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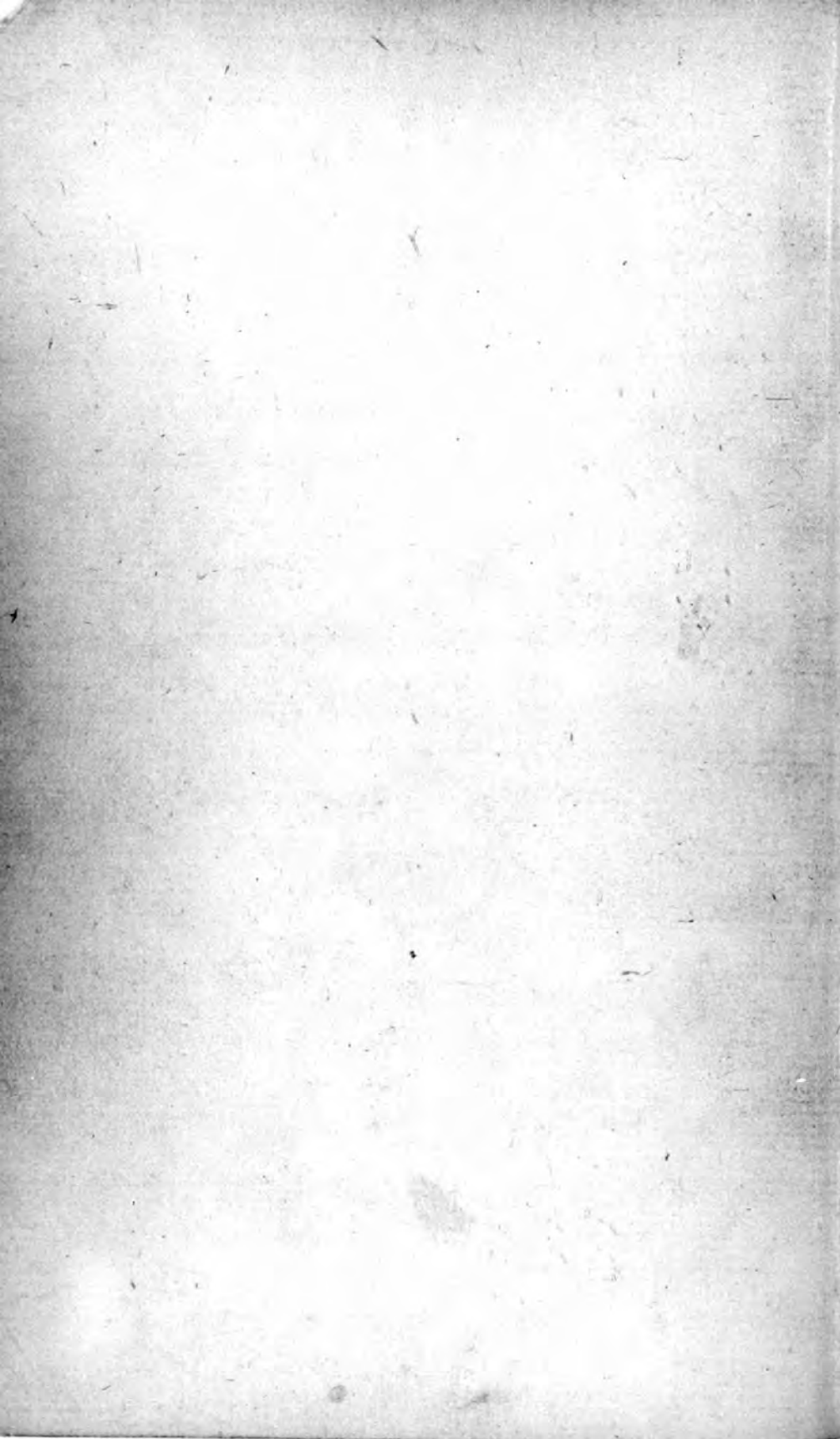


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PHILATELIC SECTION.

02552/20



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The very rare first edition of
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in March, 1837.
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Crawford 1117

Private and confidential.

POST OFFICE REFORM;

ITS IMPORTANCE

AND

PRACTICABILITY.

BY ROWLAND HILL.

PRIVATELY PRINTED,

BY W. CLOWES AND SONS, STAMFORD STREET.

1837.



POST OFFICE REFORM.

THE last quarterly accounts show that the present revenue of the country greatly exceeds the expenditure; there is therefore reason to hope that a reduction of taxation may shortly take place.

In the reductions which have heretofore been made, the gain to the public and the loss to the revenue have varied greatly in relation to each other. Thus in the repeal of the house duty, the gain to the public and the loss to the revenue were practically equal; while the remission of one half of the duties on soap and leather eventually diminished the productiveness of each tax by about one-third only; a reduction of about 28 per cent. in the malt tax has lessened the produce of that tax by only two or three per cent.; and in the instance of coffee, a reduction in the duty of 50 per cent has actually been accompanied by an increase of more than 50 per cent in its produce.

