	21,623	19,655	25,590	26,988	188,531	193,576	14,405	22,378
BIRMINGHAM -	116,249	143,719	747	693	105,591	130,192	2,974	4,893	7,987	7,948	16,152	17,470	97,139	109,849	4,705	11,459
LEEDS -	208,658	231,771	3,925	4,462	184,733	201,194	3,937	7,313	16,883	18,805	23,706	24,501	132,584	171,601	8,044	10,908
BRISTOL -	99,804	207,675	480	718	90,781	183,505	3,275	12,668	4,768	10,887	7,914	15,009	81,835	140,728	4,569	14,019
NEWCASTLE-ON-TYNE -	79,368	170,669	388	5,192	65,394	162,900	2,341	5,255	11,235	17,322	8,448	17,376	44,715	110,231	2,800	8,907
EDINBURGH -	245,333	239,310	6,112	7,258	212,031	214,078	5,870	7,181	21,320	10,193	35,432	29,643	139,272	161,917	23,900	23,329
GLASGOW -	154,508	159,370	6,044	5,772	137,857	142,723	4,101	4,103	6,506	7,379	21,674	19,650	82,623	85,290	8,277	8,670
DUBLIN -	356,689	341,180	4,787	4,392	207,273	176,465	17,368	17,019	126,621	143,304	18,978	18,171	196,146	178,730	41,461	46,444
Other Post Offices authorized to return certain letters, &c. direct to senders	33,744	312,569	—	—	33,744	312,569	—	—	—	—	—	70,088	12,050	137,865	2,575	9,075
TOTALS	4,873,625	5,025,233	77,963	85,821	4,162,119	4,298,648	152,631	151,166	461,012	501,698	471,005	433,621	2,867,381	3,044,778	550,531	532,575
Increase in 1878-9 over 1877-8.	151,708		7,838		124,529		—		20,686		12,616		177,387		22,044	

APPENDIX F.

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	(a) 6,438
Fortnightly service from Liverpool	1 Jan. 1873	On 30th June 1878	(a) 5,437
	1 July 1878	On 6 months' notice	(a) 3,003
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 (b)	10,000
Table Bay and Zanzibar	1 Aug. 1873	On 8th February 1881	20,000
NORTH AMERICA : United States	1 Dec. 1877	On 6 months' notice	(a) 51,873
Halifax, Bermuda, and St. Thomas	1 Jan. 1878	On 6 months' notice	17,500
PACIFIC	1 Jan. 1873	On 30th June 1878	(a) 9,520
	1 July 1878	On 6 months' notice	(a) 3,062
WEST INDIES : Bi-monthly Service	1 Jan. 1875	On 31st December 1879	(c) 86,750
Non-Contract Service	-	-	(a) 1,214
Additional Services : Liverpool and Puerto Cabello, Tam- pico, and Santa Martha.	1 Oct. 1875	On 6 months' notice	(a) 1,213
Belize and Jamaica	Contract with Honduras Government	-	{ 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	-	{ Imperial contri- bution, 300 }
WEST COAST OF AFRICA	No Contract.	-	(a) 8,025

(a) The payments in these cases depend upon the amount of correspondence conveyed by the packets.

(b) This Contract may terminate on the 31st January 1880 provided that six calendar months' notice be given by the Postmaster General.

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

APPENDIX F.

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.
One-eighth part of ordinary payment for every 24 hours.*	-	-	Nil.	{ Brazil - } 6d.
Ditto	-	-	Nil.	{ Argentine Republic - } 6d.
-	-	-	-	{ Uruguay - } 1s.
-	-	-	Nil.	6d.
-	India, 107,500£.	90,000	232,500	{ Mediterranean 2½d.
-	-	400	9,800	{ India - } 6d.
-	-	100	19,900	{ Ceylon - } 6d.
-	-	-	-	{ China, &c. - } 6d.
-	-	30,000	21,000	2½d.
60£. for every 24 hours.	-	3,000	14,500	{ Canadian Dominion and Newfoundland. } 2½d.
One-eighth part of ordinary payment for every 24 hours.*	-	-	Nil.	{ Bermuda - } 6d.
-	-	-	-	1s.
50£. 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.
-	-	-	-	-
-	-	7,400	600	6d.

* These penalties ceased on the 30th June 1878.

APPENDIX G.

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
1878 - -	20,269,400	8,414,362	28,683,762

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

Year.	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
1878 - -	22,977,755	11,422,660	34,400,415

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
1878 - -	11·7	23·6	15·0

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
1878 - -	10·9	19·7	13·7

APPENDIX G.—*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 1878.

Foreign Countries.	Estimated Yearly Number of Letters, &c. <i>from Foreign Countries</i> for Delivery in the United Kingdom.		
	Letters and Post Cards.	Circulars, Book Packets, and Newspapers.	Total.
Austria - - -	475,464	257,981	733,445
Belgium - - -	1,336,291	415,005	1,751,296
Denmark - - -	274,584	126,420	401,004
France - - -	7,541,349	3,103,256	10,644,605
Germany - - -	5,083,876	2,564,840	7,648,716
Greece, Turkey, and Egypt -	820,728	110,073	930,801
Holland - - -	1,102,508	300,316	1,402,824
Italy - - -	1,354,593	481,305	1,835,898
Norway and Sweden - - -	497,932	147,205	645,137
Russia - - -	419,750	122,613	542,363
Spain and Portugal - - -	729,624	334,834	1,064,458
Switzerland - - -	632,701	450,514	1,083,215
Totals - - -	20,269,400	8,414,362	28,683,762

Foreign Countries.	Estimated Yearly Number of Letters, &c. <i>from the United Kingdom</i> for Delivery in Foreign Countries.		
	Letters and Post Cards.	Circulars, Book Packets, and Newspapers.	Total.
Austria - - -	540,278	336,973	877,251
Belgium - - -	1,386,630	515,353	1,901,983
Denmark - - -	336,024	91,406	427,430
France - - -	8,660,971	3,826,242	12,487,213
Germany - - -	5,203,857	2,334,905	7,538,762
Greece, Turkey, and Egypt -	1,282,792	1,182,000	2,464,792
Holland - - -	1,204,457	400,770	1,605,227
Italy - - -	1,597,005	1,153,738	2,750,743
Norway and Sweden - - -	591,216	217,191	808,407
Russia - - -	567,027	341,926	908,953
Spain and Portugal - - -	874,813	653,767	1,528,580
Switzerland - - -	732,685	368,389	1,101,074
Totals - - -	22,977,755	11,422,660	34,400,415

APPENDIX H.

Telegrams.

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	1,175,316	15,535,780
28th March 1874 -	9,233,854	5,254,547	2,009,893	1,323,236	17,821,530
27th March 1875 -	10,113,486	5,663,258	2,132,787	1,343,639	19,253,120
25th March 1876 -	10,843,268	6,390,573	2,287,359	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
29th March 1879 -	11,446,539	8,976,217	2,477,003	1,559,854	24,459,613

NOTE.—The figures for the year 1878-79 include the number (1,970,213) of certain Press Messages which have not hitherto been included in these Returns.

APPENDIX H.—*continued.*

TABLE showing the NUMBER of MESSAGES forwarded from POSTAL TELEGRAPH OFFICES in the UNITED KINGDOM during each of the Years 1877-78 and 1878-79; 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 30th March 1878.	To 29th March 1879.	Increase.	Decrease.
April - - -	1,781,269	1,830,494	49,225	
May - - -	1,769,796	1,932,721	162,925	
June - - -	2,219,496*	2,551,649*	332,153	
July - - -	1,827,633	2,111,163	283,530	
August - - -	1,864,402	2,598,067*	733,665	
September - - -	2,294,055*	2,009,745	—	284,310
October - - -	1,783,848	1,985,760	201,912	
November - - -	1,671,857	2,272,254*	600,397	
December - - -	1,899,496*	1,639,617	—	259,879
January - - -	1,467,426	1,625,147	157,721	
February - - -	1,540,738	1,687,151	146,413	
March - - -	2,051,767*	2,215,845*	164,078	
	22,171,783	24,459,613	2,832,019	544,189
Total Increase			-	2,287,830

* Five weeks.

Note.—The figures for the year 1878-79 include the number of certain Press Messages which had not hitherto been included in these Returns. Exclusive of such Press Messages the total number forwarded during the past year exceeds that of the year 1877-78 by 317,617 only.

APPENDIX I.
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	—	—	—	—	—	—	—	—	—	—	—	—	732	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	4,233	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	1,582	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
1878-79	6	50	44	33	115	144	14	153	71	6	84	98	59	402	357	1,889	6,382	5,656

APPENDIX I.—*continued.*

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	325 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
1878-79	482 16 0	1,330 14 0	725 8 0	644 12 6	3,183 5 6	63,305 10 6

* 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 S.

APPENDIX J.

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 1879.

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. 892 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 8	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	2,103 11 11
" 1874	626 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	2,567 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
" 1879	10,906 8 0	—	6,378 18 0	3,996 11 4	20 16 7	20,602 18 11
TOTALS	31,778 16 4	4,317 9 3	27,984 13 10	13,758 6 7	146 10 5	77,885 16 5

* 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 K.

Money Orders.

Year.	INLAND ORDERS.			COLONIAL ORDERS.			FOREIGN ORDERS.			GRAND TOTAL.		
	Number.	Amount.	Increase per cent. on Number.	Number.	Amount.	Increase per cent. on Number.	Number.	Amount.	Increase per cent. on Number.	Number.	Amount.	Increase per cent. on Number.
1839 - - -	188,921	£ 313,124	-		£			£		188,921	313,124	-
1840 - - -	587,797	960,975	211							587,797	960,975	211
Average of } 1841-45 5 years	2,429,855	4,987,256	313							2,429,855	4,987,256	313
" 1846-50	4,087,708	7,954,533	69							4,087,708	7,954,533	69
" 1851-55	5,219,559	9,941,316	27							5,219,559	9,941,316	27
" 1856-60	6,894,876	12,762,571	23							6,894,876	12,762,571	23
" 1861-65	8,065,227	16,894,503	19							8,065,227	16,894,503	19
" 1866-70	9,790,030	19,847,958	18							9,790,030	19,847,958	18
1871 - - -	12,293,528	23,378,547	26							12,293,528	23,378,547	26
1872 - - -	13,984,189	24,013,747	16							14,242,613	25,019,683	16
1873 - - -	15,118,636	25,600,069	8							15,482,246	26,802,294	8
1874 - - -	16,900,562	26,236,441	5							16,231,503	27,507,672	5
1875 - - -	16,435,661	26,497,918	3							16,819,374	27,688,255	3
8 months ended } 31st March 1876	4,350,835	6,901,506	-							4,486,868	7,194,943	-
1876-77 - - -	17,822,921	27,516,698	8							18,191,898	28,749,512	8
1877-78 - - -	18,398,901	27,876,117	3							18,770,967	28,153,463	3
1878-79 - - -	17,990,764	25,911,923	7							17,840,622	27,303,068	5
			Decrease.									Decrease.
			5.7									6.4

* This is the average for two years only, as Money Order business with foreign countries did not commence until 1869.