These facts show that when a reduction of taxation is about to take place, it is exceedingly important that great care and judgment should be exercised in the selection of the tax to be reduced, in order that the maximum of relief may be afforded to the public, with the minimum of injury to the Revenue.

The best test to apply to the several existing taxes for the discovery of the one which may be reduced most extensively, with the least proportionate loss to

the revenue, is probably this: excluding from the examination those taxes, the produce of which is greatly affected by changes in the habits of the people, as the taxes on spirits, tobacco, and hair-powder, let each be examined as to whether its productiveness has kept pace with the increasing numbers and prosperity of the nation. And that tax which proves most defective under this test is, in all probability, the one we are in quest of.

If this test be applied to the principal branches of the revenue, it will be found that the tax on the transmission of letters is the most remarkable for its non-increasing productiveness. A mere glance at the following table must satisfy every one that there is something extremely wrong in this tax as it now stands.

TABLE showing the Net Revenue actually obtained from the Post Office, for every fifth Year, from 1815 to 1835 inclusive; also the Revenue which would have been obtained, had the Receipts kept pace with the Increase of Population, (the Rate of which increase, since 1831, is assumed to be the same as from 1821 to 1831.)

Year.	Population.	Net revenue actually obtained.	Revenue which would have been obtained had the receipts kept pace with the increase of population from 1815.	Comparative loss.
		£	£	£
1815	19,552,000	1,557,291	1,557,291	.....
1820	20,928,000	1,479,547	1,674,000	194,453
1825	22,362,000	1,670,219	1,789,000	118,781
1830	23,961,000	1,517,952	1,917,000	399,048
1835	25,605,000	1,540,300	2,048,000	507,700

It appears, then, that during the last twenty years, the absolute revenue derived from the Post Office has slightly diminished; whereas, if it had kept

pace with the growth of population, there would have been an increase of £507,700 per annum. As compared with the population, then, the Post Office revenue has fallen off to the extent of more than half a million per annum; but if the extension of education, and the increasing trade and prosperity of the country, during this period, be taken into account, there can be no doubt that the real deficit is even much greater.

The extent of this loss will probably be best estimated by comparing the Post Office revenue with that actually derived from some tax which, while less exorbitant, is in other respects liable to nearly as possible the same influences. The tax upon stage-coaches obviously falls under these conditions.

Allowing the great increase in steam-navigation* as a set-off against the slight diminution in the duty on post-horses, which might be considered as impairing the correctness of this comparison, let us proceed to the consideration of the following table, which shows the net produce of the stage-coach duty for every fifth year, from 1815 to 1835 inclusive; together with the net revenue actually derived from the Post Office during the same time; as also the

* In the evidence before the Parliamentary Committee on the Blackwall Railroad, it is shown, that the number of persons who, in the year 1835, traversed the whole distance between London and Blackwall by means of Steam-boats was upwards of one million. Had the limit been placed as high as Greenwich, the multitudes constantly passing between that place and London would have vastly augmented the number.

amount which would have been obtained had the receipts increased at the same rate as the produce of the stage-coach duty.

STAGE COACH DUTIES.			POST OFFICE REVENUE.		
Year.	Net Revenue produced by the Stage Coach Duty.	Rate per cent. of the increase as compared with the year 1815.	Net Revenue actually obtained from the Post Office.	Revenue which would have been obtained had the receipts of the Post Office increased at the same rate as the produce of the Stage Coach Duty.	Comparative loss.
	£		£	£	
1815	217,671	.....	1,557,291	1,557,291	.....
1820	273,477	25	1,479,547	1,946,000	466,453
1825	362,631	66	1,670,219	2,585,000	914,781
1830	418,598	92	1,517,952	2,990,000	1,472,048
1835	498,497	128	1,540,300	3,550,000	2,009,700

If it be granted, then, that the demand for the conveyance of letters has increased during the last twenty years, in the same ratio as that for the conveyance of persons and parcels, which can scarcely be doubted, it follows inevitably that, for some cause or other, there is, in effect, a loss in the Post Office revenue of £2,000,000 per annum.

This unsatisfactory state of the Post Office revenue is thus referred to by Sir Henry Parnell: "The revenue of the Post Office has been stationary, at about £1,400,000 a year, since 1818. This can be accounted for only by the great duty charged on letters; for with a lower duty the correspondence of the country through the Post Office would have increased in proportion to the increase of population and national wealth."*

* Financial Reform, fourth ed. p. 41.

On this subject Mr. M'Culloch says: "We believe, however, that these (the additions made to the rates of postage) have been completely overdone, and considering the vast importance of a cheap and safe conveyance of letters to commerce, it will immediately be seen that this is a subject deserving of grave consideration. In point of fact the Post Office revenue has been about stationary since 1814, though, from the increase of population and commerce in the intervening period, it is pretty obvious that had the rates of postage not been so high as to force recourse to other channels, the revenue must have been decidedly greater now than at the end of the war. Were the rates moderate, the greater dispatch and security of the Post Office conveyance would hinder any considerable number of letters from being sent through other channels. But in the estimation of very many persons, the present duties more than countervail these advantages, and the number of coaches that now pass between all parts of the country, and the facility with which the law may be evaded by transmitting letters in parcels conveyed by them, renders the imposition of oppressive rates of postage quite as injurious to the revenue as to individuals."*

There cannot, I conceive, be a doubt that the main cause of the remarkable state of the Post Office revenue, is that which Sir Henry Parnell and Mr. M'Culloch point out. Consequently, that even supposing the tax on the transmission of letters to

* M'Culloch's Commercial Dictionary, p. 935.

be regulated with a total disregard to the convenience of the public, but merely with a view of rendering it as productive in immediate revenue as possible, it is at present decidedly too high.

The net revenue derived from the Post Office is rather more than twice the whole cost of management; from which it may appear that the tax is about 200 per cent. on the natural or untaxed cost of postage. Such a tax, enormous as it would be, is however far below that really levied,—for it must be borne in mind that the cost of management includes the cost of collecting the tax, and that of conveying the newspapers and franked letters. Hereafter an attempt will be made to ascertain the natural cost of postage with some degree of precision. In the mean time it may be remarked, that even if the whole expense of the Post Office be considered as the natural cost of conveying the letters and newspapers, and a due proportion (say one-third) of that expense be placed to the account of newspapers and franked letters, the tax on the transmission of letters would be, on an average, upwards of 300 per cent. on the natural cost of such transmission, a rate of taxation which all experience shows to be highly impolitic.

It is not necessary to follow out the subject in all its ramifications, otherwise there would be no difficulty in showing that any obstacle to the free circulation of letters, prospectuses, prices current, &c., must operate injuriously upon many other branches of the revenue.

The loss to the revenue is, however, far from being the most serious of the injuries inflicted on society by the high rates of postage. When it is considered how much the religious, moral, and intellectual progress of the people, would be accelerated by the unobstructed circulation of letters and of the many cheap and excellent non-political publications of the present day, the Post Office assumes the new and important character of a powerful engine of civilization; capable of performing a distinguished part in the great work of National education, but rendered feeble and inefficient by erroneous financial arrangements.

Connected with this view of the subject is a consideration too important to be overlooked. There cannot be a doubt that if the law did not interpose its prohibition, the transmission of letters would be gladly undertaken by capitalists, and conducted on the ordinary commercial principles, with all that economy, attention to the wants of their customers, and skilful adaptation of means to the desired end, which is usually practised by those whose interests are involved in their success. But the law constitutes the Post Office a monopoly. Its conductors are, therefore, uninfluenced by the ordinary motives to enterprize and good management; and however injudiciously the institution may be conducted, however inadequate it may be to the growing wants of the nation, the people must submit to the inconvenience; they cannot set up a Post Office for themselves. The legislature, therefore, is clearly respon-

sible for all the mischief which may result from the present arrangement. With reference to this point, the Commissioners of Revenue Inquiry, in their able Report on the Post Office, remark, that "the restrictions which, for the maintenance of the revenue, the law has imposed concerning the untaxed conveyance of letters, raise an obligation on the part of the Crown to make adequate provision for the public exigencies in this respect; and, in effecting this object, it falls within the province and the duty of His Majesty's Post-master General to create, as well as to guard and to collect a revenue."*

It would be very easy to multiply arguments against the present condition of this tax. I might speak of the gross inequality of its pressure, of the impossibility of preventing evasion, now notoriously practised by all classes, notwithstanding the inquisitorial means resorted to for the detection of offenders, and the severity of the penalties inflicted. But surely enough has been said to demonstrate the mischievous tendency of this tax, and the urgent necessity for its extensive modification.

If it be conceded that the tax on the transmission of letters is the one most in need of reduction, the next consideration is, What is the greatest extent, under the present circumstances of the revenue of the country, to which reduction may be safely carried?

* Eighteenth Report of the Commissioners of Revenue Inquiry, 1829, p. 4.

It has, I conceive, been satisfactorily shown that reduction in postage to a considerable extent, would produce an increase of revenue. A second reduction would therefore be required to bring back the revenue to its present amount; and still a third reduction to bring it within the proposed limits.

It would be useless to attempt to ascertain the measure of each of these steps in the reduction of the rates of postage, which, indeed, are only stated with the view of showing that a very extensive reduction in the whole will be required to effect any important diminution in the amount of revenue.