APPENDIX K.—continued. Money Orders.

INLAND ORDERS.									
ENGLAND AND WALES.					SCOTLAND.				
Year.	Number of Money Orders issued to each 100 of population.			Increase per cent. on Number.	Number of Money Orders issued to each 100 of population.			Increase per cent. on Number.	Increase per cent. on Amount.
	Number.	Amount.	£		Number.	Amount.	£		
1839	-	-	142,723	240,063	-	-	-	-	-
1840	-	-	482,714	802,827	-	-	-	-	-
Average of 5 years 1841-45	-	-	2,020,977	4,211,885	318	422	12.3	-	-
"	-	-	3,305,989	6,698,684	68	58	10.4	-	-
"	-	-	4,303,045	8,488,175	30	27	23.9	-	-
"	-	-	5,378,907	10,808,412	20	28	32.9	-	-
"	-	-	6,786,286	14,021,737	20	29	37.2	-	-
"	-	-	8,339,538	16,844,850	20	17	45.1	-	-
1871†	-	-	10,275,875	18,596,317	26	13	45.1	-	-
1872	-	-	11,901,432	20,373,179	16	10	51.6	-	-
1873	-	-	12,863,004	21,629,750	8	6	56.0	-	-
1874	-	-	13,550,011	22,246,625	5.5	3	57.3	-	-
1875	-	-	14,045,014	22,807,716	3.6	0.7	58.6	-	-
3 months ended 31st March 1876	-	-	3,715,657	5,789,805	-	-	-	-	-
1876-77	-	-	15,197,704	23,166,895	8.2	3.4	62.7	-	-
1877-78	-	-	16,687,659	23,362,461	2.8	0.9	63.7	-	-
1878-79	-	-	14,773,390	22,087,603	5.5	5.5	59.4	-	-

In 1840 the commission on Money Orders was reduced as follows:—
* On the 1st of January 1862 the limit of amount of a single order was extended from 5*l.* to 10*l.*
† In May 1871 the commission on Inland Money Orders was reduced as follows:—

Rates of Commission up to 1871.			Rates of Commission from 1871 to 31st December 1877.					Present Rates of Commission.		
	<i>s.</i>	<i>d.</i>	For sums under 10 <i>s.</i>		<i>s.</i>	<i>d.</i>	For sums of 5 <i>l.</i> and under 6 <i>l.</i>		<i>s.</i>	<i>d.</i>
For sums not exceeding 2 <i>l.</i>	-	0 3			-	0 1			-	0 7
" above 2 <i>l.</i> , but not exceeding 5 <i>l.</i>	-	0 6				0 2			-	0 8
" above 5 <i>l.</i> , but not exceeding 7 <i>l.</i>	-	0 9				0 3			"	" of 10 <i>s.</i> and under 2 <i>l.</i> - 3
" above 7 <i>l.</i> , but not exceeding 10 <i>l.</i>	-	1 0				2 <i>l.</i>			"	" other sums, as in preceding Table.
						3 <i>l.</i>				
						4 <i>l.</i>				
						5 <i>l.</i>				
						6 <i>l.</i>				

APPENDIX K.—*continued.***Money Orders.**

Year.	COLONIAL ORDERS.									
	ISSUED IN THE UNITED KINGDOM.					ISSUED IN THE COLONIES.				
	Number.	Amount.	Increase per cent. on Number.	Increase per cent. on Amount.		Number.	Amount.	Increase per cent. on Number.	Increase per cent. on Amount.	TOTAL.
		£					£			
1856	-	-	-	-	-	3,965	12,961	-	-	-
1857	-	-	-	-	-	4,744	14,168	19·6	9·3	9·3
1858	-	-	-	-	-	3,724	10,060	-	-	-
1859	-	-	-	-	-	8,102	22,943	117	128	150
1860	-	-	-	-	-	13,605	40,256	67·9	75·4	90·4
Average of } 1861-65 5 years	8,163	30,325	208	292		45,937	185,316	245	386	371
" } 1866-70	16,168	63,613	97·9	109		106,467	464,104	131	152	146
1871	-	-	23·1	26·4		123,472	520,550	15·9	5·3	7·7
1872	-	-	6·5	5·3		133,430	563,349	8·1	8·3	7·9
1873	-	-	3·9	5·0		154,196	642,227	15·5	13·9	12·8
1874	-	-	0·0	4·7		149,250	689,895	-	-	-
1875	-	-	6·3	5·1		145,956	603,183	-	-	-
3 months ended 31st } March 1876	6,426	24,689	-	-		53,063	137,221	-	-	-
1876-77	27,161	104,337	10·1	6·4		140,438	567,470	-	-	-
1877-78	29,403	109,466	8·2	4·8		146,346	563,915	4·	·4	1·1
1878-79	29,559	106,784	·5	-		153,260	605,032	6·	6·2	4·7

APPENDIX K.—continued. Money Orders.

Year.	ENGLAND AND WALES.				SCOTLAND.				IRELAND.				UNITED KINGDOM.			
	Number of Money Orders issued to each 100 of population.		Increase per cent. on Amount.		Number of Money Orders issued to each 100 of population.		Increase per cent. on Amount.		Number of Money Orders issued to each 100 of population.		Increase per cent. on Amount.		Number of Money Orders issued to each 100 of population.		Increase per cent. on Amount.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.
1839	-	142,723	240,063	-	0.9	-	-	-	0.6	-	-	-	188,921	313,124	-	0.7
1840	-	482,764	802,827	-	3.1	-	-	-	1.9	-	-	-	587,787	990,975	-	2.2
Average of 5 years	1841-45	2,020,937	4,211,885	318	12.3	210,063	385,636	308	37.7	7.8	188,785	339,443	271	340	2.4	8.9
"	1846-50	3,395,969	6,698,684	66	58	19.4	374,487	689,696	78	76	347,547	585,151	75	72	4.5	14.7
"	1851-55	4,393,045	8,498,175	30	27	23.9	418,906	769,893	12	13	407,008	683,277	17	17	6.6	18.9
"	1856-60	5,678,207	10,898,412	29	28	29.2	524,067	975,289	25	26	484,064	863,803	18	26	8.2	23.6
"	1861-65*	6,799,286	14,021,757	20	29	32.9	640,417	1,283,434	24	31	552,414	1,093,170	14	26	9.7	27.1
"	1866-70	8,159,558	16,484,950	20	17	37.2	792,205	1,560,631	22	21	636,822	1,274,096	15	16	11.7	31.2
1871†	-	10,275,875	18,566,317	26	13	45.1	983,911	1,786,574	24	14	803,100	1,446,692	26	14	14.9	38.2
1872	-	11,901,482	20,375,179	16	10	51.6	1,184,629	2,046,062	18	15	918,078	1,592,506	14	10	17.1	43.9
1873	-	12,893,004	21,629,759	8	6	55.0	1,273,086	2,210,107	9	8	982,546	1,760,212	7	10.5	18.4	47.1
1874	-	13,550,011	22,246,025	5.5	3	57.3	1,324,415	2,268,749	4	2.5	1,026,136	1,781,017	4.5	1	19.4	49.0
1875	-	14,043,014	22,597,716	3.6	0.7	58.6	1,367,754	2,369,819	3.3	1.8	1,074,893	1,790,383	4.7	0.5	20.3	50.3
3 months ended 31st March 1876	-	3,715,657	5,780,805	-	-	-	346,158	559,009	-	-	289,120	552,692	-	-	-	-
1876-77	-	15,197,704	25,186,985	8.2	3.4	62.7	1,465,177	2,403,932	7.1	4.7	1,160,040	1,945,431	7.9	8.6	21.8	53.9
1877-78	-	16,687,669	25,392,661	2.8	0.9	63.7	1,531,158	2,485,724	4.5	3.4	1,200,084	1,991,732	3.4	2.3	22.5	54.9
1878-79	-	14,773,390	22,087,403	5.5	5.5	1.59.4	1,452,752	2,386,993	3.1	4.7	1,164,622	1,437,627	2.9	2.7	22.2	51.4

In 1840 the commission on Money Orders was reduced as follows:—

* On the 1st of January 1862 the limit of amount of a single order was extended from 5*l.* to 10*l.*