In order to ascertain with as much accuracy as the circumstances of the case admit, the extent to which the rates of postage may be reduced, under the condition of a given reduction in the revenue, the best course appears to be, first to determine as nearly as possible the natural cost of conveying a letter under the varying circumstances of distance, &c.; that is to say, the cost which would be incurred if the Post Office were conducted on the ordinary commercial principles, and postage relieved entirely from taxation; and then to add to the natural cost such amount of duty as may be necessary for producing the required revenue.

As a step towards determining the natural cost, let the present actual cost be first ascertained.

Without desiring to interfere with the franking privilege, or to relieve the Post Office of the cost of transmitting newspapers, we must, in order to obtain

an accurate result, consider (for the present) a due share of the expenses of the Post Office, as charged to the account of franked letters and newspapers.

The number of letters chargeable with postage which pass through all the post-offices of the United Kingdom per annum is about *	88,600,000
The number of franked letters*	7,400,000
The number of newspapers*	30,000,000
Total number of letters and newspapers per ann.	126,000,000
 The annual expenses of all kinds at present are †	 £696,569

Consequently, the average cost of conveying a letter or newspaper, including the cost of collecting the tax, is, under the present arrangements, about $1\frac{1}{3}d$.

In the total of expenses here given some are however included which ought not to enter into the calculation;—certain expenses, as, the cost of the packet service, for instance, are undoubtedly capable of great reduction: others, as the cost of expresses, and of many bye-posts, are met by special charges.

For the sake of simplicity, it will be well to confine

* The total number of letters, &c., transmitted through the Post is a statistical fact altogether unknown: the statement here given is the result of an estimate, which, however, may be relied upon as sufficiently accurate for the present purpose. (Vide Appendix, pp. 64—66.)

† Finance Accounts for the year 1835, pp. 55—57. The great increase in the number of newspapers since the reduction of the duty (already about one-fourth) must be expected in some degree to increase the expenses of the Post Office; the increase cannot, however, be such as materially to affect this calculation.

the attention to the *apparent* cost under the existing arrangements of what may be called the *Primary distribution of letters, &c.*, (meaning by that term, the transmission of letters, &c., from post-town to post-town throughout the United Kingdom, and the delivery within the post-towns,) and to leave out of consideration, for the present, the cost of *Secondary distribution*, or that distribution which proceeds from each post-town, as a centre, to towns of inferior importance, and to country places. At the same time, in estimating the cost of primary distribution, it will be convenient to make any reductions which are obviously practicable, and which do not require a deviation in principle from the existing arrangements.

The following table exhibits the apparent cost of primary distribution, cleared of certain extraneous charges, and divided under two heads; the first showing the expenses of transit, or those which are dependent on the distance over which the letters have to be conveyed; the second showing the expenses of the receipt and delivery of letters, or those which are independent of distance: the cost of collecting the tax is of course included under the latter head.

It will be observed that the Post Office is burthened with a charge of £30,000. per ann. for superannuation allowances, allowances for offices and fees abolished, &c. This heavy charge of course greatly increases the apparent cost of management. The first part of this table, as far as column B, inclusive, is taken from the Finance Accounts for 1835, pp. 55—57, the remainder is the result of estimate.

Actual Cost of managing the Post Office of the United Kingdom for the Year 1835, as stated in the Finance Accounts for that Year, pp. 55—57.

B

<i>Salaries and Allowances.</i>	£
Salaries to the Post-master General, Officers, and Clerks, in the London, Edinburgh, and Dublin Offices, and wages and allowances to Letter-Carriers, Messengers, &c.	89,253
Salaries and Allowances to Deputy Post-masters and Agents in Great Britain, Ireland, and the Colonies.....	114,576
Salaries and Wages to Officers and Letter-Carriers in the Twopenny Post Office	40,681
Allowance for Special Services and Travelling Charges	9,039
	244,510
<i>Conveyance of Mails, Transit Charges, and Payments for Ship Letters.</i>	
Riding Work, and Expresses by the Deputy Post-masters in Great Britain and Ireland	96,341
Mileage to Mail Coaches, Wages to Mail Guards, and other Mail Coach expenses	101,503
Tolls paid on Mail Coaches.....	28,076
Riding Work, and Conveyance of Mails in Canada, Nova Scotia, and Jamaica, }	12,672
Riding Work of the Twopenny Post Office	4,219
Transit Postage through Foreign Countries	9,160

Expenses of Secondary Distribution and other Deductions.	PRIMARY DISTRIBUTION.		
	Apparent cost of primary distribution within the United Kingdom.	Cost of transit, or expenses which are dependent on the distance the letters have to be conveyed.	Apparent cost of the receipt and delivery of letters, or ex- penses which are independent of the distance the letters have to be conveyed (cost of collecting the tax included).
C	D	E	F
£	£	£	£
. . .	89,253	. . .	89,253
20,000 <i>a</i>	94,576	. . .	94,576
2,000 <i>b</i>	38,681	. . .	38,681
<u>22,000</u>	<u>222,510</u>		<u>222,510</u>
1,000 <i>c</i>	8,039	. . .	8,039
80,000 <i>d</i>	16,341	16,341	
11,720 <i>e</i>	89,783	89,783	
. . .	28,076	28,076	
12,672			
2,500 <i>f</i>	1,719	1,719	
9,160			

Ship Letter Payments	8,568	260,539	8,
Packet Service, Expenses of, including } Port Dues	109,987		
		109,987	
<i>Tradesman's Bills, Building, and Repairs.</i>			
Building and Repairs	404		
Coals, Candles, Oil, Gas, and Soap....	4,827		
Other Bills	4,743		
		9,974	
Rents of Offices, Tithes, and Taxes ...	4,085		
		4,085	
Law Charges	6,913		
		6,913	
<i>Stationary, Printing, and Postage.</i>			
Stationary, Printing, and Advertising ...	2,748		
Postage	791		
		3,539	
Superaunuation Allowances, for offices and } fees abolished, &c. ....	. , .	30,248	
<i>Parliamentary Grants.</i>			
To His Grace the Duke of Marlborough	4,125		
To His Grace the Duke of Grafton	3 407		
To the heirs of His Grace the Duke of } Schomberg	2,900		
		10,432	
<i>Money paid into the Exchequer on account of the Commissioners for repairing roads between London and Holyhead</i>			
By Act 59 Geo. III. c. 48; Menai bridge	6,420		
By Act 1 and 2 Geo. IV. c. 35; Conway bridge	883		
		7,303	
		£696,569	

a Salaries in the colonies and expenses of secondary distribution in the British Isles.

b Some parts of the district to which the Threepenny Post extends belong properly to the secondary distribution.

c Charged to secondary distribution.

d Charged to secondary distribution, and for expresses.

568	124,620	135,919	135,919	
	105,000 ^g	Between Great Britain and Ireland. } 4,987	4,987	
		9,974	. . .	9,974
		4,085	. . .	4,085
	1,000 ^e	5,913	1,000	4,913
		3,539	1,000	2,539
		30,248	. . .	30,248
	10,432 ^h			
	6,000 ^h	Tolls, say 1,303	1,303	
	<u>£270,052</u>	<u>£426,517</u>	<u>£144,209</u>	<u>£282,308</u>

PRIMARY DISTRIBUTION—COST OF.

^e Saving effected by the new contract for mail-coaches. (Parl. Return, 1836, No.49.)
^f Saved by employing the stage-coaches.
^g The present receipts for passage money, &c., amount to £52,000. £53,000 is the estimated cost of the foreign and colonial packets, and the saving which would result from the abolition of the packet service.
^h This, it would appear, should be charged in the general revenue of the country.

Taking the number of letters and newspapers to be 126,000,000, (see p. 10,) the average apparent cost of the primary distribution of newspapers, letters, &c., within the United Kingdom, is for each 84 hundredths of a penny.

Of which the expense of transit is one-third, or 28 hundredths of a penny.

And the cost of receipt, delivery, &c., two-thirds, or 56 hundredths of a penny.

But it must be recollected that the cost of transit for a given distance will be in tolerably direct proportion to the weight carried; and as a newspaper or franked letter weighs on an average as much as several ordinary letters, the average expense of transit for a letter chargeable with postage, is probably about one-third of the amount above stated, or nine hundredths of a penny.*

The smallness of the expense of transit, as here stated, will probably excite some surprise; the following calculation, however, which is founded on more exact data and is therefore more trustworthy, shows that the expense of transit upon the great mass of letters, small as it appears to be, is probably loaded with charges not strictly appertaining to it, or is greatly enhanced by the carriage of the mail to places which are not of sufficient importance to repay the expense. Whatever may be the cause of the discrepancy between the two calculations, the account of the Post Office expenditure is not published in sufficient detail to enable me to assign it with certainty.

* The chargeable letters do not weigh more than about one-fourth of the whole mail.

Estimate of the cost of conveying a Letter from London to Edinburgh, a distance of 400 miles.

MILEAGE ON THE WHOLE MAIL.*	£	s.	d.
From London to York, 196 miles, at $1\frac{9}{16}d.$			
per mile	1	5	6 $\frac{1}{2}$
From York to Edinburgh, 204 miles, at $1\frac{1}{2}d.$			
per mile	1	5	0
			<hr/>
	2	10	6 $\frac{1}{2}$
GUARDS' WAGES.—Say six Guards, one day each, at 10s. 6d. per week †	0	10	6
Allow for Tolls, (which are paid in Scotland,) and all other expenses	1	18	11 $\frac{3}{4}$
			<hr/>
Total cost of conveying the Mail once from London to Edinburgh, including the Mails of all intermediate places	5	0	0

The average weight of the mail conveyed by the London and Edinburgh mail coach is about... 8 cwt.