† In May 1871 the commission on Inland Money Orders was reduced as follows:—

Rates of Commission up to 1871.				Rates of Commission from 1871 to 31st December 1877.				Present Rates of Commission.			
For sums not exceeding 2 <i>l.</i>		For sums above 2 <i>l.</i> , but not exceeding 5 <i>l.</i>		For sums under 10 <i>l.</i>		For sums of 10 <i>l.</i> and under 2 <i>l.</i>		For sums under 10 <i>l.</i>		For sums of 10 <i>l.</i> and under 2 <i>l.</i>	
s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.
0	3	0	3	0	1	0	1	0	7	0	7
0	6	0	6	0	2	0	2	0	8	0	8
0	9	0	9	0	3	0	3	0	9	0	9
1	0	1	0	0	4	0	4	0	10	0	10
				0	5	0	5	0	11	0	11
				0	6	0	6	0	12	0	12
				0	7	0	7	0	13	0	13
				0	8	0	8	0	14	0	14
				0	9	0	9	0	15	0	15
				0	10	0	10	0	16	0	16
				0	11	0	11	0	17	0	17
				0	12	0	12	0	18	0	18
				0	13	0	13	0	19	0	19
				0	14	0	14	0	20	0	20
				0	15	0	15	0	21	0	21
				0	16	0	16	0	22	0	22
				0	17	0	17	0	23	0	23
				0	18	0	18	0	24	0	24
				0	19	0	19	0	25	0	25
				0	20	0	20	0	26	0	26
				0	21	0	21	0	27	0	27
				0	22	0	22	0	28	0	28
				0	23	0	23	0	29	0	29
				0	24	0	24	0	30	0	30
				0	25	0	25	0	31	0	31
				0	26	0	26	0	32	0	32
				0	27	0	27	0	33	0	33
				0	28	0	28	0	34	0	34
				0	29	0	29	0	35	0	35
				0	30	0	30	0	36	0	36
				0	31	0	31	0	37	0	37
				0	32	0	32	0	38	0	38
				0	33	0	33	0	39	0	39
				0	34	0	34	0	40	0	40
				0	35	0	35	0	41	0	41
				0	36	0	36	0	42	0	42
				0	37	0	37	0	43	0	43
				0	38	0	38	0	44	0	44
				0	39	0	39	0	45	0	45
				0	40	0	40	0	46	0	46
				0	41	0	41	0	47	0	47
				0	42	0	42	0	48	0	48
				0	43	0	43	0	49	0	49
				0	44	0	44	0	50	0	50
				0	45	0	45	0	51	0	51
				0	46	0	46	0	52	0	52
				0	47	0	47	0	53	0	53
				0	48	0	48	0	54	0	54
				0	49	0	49	0	55	0	55
				0	50	0	50	0	56	0	56
				0	51	0	51	0	57	0	57
				0	52	0	52	0	58	0	58
				0	53	0	53	0	59	0	59
				0	54	0	54	0	60	0	60
				0	55	0	55	0	61	0	61
				0	56	0	56	0	62	0	62
				0	57	0	57	0	63	0	63
				0	58	0	58	0	64	0	64
				0	59	0	59	0	65	0	65
				0	60	0	60	0	66	0	66
				0	61	0	61	0	67	0	67
				0	62	0	62	0	68	0	68
				0	63	0	63	0	69	0	69
				0	64	0	64	0	70	0	70
				0	65	0	65	0	71	0	71
				0	66	0	66	0	72	0	72
				0	67	0	67	0	73	0	73
				0	68	0	68	0	74	0	74
				0	69	0	69	0	75	0	75
				0	70	0	70	0	76	0	76
				0	71	0	71	0	77	0	77
				0	72	0	72	0	78	0	78
				0	73	0	73	0	79	0	79
				0	74	0	74	0	80	0	80
				0	75	0	75	0	81	0	81
				0	76	0	76	0	82	0	82
				0	77	0	77	0	83	0	83
				0	78	0	78	0	84	0	84
				0	79	0	79	0	85	0	85
				0	80	0	80	0	86	0	86
				0	81	0	81	0	87	0	87
				0	82	0	82	0	88	0	88
				0	83	0	83	0	89	0	89
				0	84	0	84	0	90	0	90
				0	85	0	85	0	91	0	91
				0	86	0	86	0	92	0	92
				0	87	0	87	0	93	0	93
				0	88	0	88	0	94	0	94
				0	89	0	89	0	95	0	95
				0	90	0	90	0	96	0	96
				0	91	0	91	0	97	0	97
				0	92	0	92	0	98	0	98
				0	93	0	93	0	99	0	99
				0	94	0	94	0	100	0	100

APPENDIX K.—*continued.*
Money Orders.

Year.	COLONIAL ORDERS.									
	ISSUED IN THE UNITED KINGDOM.					ISSUED IN THE COLONIES.				
	Number.	Amount.	Increase per cent. on Number.	Increase per cent. on Amount.		Number.	Amount.	Increase per cent. on Number.	Increase per cent. on Amount.	TOTAL.
		£					£			
1856	-	-	-	-		3,965	12,961	-	-	-
1857	-	-	-	-		4,744	14,168	19·6	9·3	9·3
1858	-	-	-	-		3,724	10,060	-	-	-
1859	-	-	-	-		8,102	22,943	117	128	150
1860	-	-	-	-	242	13,605	40,256	67·9	75·4	90·4
Average of } 1861-65 5 years	8,163	30,320	208	292		45,937	186,516	245	386	371
" } 1866-70	16,158	68,613	97·0	100		106,467	404,104	131	152	146
1871	-	-	23·1	26·4		123,472	520,550	15·9	5·3	7·7
1872	-	-	6·5	5·3		133,480	568,549	8·1	8·3	7·9
1873	-	-	3·9	5·0		154,196	642,527	15·5	13·9	12·8
1874	-	-	0·0	4·7		149,250	629,806	-	-	-
1875	-	-	6·3	5·1		145,966	603,183	-	-	-
8 months ended 31st } March 1876	6,436	24,689	-	-		33,068	137,221	-	-	-
1876-77	-	-	10·1	6·4		140,438	567,470	-	-	-
1877-78	-	-	8·2	4·8		146,344	569,915	4·	·4	1·1
1878-79	-	-	·5	-		155,260	606,032	6·	6·2	4·7

Money Orders.

TABLE showing the AMOUNT (to the nearest Pound) of MONEY ORDER TRANSACTIONS between the UNITED KINGDOM and the COLONIES in each of the past Six Years.

Year.	Africa, South and West.		Australia.		British America.		Cape Colony.		India.		New Zealand.		West Indies.		Other Colonies and Packet Agencies.		TOTAL	
	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.
1873	1,207	23,508	29,921	141,014	33,899	163,138	2,900	11,231	2,673	57,725	6,656	48,760	2,909	21,126	8,937	104,925	89,002	642,527
1874	1,053	39,868	23,865	140,364	38,252	134,683	2,954	15,606	2,691	44,284	7,322	58,073	3,532	107,598	8,592	98,750	98,261	629,895
1875	1,205	31,898	29,897	140,197	38,317	110,949	3,178	22,406	2,880	46,180	9,307	66,568	3,220	96,406	9,969	96,574	98,063	608,188
1876-77	1,601	27,444	30,070	145,957	40,622	88,903	3,435	31,889	3,762	48,176	10,284	67,810	3,979	78,819	10,705	76,622	104,358	567,470
1877-78	1,609	19,708	30,617	156,331	40,154	82,512	4,116	35,962	5,166	63,362	10,319	73,964	4,118	66,441	13,327	69,635	109,456	549,915
1878-79	1,815	27,653	30,545	166,754	36,483	81,729	4,441	39,660	4,810	65,299	9,738	86,583	4,393	63,956	14,569	74,748	106,784	606,632

TABLE showing the AMOUNT (to the nearest Pound) of MONEY ORDER TRANSACTIONS between the UNITED KINGDOM and the VARIOUS FOREIGN COUNTRIES in each of the past Six Years.

Year.	Belgium.		Denmark.		Egypt.		France.		Germany.		Italy.		Netherlands.		Norway.		Switzerland.		United States.		TOTAL.	
	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.	Issued in the U.K.	Issued in the Colonies.
1873	107,38	15,632	2,176	2,005	—	—	8,688	1,857	30,321	30,246	7,067	4,867	3,197	4,000	—	—	11,516	5,403	43,370	275,453	131,083	336,513
1874	11,356	14,321	2,800	2,883	44	1,384	18,580	5,519	50,070	38,369	9,893	6,214	3,596	5,231	—	—	12,742	5,052	60,336	240,896	166,417	318,668
1875	11,400	15,017	2,906	4,219	128	1,953	36,891	18,403	58,991	48,044	11,166	6,568	4,969	5,064	—	—	13,606	5,564	62,354	186,197	202,900	291,020
1876-77	13,129	16,772	3,429	4,023	74	1,845	59,940	38,005	74,658	53,778	16,274	7,377	5,481	6,887	1,115	—	15,419	6,463	75,606	158,464	296,389	294,746
1877-78	12,924	15,866	4,288	5,461	132	2,754	69,924	48,136	96,450	56,992	20,039	8,417	9,974	2,712	1,476	—	16,702	6,633	73,186	167,707	291,128	312,836
1878-79	13,394	14,019	3,890	6,069	905	7,971	83,037	65,358	96,673	61,566	21,197	8,440	5,579	10,906	3,087	—	17,622	6,900	71,069	176,388	317,715	361,639

APPENDIX L. Post Office Savings Banks.

Year.	Number of Post Office Savings Banks.	Number of Deposits.	Amount of Deposits.	Average Amount of each Deposit.	Interest credited to Depositors.	Number of Withdrawals.	Amount of Withdrawals.	Average Amount of each Withdrawal.	Charges of Management.	Average Cost of each Transaction, viz., of each Deposit or Withdrawal.	Number of Accounts opened.	Number of Accounts closed.	Number of Accounts remaining open at close of the Year.	Amount, inclusive of Interest, standing to credit of all open Accounts at close of the Year.	Average Amount standing to credit of each open Account at close of the Year.	Per-centage of Cost of Management to total funds in possession of the Post Office Savings Bank.	Total Sum standing to credit of Post Office Savings Banks on Books of National Debt Commissioners at close of the Year.	Balance in hands of Postmaster General, after making Provision for outstanding Warrants, at close of the Year.	*Total Balance in hand, applicable to payment of Depositors, at close of the Year.	Number at close of the Year of Old Savings Banks and Post Office Banks combined.	Number at close of the Year of the Depositors in Old Savings Banks and Post Office Banks combined.
From 18 Sept. 1861 to 31 Dec. 1862	2,535	639,316	8,114,669	3 2	23,168	97,294	438,637	4 10 2	20,591	6 7	203,928	27,433	178,405	1,698,231	9 10 3	1 4 3	1,693,632*	35,693	1,694,724	1,157	1,793,555
1863	2,991	843,848	2,651,298	3 11	55,204	197,431	1,027,154	5 4	25,401	7 5 1	185,934	44,760	319,669	3,377,480	10 11 4	0 15 0	3,383,182*	44,413	3,372,595	3,594	1,876,359
1864	3,681	1,110,723	3,350,000	3 5	100,493	309,242	1,834,840	5 13 8	45,856	7 1 5	233,153	74,964	470,858	4,993,123	10 12 1	0 13 4	4,993,663*	5,623	5,001,185	3,659	1,967,663
1865	3,321	1,303,509	3,719,017	3 17	132,870	407,412	2,318,610	5 13 10	49,527	6 1 5	239,686	99,160	611,354	6,526,400	10 13 6	0 13 2	6,532,339*	4,327	6,536,666	3,832	2,078,346
Average of 5 years 1866-70	3,815	1,502,051	5,352,108	3 13	123,014	647,020	3,770,581	5 16 5	63,903	10 1 5	236,524	131,170	967,068	11,632,214	13 0 6	0 10 9	11,634,504	50,351	11,633,154	4,588	2,362,942
Average of 5 years 1871-75	4,824	2,540,537	7,869,078	3 15	176,163	997,373	5,357,562	6 11 1	90,786	5 1 5	422,080	303,290	1,540,684	21,171,181	13 12 4	0 8 6	21,703,547	133,278	21,879,751	5,518	2,993,487
1876	5,448	3,166,136	8,962,350	3 16	219,331	1,195,003	7,792,477	6 10 4	125,912	6 1 5	437,033	511,783	1,702,374	28,996,550	15 17 1	0 9 3	28,004,793	106,833	28,111,566	5,913	3,195,761
1877	5,668	3,387,851	9,166,738	3 16	165,469	1,252,940	8,083,901	6 9 0	162,184	7 3 5	465,221	384,355	1,791,240	28,740,767	16 0 10	0 10 7	28,713,529	104,037	28,817,566	6,126	3,301,087
1878	5,831	3,350,636	9,495,397	3 16	169,603	1,304,617	8,574,188	6 10 6	146,543	6 11 1	447,546	346,033	1,592,765	30,411,468	16 1 4	1 9 6	30,946,963	242,362	30,199,325	6,295	3,408,466