Deduct for the weight of the bags, say 2

Average weight of letters, newspapers, &c. 6

The cost of conveyance is therefore per cwt. 16s. 8d.

Per ounce and a half, the average weight of a newspaper, about one-sixth of a penny.

Per quarter of an ounce, the average weight of a single letter, about one-thirty-sixth of a penny.

If any doubt is entertained of the accuracy of this result it may be tested thus:—Suppose one thou-

* Parliamentary Return, 1836, No. 364.

† Parliamentary Return, 1835, No. 442.

sand letters to be made up into a parcel and dispatched from London to Edinburgh by coach: at the estimate above given, the weight of the parcel would be about 16lbs., and the charge for its carriage about 2s. 4½d.; a rate of charge which, upon a contract for nearly half a ton per day, will furnish an adequate remuneration to the coach-master,

It appears, then, that the cost of mere transit incurred upon a letter sent from London to Edinburgh, a distance of 400 miles, is not more than *one thirty-sixth part of a penny*. If therefore the proper charge (exclusive of tax) upon a letter received and delivered in London itself were two-pence, then the proper charge (exclusive of tax) upon a letter received in London, but delivered in Edinburgh, would be two-pence *plus* one thirty-sixth part of a penny. Now, as the letters taken from London to Edinburgh are undoubtedly carried much more than an average distance, it follows, that when the charge for the receipt and delivery of the letter is determined, an additional charge of one thirty-sixth part of a penny would amply repay the expense of transit. *If, therefore, the charge for postage be made proportionate to the whole expense incurred in the receipt, transit, and delivery of the letter, and in the collection of its postage, it must be made uniformly the same from every post town to every other post town in the United Kingdom, unless it can be shown how we are to collect so small a sum as the thirty-sixth part of a penny.*

Again, the expenses of receipt and delivery are not much affected by the weight of each letter, within moderate limits ; and, as it would take a nine-fold weight to make the expense of transit amount to one farthing, it follows *that, taxation apart, the charge ought to be precisely the same for every packet of moderate weight, without reference to the number of its enclosures.*

Having ascertained that the actual expense of conveying the letters from post-town to post-town forms so small a fraction of the whole apparent cost of primary distribution, it will be well to examine the other items of expenditure more minutely, with the view of discovering how far they are to be considered as the natural and necessary cost of distributing the correspondence of the country, and how far they result from the Post Office being made an instrument of taxation.

The items of expenditure now to be brought under consideration are those which are classed at p. 12, in column F, as attendant on the receipt and delivery of letters. A reference to the table shows that they consist almost entirely of salaries to the officers and servants of the Post Office.

These persons, with a few exceptions, may be arranged in three classes ; namely, Superintendents, (including Post-masters and Keepers of Receiving-houses,) Clerks, (including Messengers,) and Letter Carriers. In a Parliamentary Return (1835, No. 442) is a detailed statement of the

salaries paid in the London, Dublin, and Edinburgh post offices, which amount to more than one-half of such salaries for the whole of the British Isles. Assuming that the remaining part is divided among the three classes in the same relative proportions as in these places, the account will stand thus :

	Actual cost in London, Edinburgh, and Dublin, per annum.	Estimated cost for the United Kingdom per annum.	Per-centage on the whole cost of primary distribution, as deduced at p. 12, viz. £498,517
Superintendents, including Post-masters and Keepers of Receiving-houses	£ 22,400	£ 38,300	9
Clerks, including Messengers	61,500	105,400	25
Letter Carriers	46,000	78,800	18
Total	129,900	222,500	52

1. *Superintendents*.—The expense of superintendence in every establishment depends chiefly on the variety and complexity of the operations to be performed. If by any arrangement the operations of the Post Office could be extensively simplified, there can be no doubt that the same amount of superintendence would suffice for a greatly increased amount of business. The causes of the present complexity, and the practicability of extensive simplification, will be considered more conveniently in connexion with the duties of the clerks.

2. *Clerks*.—The duties of the Clerks in the London Office will be taken as a specimen of those of the

body generally; they are principally as follows. On the arrival of the Mails in the morning, to examine all the letters, in order to see that the charge upon each letter for postage has been correctly made, and that each Deputy Post-master has debited himself with the correct amount of postage for paid letters; to stamp the letters; to assort them for delivery; (in this the Letter Carriers assist;) to ascertain the amount of postage to be collected by each Letter Carrier, and to charge him therewith.

Previously to the departure of the mails in the evening, the duties of the Clerks are principally to adjust the accounts for the post-paid letters brought from the Receiving-houses; to "tax" the unpaid letters; that is to say, to write on each the charge for postage; to stamp all; to assort them for dispatch to the different post towns; to ascertain the amount of postage to be collected by each Deputy Post-master, and to charge him therewith.

It must be borne in mind that the public convenience requires that the delivery of letters should follow, as closely as possible, the arrival of the Mails; and that the receipt of letters should be continued as close as possible up to the departure of the Mails. It follows, therefore, that all these multifarious duties have to be performed in the shortest possible space of time, though some, from their difficulty and complexity, involve an enormous amount of labour, while their accurate performance demands a degree of vigilance rarely to be met with. Take for

instance the financial proceedings in the evening. First there are the accounts to be settled with the Receivers (71 in number) for the post-paid letters; then there is to tax the letters, which, without counting the franks, are frequently as many as 40,000, and every one of which is to be examined with a candle to see whether it is single or double;* then the proper postage is to be determined, not only with reference to such inspection, but also with reference to the distance of the post town to which it is addressed, and to be marked on the letter with pen and ink; and lastly, nearly 700 † accounts of postage are to be made out against as many Deputy Post-masters.

When the hurried manner in which these complex operations have to be performed is considered, it is manifest that errors must frequently arise. There is also an obvious danger of extensive frauds on the Revenue from collusion between some of the Deputy Post-masters and those whose duty it is to charge them with the postage. The examination of each letter by a candle too, by revealing the contents, creates temptations to theft, which have too often been irresistible. In the Appendix will be found some proofs that the dangers here contemplated exist in practice.‡

This liability to error and fraud renders it highly

* 18th Report of Com. of Revenue Inquiry, p. 63.

† Parl. Return, 1835, No. 512, p. 6.

‡ Appendix, p. 56.

important that some sufficient check on the operations under consideration should be practised. The fact is, however, that no such check exists, the only security being in the conscientiousness of the Deputy Post-masters, whose duty it is on receipt of their bags to examine the charges placed to their accounts, and to correct any error which they may discover.

Mr. D. W. Stow, an officer of the Post Office, when asked by the Commissioners of Revenue Inquiry, "What is the longest operation in preparing the letters for delivery, the stamping, sorting, or taking the accounts?" replies, "Taking the accounts, because it leads to a difference very often which might retard the operation: the stamping is a mere mechanical thing, as well as the examination."*

There can be no doubt that the chief sources of all this trouble, and error, and fraud, exist in the complexity of the operations; a complexity arising out of the varying charges for postage, and the intermixture of paid and unpaid letters. The remedy must therefore be looked for in the means of simplification. If the postage of all letters were collected *after* their passage through the Central Office, something would be accomplished in simplifying the operations, but how much more would be effected if any means could be devised by which the postage of all letters should be collected *before* their passage through the Central Office!

* 18th Report of the Commissioners of Revenue Inquiry, p. 474.

For the purpose of estimating the advantages which would result from such an arrangement, suppose for a moment that all letters were post-paid, that the rate of postage were uniform, without regard to distance, (say a certain small sum per ounce,) and that the amount collected were transmitted to the Central Office, from the London Receiving-houses, and from the several post towns, with the letters, or at least accounted for at the time of their transmission; the correct amount being ascertained and checked at the Central Office by weighing, and perhaps counting, the *mass* of letters received from each officer.

A little consideration will show the enormous effect which this arrangement would have in simplifying and accelerating the proceedings of the Post Office throughout the kingdom, and in rendering them less liable to error and fraud. Take as a specimen its effect in the Central Metropolitan Office. There would be no letters to be taxed; no examination of those taxed by others; no accounts to be made out against the Deputy Post-masters for letters transmitted to them, nor against the Letter Carriers. There would be no want of checks; no necessity to submit to frauds and numberless errors for want of means to prevent or correct them.* In short, the whole of the financial proceedings would be reduced

* The Post-master General is of opinion that the present complexity of the accounts is such as to render any certain check impracticable. Par. Pro. 1835. No. 443, pp. 5 and 6.

to a simple, accurate, and satisfactory account, consisting of a single item per day, with each Receiver and each Deputy Post-master.

Can there be a doubt that under such simple arrangements, especially if the operation of assorting the letters could be materially facilitated (of which more hereafter,) the present staff of clerks would amply suffice for at least a four-fold amount of business? Still, however desirable such a simplification may be, its practicability has yet to be ascertained. But, before proceeding to this question, it will be convenient to consider whether the time of the remaining class of Post Office servants (the Letter Carriers) is capable of being economized.

3. *Letter Carriers.*—This is by far the most numerous class in the service of the Post Office; so much so, that although their individual salaries are comparatively low, the aggregate, as shown at p. 18, forms a very important item in the account; any abridgment of the labours of this class of servants must therefore be of great economical importance. The evidence given before the Commissioners of Revenue Inquiry appears to indicate the means of attaining this desirable object.