* These sums do not include the dividends accruing to the Post Office Savings Banks on the 8th 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 dividends 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, amounting to about 1/2d. per transaction, ceased to be debited against the Savings Bank Department, but in 1877 the sum of £2,543. 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 1/2d.

§ 167,860 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 £1,779 accounts was made in 1877, the number of open accounts in those years being reduced accordingly. The number of such accounts included in the Dormant Account at the end of 1878 was 157,969.

|| The sum of £46,543. for charges of management in 1875 includes £14,434. for arrears of postage for the nine years from 1st April 1868 to 31st March 1877, and also 78,419s. paid on account of the new building in Queen Victoria Street and its site. The effect of these additions to the charges proper to the year is to raise the cost of a transaction to 1s. 11 1/2d., and the per-centage of expenses to capital to 1s. 9d. 6d. If the working charges proper to the year 1876 only are taken into account, including 5 per cent. upon the expenditure in respect of the new building, the cost per transaction will be 1/2d., and the per-centage of expenses to capital 10s. 7 1/2d. Further, if the arrears of postage charged to the year 1878 be added to the expenses of the years which they affect, viz., 1868 to 1877 inclusive, the average annual cost of a transaction for those years will be 7 1/2d., and the average per-centage of expenses to capital will be 11s. 3 1/2d.

APPENDIX L.—continued.

BALANCE SHEET.

RETURN of the BALANCE SHEETS of the POST OFFICE SAVINGS BANKS for the Year 1878, 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 1878 (including interest)	30,411,563 9 0	Value of Securities at the Cost Price, less depreciation of those which are terminable by lapse of time	30,378,354 8 4
Amount of expenses remaining unpaid (partly esti- mated)	12,000 0 0	Amount of cash in hands of Commissioners for the Reduction of the National Debt	68,608 2 5
Surplus of Funds to meet Liabilities	765,761 13 2	Total Amount in the hands of the Commis- sioners for the Reduction of the National Debt	- - -
		Amount received for issuing new Deposit Books	1,211 9 4
		Less.—Amount paid to the National Debt Com- missioners	883 4 4
		Amount in the hands of Her Majesty's Postmaster General	276,791 6 9
		Less.—Amount required to meet Warrants issued to Depositors but not cashed on 31st December 1878	34,757 0 4
	£		328 5 0
	31,180,325 2 2		242,034 6 5
			31,180,325 2 2

Total amount received from Depositors, including interest, to 31st December 1878	£	s.	d.
Total amount repaid to Depositors to 31st December 1878	111,014,421	0	7
Total amount repaid to Depositors to 31st December 1878	80,602,655	11	7

Number of Transactions.		Number of Accounts.		
Deposits.	Withdrawals.	Opened.	Closed.	Remaining Open.
36,902,602	12,989,559	5,783,527	3,890,771	1,892,756

The total cost of the Post Office Savings Banks from their establishment to the 31st December 1878, including the sum of 12,000*l.* charged as above, was 1,647,962*l.* 7*s.* 1*d.*

The total number of transactions, *i.e.*, Deposits and Withdrawals, in the period was 49,892,161. The average cost of each transaction from the commencement of Post Office Savings Bank business to the end of the year 1878 was 7½d.

The sums of £26,270*l.* 14*s.* 11*d.* and 147,116*l.* 16*s.* 0*d.* have been paid into the Exchequer out of the funds of the Post Office Savings Banks in the years 1877 and 1878 respectively under sec. 14 of the Act 40 Vict. c. 13, being the excess of interest which had accrued during the years 1876 and 1877, as shown in Parliamentary Papers, No. 334 for 1877, and No. 209 for 1878. The sum of 70,000*l.*, the cost of the site of the new Savings Bank building in Queen Victoria Street, and a portion of the cost of the new building, have been paid for out of the accumulated funds of the Post Office Savings Banks.

APPENDIX L.—*continued.*

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

Question of extending Savings Bank business to every Post Office.

In connexion with the question which has recently been under consideration as to the advisability of extending Savings Bank business to every Post Office in the United Kingdom, a return was prepared containing some interesting information on the subject of the proportion of Post Offices to population, &c., which it may not be out of place to introduce here.

Divisions of United Kingdom.	Total Area in Square Miles.	Population.	No. of Inhabited Houses.	Head Offices.				Offices which transact any description of Post Office Business.				Offices which transact Money Order and Savings Bank Business.				Total Number of Offices which do not transact Money Order and Savings Bank Business.			
				Total No.	Average No. of square Miles to each Office.	Average Population to each Office.	Average No. of Inhabited Houses to each Office.	Total No.	Average No. of square Miles to each Office.	Average Population to each Office.	Average No. of Inhabited Houses to each Office.	Total No.	Average No. of square Miles to each Office.	Average Population to each Office.	Average No. of Inhabited Houses to each Office.	Total No.	Average No. of square Miles to each Office.	Average Population to each Office.	Average No. of Inhabited Houses to each Office.
England and the Islands in the British Seas.	51,344	31,639,769	4,033,765	569	90	38,031	7,089	8,406	6	2,574	490	4,109	124	5,366	961	4,297			
London	118	3,254,260	417,767	8	15	406,792	62,221	649	4	5,014	644	607	4	5,361	688	48			
Wales	7,426	1,217,135	246,354	40	196	30,423	6,223	1,824	4	687	137	295	26	4,126	845	1,529			
Ireland	32,531	5,412,377	961,380	133	246	41,003	7,293	1,986	16	2,713	482	660	49	8,200	1,457	1,385			
Scotland	30,463	3,360,018	412,815	150	203	23,400	2,728	1,533	20	2,135	268	604	50	5,563	683	984			
United Kingdom	121,763	51,639,399	5,637,294	891	137	35,499	6,349	12,763	9	2,396	418	5,668	21	5,680	968	8,095			

It will be seen from this statement that at the close of the year 1877 there were 13,763 Post Offices in the United Kingdom, of which 5,668 transacted Savings Bank business; and that, taking the total area of the United Kingdom, there was, on an average, a Post Office to every nine square miles, and a Money Order and Savings Bank Office to every 21 square miles. It would not be practicable to extend the Savings Bank system to every Post Office without involving a considerable loss to the Revenue, as, in most instances, the amount of business would not be commensurate with the expense incurred. In connexion with this subject, mention may here be made of the memorial recently presented by an influential deputation to the Chancellor of the Exchequer, recommending the Government to establish a Post Office Savings Bank, to be open on one or more evenings of the week, at every Post Office where there is not already Savings Bank business, in order to encourage thrift and saving among the industrial classes in remote places. This arrangement, however, would not only be open to much the same objection as regards expense, but would also be beset with many difficulties and incongruities. The experience of the Department, moreover, tends to show that Post Office Savings Banks are not generally required in remote rural districts; and it would seem that the facilities now afforded to the public are all that can be reasonably desired, with due regard to the interests of the State. It would therefore seem expedient that the collection of savings in retired and sparsely populated districts should be left to the agency of Penny Banks, which possess special advantages rendering them successful where, perhaps, Post Office Savings Banks would be little appreciated by the inhabitants themselves. Illiterate people, especially in country places, are doubtless frequently deterred from depositing even by the simple machinery of the Post Office Savings Bank, while the direct personal influence brought to bear by the promoters of Penny Banks induces many to avail themselves of such less formal means of saving. While these remarks are being written, a letter, confirming this view of the case, has been received from a schoolmaster at a charitable institution in a large provincial town, who has taken an active interest in the formation of Penny Banks. Referring to the deputation to the Chancellor of the Exchequer he observes:—"No doubt if special arrangements were made for receiving deposits at Post Offices, and where practicable to open them in the evening, many more would deposit; but to meet the unthrifts the bank must be opened in the neighbourhood of their homes, and this can only be done by Penny Banks."

Such extension would involve loss to Revenue.

Deputation to Chancellor of the Exchequer on subject.

Collection of savings in retired districts best left to Penny Banks.

Confirmation of this view.

The number of Penny Banks authorised last year to invest their funds was 272, being 100 more than in 1876, and only 21 less than the exceptionally large number in 1877. During the first quarter of this year authority was given to 185 Penny Banks, that number being 77 in excess of those in the corresponding quarter of 1878. The rapid and continued growth of the movement is best shown by the following statement of the number of Penny Bank accounts opened, year by year, since 1870:—

Penny Banks authorised to invest their funds in 1878, and in first quarter of 1879. Rapid growth of Penny Bank movement.

Year.	1870.	1871.	1872.	1873.	1874.	1875.	1876.	1877.	1878.
Number of accounts opened in the year.	27	44	42	104	140	149	172	293	272

Number of
School Banks.

Increasing
demand for
deposit books
supplied
gratuitously.

Account books
supplied during
1878.

Societies for
promoting
formation of
Penny Banks.

Application
for advice in
opening Penny
Banks.

Arrangement
for opening
accounts for
persons in
remote villages
without per-
sonal atten-
dance.

Classes which
principally use
the Post Office
Savings Bank.

The number of Penny Banks last year included 95 School Banks, of which 28 belonged to Board schools, six being at Birmingham, where it is intended to establish Penny Banks in nearly all the Board schools. A recent number of the periodical publication of the "Band of Hope" Temperance Society contained specimen rules and information as to the aid rendered by this Department to the promoters of Penny Banks; and eight such Banks were established by the society last year. The demand for the deposit books supplied gratuitously by the Department continues to increase, nearly 70,000 having been issued last year, as against 51,000 in 1877, and 28,000 in 1876. About 37,000 of the books supplied last year were specially printed with the names of particular Penny Banks, the hours of attendance, and the names of trustees. Of the account books which the Department furnishes at nearly cost price to the managers of Penny Banks, 257 sets were supplied last year. The "National Thrift Society," alluded to last year as in course of formation, has started numerous Penny Banks, chiefly in the counties of Kent and Dorset. The "Oxford Diocesan Thrift Branch of the Church of England Temperance Society," established last year, promotes the formation of Penny Banks in connexion with village schools, factories, workshops, &c. throughout the diocese, and circulates leaflets on the subject of thrift. To the applications resulting from these efforts may be added others received from the managers of Penny Banks formed at some of the "Coffee Palaces" recently established in London and elsewhere. Among many letters asking for advice and assistance in opening Penny Banks may be noticed one from the actuary of the Savings Bank at Kingston, Jamaica. As a ready means of furnishing information to clergymen and others, desirous of making the Penny Bank system known, two articles which appeared last year, one in the *British Quarterly Review*, entitled "Savings and Savings Banks," and the other in *Cassell's Family Magazine*, entitled "Pennies of the People," have been reprinted in the form of a pamphlet. Little, if any, practical advantage has yet been taken of the arrangement sanctioned experimentally in March 1878, by which managers of Penny Banks in remote villages may, by means of a system of free registered letters, assist the depositors in Penny Banks to open, and afterwards continue, accounts in their own names at the nearest Post Office Savings Bank without personal attendance. The plan has been suggested to the managers of several Penny Banks, but in two instances only has it met with acceptance, and no accounts have yet been opened in the manner contemplated. The great importance of having a secure mode of investment for the funds of Penny Banks has been forcibly illustrated by the recent case of the Penrhyn Penny Bank, which, though it had been in successful operation since 1861, has failed, owing to the stoppage of the Cornish Bank, in which its funds were deposited.

A question having been raised as to what classes principally use the Post Office Savings Bank, returns were prepared in January last on the subject. In the case of 25 small offices situated in agricultural districts it was found that three fourths of the depositors were of the following classes, the order of which indicates their relative position in point of numbers:—

Minors over seven.
Female servants.
Labourers.
No occupation.
Artizans.
Unmarried women.
Married women.

In order, however, to obtain a fair basis for estimating the occupations of the whole number of depositors, 18 different offices were selected, embracing all varieties of locality; and, as regards 11,260 accounts examined, the following statement shows the most numerous classes of depositors, together with the average balance due to each depositor of the respective classes:—

Class.	No. of Depositors.	Average Balance.
		£
Female servants - - -	1,664	14
No occupation - - -	1,279	13
Artizans - - -	1,236	15
Minors over seven - - -	1,186	7
Married women - - -	1,136	21
Tradesmen - - -	857	16
Clerks - - -	675	11
Labourers - - -	579	21
Unmarried women - - -	405	16
Minors under seven - - -	397	5
Male servants - - -	297	22
Public officials - - -	227	40
Soldiers and sailors - - -	225	18
Professional men - - -	222	20
Milliners - - -	187	11

In addition to the correspondence on the subject of depositors' accounts, involving, besides numerous printed forms, upwards of 12,000 manuscript letters, more than 5,000 personal applications were made at this Department in the course of the year. Amidst the large quantity of correspondence emanating from the various classes of society, there must always be a certain number of letters more or less eccentric and amusing, of which many specimens have been given in former reports. Last year, however, there was nothing of a very novel character in this respect, except in one case, where a depositor, whose occupation had been given as a "*vendör of cat's meat*," in applying for an acknowledgment for a deposit which had failed to reach him in due course, took occasion to add, "*The next time it occurs I shall write to the Queen.*"

Numerous applications continue to be received for permission to deposit in excess of the annual and total limits, and many depositors whose balances, including interest, have reached 200*l.*, manifest much reluctance to reduce the amount in order to admit of further interest being allowed. There is no doubt that the question of increasing the limits is one with several others urgently needing legislation; and it is difficult to see how any reasonable objection to such an increase could be raised by the banking interest, seeing that the classes who form the majority of the depositors in the Post Office Savings Bank, while no doubt in many instances able to save to the extent of the proposed higher limits, make, generally speaking, but little use of private banks.

Last year, 1,098 Trade, Provident, and Charitable Societies were authorised to invest their funds with this Department, being 112 less than in the previous year; 275 Friendly Societies were similarly authorised, and although this number shows an increase of 22 over that in 1877, it is less than the number in 1876, which was 387. The decrease is partly to be attributed, as in 1877, to the fact that the Trustee Banks closed during the year 1878 had remarkably few societies' accounts. During the first quarter of this year, however, 503 Trade, Provident, and Charitable Societies' accounts, 1878.

Societies' accounts, first quarter of 1879.

Large investments of societies.

and Charitable Societies, and 96 Friendly Societies, opened accounts, showing an increase of 105 and 28 respectively over the numbers in the corresponding quarter of 1878. The investments of societies were unusually numerous towards the close of last year, and at the commencement of this year, owing probably to the bank failures, the deposits in two instances exceeding 2,000*l.* each, and in each of eleven others being 1,000*l.* or upwards. Much progress appears to have been made recently by an institution designated the "Girls' Friendly Society," numerous branches of which have in the course of the past year invested their funds with the Department. The society is managed by benevolent ladies, one of its objects being to encourage domestic servants and others to become Savings Bank depositors. Among the applications last year was one from a society, registered under the Friendly Societies' Acts, having for its object "the insurance and relief of each of the members who may have the misfortune to lose a " pig."

Accounts opened by registrars of county courts.

In addition to 163 accounts opened during 1878 by registrars in England and Wales, under the provisions of the County Courts Act, six were opened in Ireland under the similar Act of 1877, applicable to that country, making the total number of such accounts opened during the year 169, as against 177 opened in the preceding year.

Applications from soldiers ordered to Cyprus,

On a British military force being ordered to embark for Cyprus last summer several of the soldiers who were depositors in the Post Office Savings Bank applied respecting their accounts, and, as soon as a British Post Office was established in the island, it was decided to afford to persons stationed there the facilities, already accorded to residents at Malta and Gibraltar, for opening or continuing accounts by means of the Money Order system. When the reinforcements were suddenly ordered to South Africa in February last, some of the soldiers were unable, in the hurry of departure, to attend at a Post Office to withdraw their deposits, but, in cases where they had left written requests for their wives or relatives to receive the money, authority was obtained for payment to be made accordingly, the usual form of order being dispensed with.

and to South Africa.

Books received for examination in 1878.

The number of deposit books received for examination during last year was 800,089, being an average of 2,614 daily. The number received during the previous year was 750,498, or an average of 2,452 daily. As the practice of writing for all deposit books not forwarded for examination in due course was discontinued some years ago, circulars have since been forwarded in certain special cases only, but last year 12,500 fewer circulars were sent than in 1877, so that the increase in the number of books received during 1878 is very satisfactory, showing, as it does, that the ordinary means adopted for reminding depositors to forward their books for annual examination have been effectual.

Books lost and destroyed in 1878.

The number of new books supplied last year to depositors in place of books lost or destroyed was 2,059, being 119 less than in 1877. One applicant stated that her book had been mutilated by a cat, and another that his book, which he kept in a strong box in the " pig-sty," had been destroyed by his pig.

Applications associated with most of the startling events of the year.

Decrease in number of applications

Applications respecting missing books were associated with most of the startling events of the year, notably the incendiarism in connexion with the cotton riots at Blackburn, the collision of the steam-vessels *Princess Alice* and *Bywell Castle*, and the running down of H.M.'s cutter *Fanny* by the steamship *Helvetian*. The number of applications received last year respecting missing books was 7,856, being a decrease of 1,110 as compared with the number in the previous year.

This decrease was most apparent at the commencement of the year, and is doubtless the further beneficial result of the arrangements, referred to in former reports, for dealing promptly with the large number of books improperly forwarded at that time of year, instead of on the anniversary of the first deposit, no fewer than 12,773 books having been received on the 1st January last year. The number of new books issued during the first quarter of this year in place of books lost or destroyed was 503, as against 575 issued in the corresponding period of 1878. respecting missing books.

The claims to the moneys of deceased depositors during the year 1878 numbered 11,847, being 784 more than in 1877; and probates of wills or letters of administration were produced in 2,777 cases, as against 2,559 in the previous year. About two thirds of the probates and letters of administration received last year appear to have been obtained for purposes apart from the claims to the deposits of the deceased. Of the unfortunate persons lost in the steamer *Princess Alice*, 64 were depositors; and as the lamentable occurrence involved in some cases the loss of an entire family, exceptional care was required in the settlement of claims when several members of the same family were depositors. The explosion at the Abercarne Colliery, which so closely followed the disaster on the Thames, resulted in only five applications respecting private accounts; but 268 members of a Sick and Funeral Society, depositing its funds in the Post Office Savings Bank, having lost their lives, the whole sum invested was withdrawn to meet the claims on the society. In the quarter ended the 31st March last, 3,817 claims to the deposits of deceased persons were dealt with, as against 3,262 in the corresponding period last year, the increase being doubtless, in some measure, attributable to the unwonted inclemency of the weather. Probates and letters of administration to the number of 916 were received, being an increase of 269 and 203 over the numbers in the first quarters of 1877 and 1878 respectively. In his recent speech on the Budget, the Chancellor of the Exchequer stated that during the preceding six or seven weeks there had been an increase of 40 a week in the number of wills proved, as compared with the corresponding weeks in 1878, and of 60 a week as compared with the corresponding weeks in 1877. The number of probates registered in this Department being usually only about one sixth of the total number granted at Somerset House, it is curious to observe that the proportionate increase in the number received during the first quarter of this year was much larger than that referred to in the speech, being 15 a week over the number in the first quarter of 1878, and 20 a week over that in the first quarter of 1877. Deceased depositors.
Depositors lost in *Princess Alice* steamer.
Depositors killed in Abercarne Colliery explosion.
Deceased depositors in first quarter of 1879.
Increase in number of wills proved at Somerset House in certain weeks of 1879.
Larger proportionate increase in number produced in this Department.

A recent claim to the moneys of a deceased depositor brought to light a remarkable instance of increased value in an account through long accumulation of compound interest. In the year 1824 a deposit of 25*l.* was made in an old Savings Bank which was subsequently closed, the account being transferred with the residue of unclaimed deposits to the Post Office Savings Bank. The depositor's legal representative having claimed the deposits last year, the sum of 127*l.* was paid to him, no less than 102*l.* being for the interest which had accrued on the deposit. Instance of accumulation of compound interest.

There has again been a considerable increase in the number of applications respecting the moneys of depositors who have become insane. In 1876 there were 136 such cases, in the following year 163, and last year 185. The number of applications during the first quarter of the present year was 42, as against 40 in the first quarter of 1878. Insane depositors.

The instances of fraud by persons employed at Post Offices were unusually few in 1878, being only three in number, of which two were Loss to Department by fraud

limited to single deposits of 30*l*. The total loss to the Department from fraud and default on the aggregate amount of deposits and withdrawals since the establishment of Post Office Savings Banks is at the rate of less than three farthings per cent.

* * * *

Foreign and
Colonial
Savings Banks.

There would seem to be no abatement in the interest evinced for several years past by governments and philanthropists of various other countries in the development of Savings Banks.

France.

As regards France, further information respecting Post Office Savings Banks has been lately applied for by the French General Post Office; and the Congress on Savings Banks, which was alluded to in last year's report as in contemplation, was held at Paris in July during the International Exhibition, being attended by about 200 delegates from Europe and America. The growth of Savings Banks in France is full of interest. Their establishment dates from 1818, and after the lapse of twenty years the capital was 100,000,000 francs (4,000,000*l*.), and the number of depositors 300,000. In 1869 the number of depositors had increased to 2,000,000, and the capital to 575,000,000 francs (23,000,000*l*.), the population of the country then being 38,333,000. In May 1878, notwithstanding the effects of the Franco-German War, and the decrease of the population to 36,500,000, there were 3,000,000 depositors, whose savings amounted to 930,000,000 francs (37,200,000*l*.). At this time the School Savings Banks, which were first established in 1874, numbered 8,299, with a capital of 107,014*l*. A Bill for the introduction of Post Office Savings Banks into France, having for one of its provisions the conversion of deposits into *Rentes* without charge to depositors, was submitted last session to the National Assembly by a private member, and has been handed over by the Chamber to the *Conseil d'Etat* for examination. It is understood, however, that the French Government intend to bring forward, during the approaching session, a Bill of their own, having for its object the adoption of a system of Post Office Savings Banks similar to ours.

Germany.

In Germany a scheme of the same kind was contemplated at the close of last year by the Postmaster General of the Empire, who had been previously furnished with information as to the progress of the British Post Office Savings Banks. Early in 1878 Her Majesty's Consul at Bremen applied for particulars as to the system of this Department, for the guidance of the directors of the Bremen Savings Bank in considering a project for arranging with the Bremen Post Offices for the receipt of deposits.

Italy.

In Italy the business of the Post Office Savings Banks seems to have considerably increased during the past year; and further information has been supplied to the Postmaster General of that country respecting the mode of keeping accounts in this Department. The Italian system differs from ours in the following important particulars. The annual limit of deposits is fixed at 1,000 *lire* (40*l*.), and is not irrespective of withdrawals, but applies to the balance placed to a depositor's credit during the year, after deducting withdrawals, and, should the limit not be reached in the year, the depositor is at liberty to make up the difference during the ensuing year. A depositor may have any amount standing to his credit, but when the sum exceeds 2,000 *lire* (80*l*.) no interest is allowed on the excess, and a deposit of more than one *lira* may include a fraction of that sum. Deposits are received from executors of deceased persons, and facilities are afforded for transferring money to the Public Funds. Although notice of withdrawal may be insisted on, repayment is generally made on demand, either to the depositor in person, or to some one authorised by him, on presenting

the deposit book, and signing one of the cheques or orders provided therein to be detached in such cases. A record of each depositor's account is kept at the Office where it was opened, and, on application being made for a withdrawal at any other Office, reference is made by letter or telegram to the original Office. Any depositor, however, who has changed his residence may have the record of his account transferred to the Office most convenient for him. The balances due in accounts in which no transactions have taken place for a period of 30 years, become the property of the State.

The Austrian Consul General applied in March last, on behalf of the Austria-Common Council Committee of Buda-Pesth, for the regulations, &c. of Hungary. the British Post Office Savings Banks, to serve as a guide for the organization of similar institutions in Hungary; and it is to be hoped that the recent devastating floods at Szegedin and other towns will not seriously interfere with the establishment of the system in that country.

The Postmaster General of Portugal has recently visited this Department, and personally examined the working of the various branches; while from Copenhagen an application has been received for information as to the circumstances under which the Post Office Savings Banks were established in Great Britain, and as to what means the humbler classes formerly had for investing their savings. Portugal.

It appears from a paper on the progress and present position of Post Office Savings Banks throughout the world, read last year at Cincinnati before the American Social Science Association, that there are no fewer than nine proposals before the United States Legislature respecting the establishment of a National Savings Bank. The writer expresses the opinion that, of these, the only one which is at all feasible, or likely to be adopted, is closely assimilated to the British system. The *New York Herald* attributes the absence of a Government Savings Bank in the United States to the confidence, until lately, reposed in the existing institutions; but, as the article expresses it, "The recent widespread failures make the establishment of Postal Savings Banks not merely a popular necessity, but a burning question." At the beginning of this year an application respecting the development of Post Office Savings Banks in this country was received from an American residing at Detroit, Michigan, who was furnished with full information on the subject. United States of America.

In Canada the decline in the business of the Post Office Savings Banks, which had continued for some years, appears to have abated, the number of accounts having increased during the year ended 30th June 1878 from 24,074 to 25,535, and the amount due to depositors from 527,987*l.* to 550,896*l.*, so that the number of depositors is now greater than at any former time, and the business transacted during the year approximates to that of the most prosperous years of the bank. Canada.

In Western Australia the Post Office Savings Banks are gradually gaining ground; and the deposits in the Queensland Government Savings Bank during the year 1877 show a steady increase, notwithstanding that the colony suffered from a drought of almost unprecedented severity. Western Australia.

In Victoria the Savings Banks are of two kinds,—the ordinary Savings Banks, which were established in 1842, and the Post Office Savings Banks, which were established in 1865. The financial year of the Post Office Savings Banks terminates on the 31st December, and that of the ordinary Savings Banks on the 30th June. On the 31st December 1877, there were 166 Post Office Savings Banks, the number of depositors being 44,361, and the amount due to them 652,089*l.* On the 30th June 1878 there were 11 ordinary Savings Banks, with 30,429 Victoria.

depositors, the sum standing to their credit being 887,221*l*. The amount due to depositors in the Post Office Savings Banks at the end of the year 1877 showed the usual annual progress; but in the ordinary Savings Banks, according to the last return, there was a marked decrease of business, the sum deposited during the last year being the smallest received during any year, with one exception, since 1871, whereas the amount withdrawn was abnormally large. It seems not altogether improbable that this may have been in some measure due to the disturbed political condition of the colony, which would naturally have a depressing influence on its industrial interests, though it is, no doubt, partially attributable to an alteration made in the rules in 1872, by which it was provided that, if the capital and interest due in an account reached the sum of 250*l*., all further interest should cease until the balance was reduced below that sum.

New Zealand. In New Zealand, where the Post Office Savings Banks continue to prosper, great efforts are being made to induce the Colonial Government to establish a Penny Bank connected with the Post Office Savings Bank, in every public school. With this object an association under the patronage of the Governor has been formed, which has extensively circulated papers on Penny Banks and cognate subjects, and it is proposed to distribute amongst the school teachers a translation of the pamphlet written some years ago by Professor Laurent, of Ghent, entitled "*Conférence sur l'Épargne.*"

Japan. From the last report of the Postmaster General of Japan, which is printed in English (a language now much used for official purposes throughout the Japanese empire), and is evidently modelled on the reports of our own Postmaster General, it appears that on the 30th of June 1878, the close of the fiscal year, there were in that country 292 Post Office Savings Banks, and that the number of depositors was 11,811, with a balance due to them of 43,510*l*. (*yen* 212,032), showing an increase over the previous year of 131 offices, 5,600 depositors, and 31,159*l*. (*yen* 151,841) capital.

APPENDIX M.

Annuitants and Life Insurances.

(I.) 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.	Amount of Pre- miums.	No.	Amount of Deaths and Surrender.		
	No.	Amount of An- nuities.	Amount of Purchase Money.	Receipts.	Payments.	No.	Amount of An- nuities and Monthly Allowances.	No.	Amount of Money and Purchase of Premiums.	No.							Amount.	Fees received on Immediate and Deferred An- nuity Contracts, the Charges on Monthly Allow- ances being in- cluded in the Premium.
1865	87	£ 2,100	£ 23,738	32	£ 423	45	£ 949	67	£ 1,342	—	£ —	£ 139	547	£ 40,547	1,076	£ 1,165	—	
1866	196	4,327	43,839	290	3,153	72	1,389	297	2,945	8	94	267	631	47,351	3,782	2,838	1	
1867	268	5,966	65,068	725	8,042	41	704	313	2,392	8	131	323	364	26,969	5,398	3,690	5	
1868	323	6,396	70,775	1,296	14,113	40	668	310	2,505	16	248	345	350	26,751	6,468	4,192	11	
1869	353	6,811	74,401	1,895	19,925	45	1,044	385	2,068	10	390	385	423	32,670	7,314	5,044	10	
†1870	306	6,120	67,738	2,029	26,069	57	1,195	514	3,529	9	346	347	385	31,254	9,274	5,877	36†	
1871	360	7,272	81,839	3,125	32,066	56	710	502	2,940	16	854	392	358	27,695	9,891	6,438	59	
1872	1,019‡	9,870	97,269	3,757	38,464	38	721	460	2,838	16	618	510	757	55,983	11,659	7,429	54	
1873	1,344‡	10,290	106,877	6,257	47,374	35	585	520	3,925	19	1,367	516	396	53,073	13,306	8,279	76	
1874	1,514‡	12,259	115,021	9,492	56,888	53	993	583	4,837	19	1,454	633	278	31,622	13,450	8,615	92	
1875	583	7,926	85,781	11,129	63,641	34	768	661	3,543	10	526	451	370	33,023	14,549	9,500	84	
1876	729	10,013	109,064	11,697	69,240	29	464	639	2,691	52	872	530	270	22,375	14,101	9,238	101	
1877	745	10,583	120,265	12,444	76,612	58	1,251	687	4,747	87	961	595	393	33,444	15,140	10,108	98	
1878	709	11,375	126,227	13,190	† 84,319	50	1,370	654	4,932	106	2,290	634	289	19,608	15,833	10,605	137	

* 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 1875.

APPENDIX M.—*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 1878, and the Number and Amount of Contracts in existence on the 31st December 1878.

	CONTRACTS GRANTED.				TOTAL.	
	From 17 April 1865 to 31 December 1877.		From 1 Jan. 1878 to 31 December 1878.			
	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 1878, viz. :—						
Immediate Annuities - -	8,125	100,286 16 8	709	11,374 12 0	8,834	111,661 8 8
Deferred Annuities and Monthly Allowances, Money not returnable - -	199	3,604 16 6	14	305 0 0	213	3,909 16 6
Deferred Annuities and Monthly Allowances, Money returnable - - -	384	7,840 4 0	36	1,065 8 0	420	8,905 12 0
Contracts for Sums payable at Death entered into from the commencement of business on the 17th April 1865 to the 31st December 1878 - - - -	5,511	432,321 18 10	229	19,608 6 8	5,740	451,930 5 6
Contracts for Annuities in existence on the 31st December 1878, viz. :—						
Immediate Annuities - -	- - -	- - -	- - -	- - -	6,953	91,592 17 8
Deferred Annuities and Monthly Allowances, Money not returnable - - -	- - -	- - -	- - -	- - -	191	3,410 14 6
Deferred Annuities and Monthly Allowances, Money returnable - - - -	- - -	- - -	- - -	- - -	236	5,166 4 0
Contracts for Sums payable at Death, in existence on the 31st December 1878 - - - -	- - -	- - -	- - -	- - -	4,263	342,736 11 2

APPENDIX N.

Inland Revenue Licenses.

NUMBER and DESCRIPTION of LICENSES issued by the POST OFFICE since 1869, with the Revenue from the same.

Year.	Dogs.		Male Servants at 15s. each.	Carriages.		Horse Dealers at 12/10s. each.	Horses and Mules at 10s. each.	Armorial Bearings.		Guns at 10s. each.	Game.			Total Number.	Revenue. £ s. d.
	At 1s. each.	At 7s. 6d. each.		At 42s. each.	At 15s. each.			At 42s. each.	At 51s. each.		Red at 60s. at 40s.	Green at 40s.	Blue at 40s.		
1869 -	473,218	-	-	-	-	-	-	-	-	-	-	-	-	473,218	118,304 10 0
1870 -	524,032	-	74,607	32,090	73,171	10	203,351	6,171	10,219	40,743	-	-	-	964,323	460,027 16 6
1871 -	532,239	-	70,935	31,887	75,111	10	201,327	5,945	10,303	63,161	-	-	-	1,008,038	473,311 15 6
1872 -	573,723	-	71,294	32,978	74,412	10	205,914	5,943	11,090	62,239	-	-	-	1,087,608	495,439 9 0
1873 -	615,342	-	69,286	32,960	74,651	8	206,563	5,786	10,752	70,671	-	-	-	1,085,933	498,157 0 0
1874 -	665,653	-	68,335	34,094	75,465	8	203,383	5,836	10,943	79,481	4	1	1	1,163,207	531,249 14 6
1875 -	755,408	-	67,949	34,964	77,531	-	-	5,741	10,968	86,373	10	-	-	1,089,341	438,346 8 0
Quarter ended 31 Mar. 1876	689,750	-	67,662	33,360	73,617	-	-	5,603	10,704	3,266	-	-	-	873,932	370,073 15 0
1876-77 -	847,809	-	61,304	33,660	81,107	-	-	5,713	11,279	86,554	4	-	-	1,130,241	462,337 15 0
1877-78 -	980,056	-	57,152	37,127	82,788	-	-	5,654	11,835	85,539	11	-	-	1,210,463	462,700 7 0
1878-79 -	83,397	665,918	53,855	37,090	80,968	-	-	5,656	11,884	92,208	14	-	-	1,083,500	520,998 11 0

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

APPENDIX O.

Staff of Officers.

At the end of 1878 the Staff of Officers was as follows, as compared with the Staff at the end of 1877.

On 31st Dec. 1877.			On 31st Dec. 1878.	
		I. Officers in the 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	
23		Other superior officers in the Metropolitan offices, viz. : heads of departments, chief clerks, &c.	23	
16		Surveyors - - - - -	16	
13,763		Postmasters - - - - -	13,881	
8,465		Clerks, &c. - - - - -	3,596	
16,649		Letter carriers, sorters, messengers, &c. -	16,872	
35		Mail guards and porters - - - - -	34	
3		Marine mail officers - - - - -	3	
	33,961			34,432
		(B.) Staff engaged exclusively on telegraph duties, viz.:		
1		Assistant Secretary - - - - -	1	
11		Chief engineers and other superior officers -	11	
6,480		Clerks, subordinate engineers, &c. -	6,240	
4,981		Messengers, &c. - - - - -	5,196	
	11,478			11,448
26		II. Postmasters, clerks, letter carriers, &c. in the colonies, the posts of which are under the direction of the Postmaster General.	23	
	26			23
46		III. Agents in foreign countries for collection of postage, &c.	44	
	46			44
	45,506			45,947

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 Newspaper collected by Inland Revenue Office.	Total Postal Revenue.	Total Cost of Post Office Service.	Net Revenue.
	£	£	£	£	£	£	£	£
1869 -	4,472,746 (a)	176,480	—	4,649,226	115,349	4,764,575	3,459,227	1,305,348
1870 -	4,664,512 (a)	184,093	—	4,848,605	89,870	4,938,475	3,435,865	1,403,610
1871 -	4,697,607 (b)	182,140	20,707 (c)	4,900,454	—	4,920,454	3,610,700 (d)	1,289,754 (b)
1872 -	5,012,616	192,804	3,502 (c)	5,208,922	—	5,208,922	3,684,946	1,523,976
1873 -	5,134,816	208,057	5,167 (c)	5,348,040	—	5,348,040	3,792,679	1,555,361
1874 -	5,131,022	215,462	5,116	5,351,600	—	5,351,600	3,915,213	1,436,387
1875 -	5,590,535 (c)	219,197	5,300	5,815,032	—	5,815,032	3,920,801	1,894,141
Quarter ended 31st March 1876 }	1,280,951	56,640	1,270	1,338,861	—	1,338,861 (f)	1,003,322	335,539
1876-7 -	5,782,083	229,308	5,731	6,017,072	—	6,017,072	4,070,006	1,947,066
1877-8 -	5,798,801	242,463	6,048	6,047,312	—	6,047,312	3,990,820	2,056,492
1878-9 -	6,010,306	253,063	6,051	6,274,450	—	6,274,450 (g)	3,840,076	2,434,374
Average Annual Net Revenue of first period of Five Years								
Ditto second period of Five Years								
							—	£1,433,609
							—	£2,000,799

(a) The impressed Stamp on Newspapers was abolished in September 1870; and since that date the whole Postage on Newspapers has been collected by the Post Office.

(b) The revenue of 1871 was to a certain extent affected by the assimilation of Letter rates of Postage with those of Trade Patterns, and the reduction of Postage on letters exceeding half an ounce in weight; both of which took place on 5th October in that year.

(c) Before 1871 the money accruing from unclaimed Money Orders had, for many years, been used in aiding Officers of the Department to insure their lives; but in that year the Lords of the Treasury gave directions for the discontinuance of the practice (except in regard to then existing recipients of the aid) and for the payment of this money into the Exchequer. In obedience to this order, the accumulated capital, together with the interest thereon (amounting to 20,707*l.*), was paid into the Exchequer. The actual amount of unclaimed Money Orders for 1871 was 5,390*l.* The unclaimed orders for 1873 are estimated at 3,703*l.* The above sum of 5,167*l.* includes a balance of forfeited orders, viz., 1,464*l.* not previously added to the revenue.

(d) Part of the increase in 1871 was owing to a balance due for the Packet Service in 1870 having, at the end of that year, remained unpaid.

(e) The Postage collected on Australian Correspondence in this country from the beginning of the year 1874 was agreed to be handed over to the Australian Colonies, as part of an arrangement whereby a considerable saving in the cost of the Packet Service was effected; but the Australian accounts, in which credit for the Postage in question was given, were not entered in the books of the Post Office before the year 1875, thus causing the reduction of revenue consequent on the arrangement first to appear in that year.

(f) The amount of Postal Revenue proper to the Quarter ended 31st March 1876 was 1,497,830*l.*, the amount entered in the Post Office Books having been reduced by the sum of 138,969*l.* through a change in the system of bringing Postage Stamps to account. The actual Revenue, however, was not affected thereby.

(g) Postal Revenue as per Finance Accounts - 6,265,353*l.*
Add Unclaimed Money Orders - 6,051*l.*
" Extra Receipts - 3,046*l.*
9,067*l.*
6,274,450*l.*

APPENDIX Q. **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.			Total Cost of Conveyance.			Conveyance of Savings Bank Correspondence.	Net Cost of Conveyance.			
	Staff Officers, Postmasters, Clerks, Sorters, Stampers, Messengers, Telegraph and Savings Bank Officers).	Pensioners.	Salaries, Wages, Pensions, Travelling Allowances, Pouchage on Sale of Stamps, Commission on Money Order Business, Cost of Uniform Clothing, or Medical Attendance, of Substitutes during Holidays or Sickness, and Amount of Official Postage, Law Charges, and Incidental Expenses.	Manufacture of Postage Stamps, Post Cards, and Stamped Newspaper Wrappers.	Stationery.	Buildings and Repairs, Rents, Rates, Taxes, Fuel, and Light.	Total Cost of Collection, Delivery, Order Business.	Conveyance by Coaches, Carts, and Omnibuses.	Conveyance by Railways.	Mail Bags and Boxes, Tolls, and Petty-cages, Apparatus for Exchange of Bags conveyed by Railway, and 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 Ports, and Salaries of Admiralty Agents and other Officers in charge of Foreign and Colonial Mails.	Total Cost of Conveyance.	Conveyance of Savings Bank Correspondence.	Net Cost of Conveyance.	
1869	26,910	1,871	1,435,251	25,000	40,788	115,123	1,636,162	136,316	583,596	17,533	1,056,708	25,822	1,823,065	—	1,823,065	8,459,927
1870	28,078	1,983	1,497,813	47,500	42,561	110,223	1,698,067	138,763	587,296	16,295	968,494	26,280	1,737,768	—	1,737,768	8,495,865
1871	28,959	2,084	1,550,793	49,300	45,257	136,072	1,781,422	140,822	585,221	18,911	1,047,044 (a)	26,280	1,820,278	—	1,820,278	8,610,700
1872	30,066	2,241	1,681,975	58,200	46,037	161,508	1,950,520	144,576	618,715	19,774	927,762	25,569	1,734,426	—	1,734,426	8,684,946
1873	31,085	2,421	1,774,702	66,170	37,272	182,307	2,010,451	147,877	644,179	23,970	944,806	21,906	1,782,228	—	1,782,228	8,792,070
1874	31,800	2,494	1,874,438	70,000	37,420	168,855	2,150,713	157,008	640,613	23,865	915,580 (b)	18,454	1,764,500	—	1,764,500	8,913,213
1875	32,143	2,591	1,941,704	86,420	42,465	182,321	2,213,470	162,321	666,857	25,426	935,895 (c)	16,922	1,707,421	—	1,707,421	8,950,891
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	1,003,322
1876-7	32,526	2,673	2,045,876	92,191	48,925	206,483	2,383,475	171,370	684,465	24,241	779,632	16,823	1,676,531	—	1,676,531	4,070,006
1877-8	33,070	2,751	2,116,715	96,637	43,100	179,912	2,436,424	173,433	692,140	25,048	679,426 (e)	16,714	1,686,761	32,565 (f)	1,554,196	3,960,620
1878-9	33,597	2,890	2,177,569	103,640	45,012	156,963	2,483,184	177,748	697,069	25,843	684,957	16,149	1,601,766	244,574 (g)	1,356,892	3,840,076

(a) For an explanation of this increase see Appendix (P). Note (d).

(b) 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.

(c) 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.

(d) These sums include 60,869*l.*, 53,817*l.*, and 25,216*l.* paid towards the purchase of the Site of the Manchester New Post Office in the years 1876-7, 1877-8, and 1878-9 respectively.

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

(f) 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.

(g) The arrears in respect of the Cost of Savings Bank Correspondence from 1st April 1868 to 31st March 1877 inclusive, viz., 214,454*l.*, were charged to the Savings Bank Department in the year 1878-9.

APPENDIX R.

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 1879.

NAMES OF OFFICES.	England and Wales.		Scotland.		Ireland.		Total.	
	Weight.	Amount.	Weight.	Amount.	Weight.	Amount.	Weight.	Amount.
Adjutant General	oz.	£	oz.	£	oz.	£	oz.	£
Admiralty, Lords Commis- sioners of	1,042,609	12,260	—	—	92,407	433	92,407	433
Army Medical Department	—	—	—	—	50,777	236	50,777	236
Attorney General	11,384	48	—	—	—	—	11,384	48
Board of Education	—	—	23,263	96	774,703	2,556	797,966	2,652
Board of Supervision	—	—	26,254	109	—	—	26,254	109
Board of Trade	505,634	2,412	—	—	—	—	505,634	2,412
Board of Works	—	—	—	—	186,554	20	186,554	20
Central Loan Fund	—	—	—	—	—	—	4,523	20
Chancellor, The Lord	22,757	99	—	—	—	—	22,757	99
Charity Commissioners	111,071	491	—	—	—	—	111,071	491
Chelsea Hospital	22,472	117	—	—	—	—	22,472	117
Chief and Under Secretary, Dublin Castle	—	—	—	—	356,698	1,635	356,698	1,635
Civil Service Commissioners	168,429	780	—	—	—	—	168,429	780
Clerk of the Parliaments, House of Lords	329,637	346	—	—	—	—	329,637	346
Colonial Office	409,539	8,244	—	—	—	—	409,539	8,244
Colonial Land and Emigration Commissioners	Nil	Nil	—	—	—	—	—	—
Commander of the Forces	—	—	—	—	8,234	38	8,234	38
Commissariat Department	—	—	—	—	110,072	510	110,072	510
Constabulary Office	—	—	—	—	296,478	1,334	296,478	1,334
Convict Prisons, Directors of	—	—	—	—	83,643	391	83,643	391
Council Office	1,150,973	5,593	—	—	—	—	1,150,973	5,593
Court of Chancery	35,147	154	—	—	—	—	35,147	154
Court of Probate	80,407	347	—	—	—	—	80,407	347
Crown Office, House of Lords	4,586	19	61,451	269	—	—	66,037	288
Crown and Hanaper	—	—	—	—	5,643	26	5,643	26
Customs	410,198	1,814	—	—	19,047	89	429,245	1,903
Exchequer and Audit Department	107,255	711	—	—	—	—	107,255	711
Fines and Penalties Office	—	—	—	—	145,090	520	145,090	520
Foreign Office	226,570	5,051	—	—	—	—	226,570	5,051
Home Office	1,433,775	4,542	—	—	—	—	1,433,775	4,542
Inland Revenue	3,174,017	11,129	250,072	1,032	440,393	1,949	3,864,487	14,110
Inspector of Fisheries	—	—	—	—	66,424	364	66,424	364
Inspector General of Prisons	—	—	—	—	94,464	433	94,464	433
Insurances and Annuities	990	4	—	—	—	—	990	4
Irish Office	54,645	213	—	—	—	—	54,645	213
Local Government Board	1,103,123	4,566	—	—	314,362	1,380	1,417,485	5,946
Lord Lieutenant and Private Secretary	—	—	—	—	10,395	48	10,395	48
Mercantile Marine Board	60,130	271	—	—	—	—	60,130	271
Merchant Seamen, Registrar of	391,578	1,933	—	—	—	—	391,578	1,933
National Debt Office	33,763	158	—	—	—	—	33,763	158
Ordnance Survey	—	—	—	—	38,228	178	38,228	178
Paris Exhibition of 1878, Com- missioners of.	179,582	797	—	—	—	—	179,582	797
Paymaster of Civil Services	—	—	—	—	35,747	167	35,747	167
Paymaster General	57,730	341	—	—	—	—	57,730	341
Public Record Office	—	—	—	—	7,085	28	7,085	28
Quartermaster General	—	—	—	—	29,161	137	29,161	137
Queen's Remembrancer	—	—	18,255	77	—	—	18,255	77
Register House, Edinburgh	—	—	61,375	255	—	—	61,375	255
Registrar General	909,607	1,701	297,006	1,024	331,118	1,464	1,537,731	4,189
Registrar of Friendly Societies	163,028	752	3,997	17	2,027	9	171,052	778
Registrar of Trade Marks	14,315	50	—	—	—	—	14,315	50
Science and Art Department	938,178	3,870	—	—	—	—	938,178	3,870
Solicitor General	13,646	57	—	—	—	—	13,646	57
Stationery Office	46,305	212	—	—	56,919	220	103,224	432
Tithe Commissioners	59,828	272	—	—	—	—	59,828	272
Treasury	442,500	2,015	—	—	—	—	442,500	2,015
Valuation Office	—	—	—	—	33,148	155	33,148	155
War Office	2,429,148	18,030	24,744	104	113,488	528	2,567,380	18,662
Woods and Forests, Commis- sioners of	67,966	289	—	—	—	—	67,966	289
Works and Buildings, Commis- sioners of	97,739	422	—	—	—	—	97,739	422
TOTALS	16,312,261	90,110	766,417	2,983	3,706,833	15,897	20,785,511	108,790

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. (c)	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	£ 62,273	£ 38,487
1871	908,351	31,975	16,763	14,128	—	971,217	255,952	17,331	697,934	394,477	303,457
1872	1,095,375	39,175	32,578	16,029	—	1,183,157	408,965	22,581	751,611	591,776	159,835
1873	1,306,055	43,300	87,817	2,050	11,855	1,401,077	885,684	25,472	989,921	874,946 (d)	114,975
1874	1,403,793	52,688	42,063	3,826	25,642	1,527,812	416,475	27,871	1,083,466	967,790 (e)	115,676
1875	1,448,923	58,478	50,849	5,212	16,285	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	1,031,524 (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	1,128,790	189,317
1878	1,486,990	64,367	58,329	8,087	16,074	1,633,847	298,059	2,246	1,333,542	1,164,114	169,428
1879	1,448,043	71,813	62,010	8,555	13,166	1,603,587	254,550	2,145	1,346,892 (j)	1,089,291	257,501

(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.

(j) The expenses of the years ended 31st March 1877, 31st March 1878, and 31st March 1879, include the sum of 69,946*l*, paid towards the purchase of the site of the Manchester New Post Office. The expenses of the years ended 31st March 1877 and 31st March 1878 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.(k) Telegraph Revenue as per Finance Accounts
Add Extra Receipts1,335,726*l*
13,166*l*

1,348,892*l*