—At the time of the investigation (1828) there existed in London what was called the “early delivery” of letters; that is to say, any person for a small annual fee was privileged to receive his letters before the usual hour of delivery. The privilege, I believe, still exists, but to a much less extent.

The early delivery was effected thus: the letters in question were separated from the others and distributed by persons, (generally the Letter Carriers of remote quarters, while on the way to their own proper districts,) who delivered the letters at the respective houses, leaving the postage to be collected by the proper Letter Carrier of the district, who for that purpose made a second round after completing his ordinary delivery.

Mr. Benjamin Critchett, Inspector of the Inland Letter Carriers, was examined, among other matters, as to the time required for the early and late deliveries respectively; the following is an extract from his evidence thereon:*

“ If a postman were to deliver the whole of his letters as he went along, not taking the money for any of them, and returned through his walk, and then collected the money, would they not all be delivered much earlier than they are now?—Certainly.

“ And would it require more hands to do it than are now employed?—No.

“ The man going back to receive the postage of the early letters must pass by the doors where he has delivered letters and received the postage?—Yes: I will describe the operation in two or three

* Since this evidence was given, the employment of Omnibuses for the conveyance of the Letter Carriers to the remote districts, and other arrangements, have caused the ordinary delivery of letters to commence much earlier.

districts this morning: I will take Lombard-street, where the number of letters that were delivered this morning was 637.

“ In Lombard-street?—Yes. The amount of postage £25. 14*s.* 3*d.*

“ You are confining yourself now to Lombard-street?—The Lombard-street district: Lombard-street, Clement's-lane, Nicholas-lane, and various courts.

“ Are you speaking of the general delivery?—I am speaking of the total number of letters sorted for that district—the Lombard-street district.

“ And that were carried out by Letter Carriers?—That were carried out by Letter Carriers this morning; there were 637 letters, the amount of postage £25. 14*s.* 3*d.* Of this number of letters, 570 were delivered early.

“ Could you state the time within which they were delivered?—All in half an hour.

“ What o'clock would that be?—That would be about half-past nine.

“ They were delivered in half an hour from the time they were dispatched?—From the time they were dispatched: 570 were delivered early, the postage £22. 19*s.* 4*d.*; and 67 delivered in the ordinary way, postage £2. 14*s.* 11*d.*

“ What time were they delivered?—Why, they would occupy the Letter Carrier about an hour and a half; then he commenced collecting the postage of the early delivery.

“What! would he be an hour and a half in delivering 67 letters?—Yes he would thereabouts.

“Considering the extent of the district?—Yes, the time he would wait to get the money for a letter would be about two minutes to a house.

“Have you made any calculation?—Yes, I have one at the office.

“What do you estimate as the time for delivering a letter when the postage is received?—That will occupy him nearly two minutes.

“Two minutes at every house?—Yes; indeed some houses detain him at the door, three, or four, or five minutes, in giving change, and various circumstances arise in the delivery of letters that detain the Letter Carriers.”*

* * * * *

“To deliver all the letters in the ordinary way in two hours and fifteen minutes will require from 70 to 80 additional Letter Carriers, and this would not give so much accommodation to the public as the early delivery does, as nearly half the total number of letters are delivered early, in half an hour after they are dispatched from the Post Office.”†

The above evidence clearly shows that the ordinary delivery of letters is an exceedingly tedious, inconvenient, and consequently expensive process; and that the cause of these evils is the hindrance to the

* 18th Report of Commissioners of Revenue Inquiry, pp. 621, 622.

† 18th Report of Commissioners of Revenue Inquiry, p. 632.

delivery which arises from its being embarrassed with the collection of the postage. In the Lombard-street district it appears that while half an hour was sufficient for the delivery of 570 letters, when the postage was collected afterwards, it required an hour and a half for the delivery of only 67 letters, when the postage was collected at the same time, consequently that one delivery was about 25 times as quick as the other. This result probably represents the hindrance in an exaggerated form, as there is little doubt that those entitled to the early delivery were in the habit of receiving more letters each than those not so entitled; but, after making every necessary allowance, there can be no doubt that the loss of time must be very considerable indeed.

It appears, then, that with reference to the abridgement of the labours of the Letter Carriers, as well as of the Clerks, the great desideratum is, that the postage of all letters should be paid in advance. If such an arrangement could by any means be effected, it would undoubtedly economize the time of the Letter Carriers even more than that of the Clerks. There would not only be no stopping to collect the postage, but probably it would soon be unnecessary even to await the opening of the door, as every house might be provided with a box* into which the Letter

* A very trifling inducement would suffice to effect such a change. It would be obviously fair to instruct the Letter Carrier to pass any door not so provided, and to deliver the letter on a

Carrier would drop the letters, and, having knocked, he would pass on as fast as he could walk. By this means a man would go through a district of moderate extent in half an hour, and deliver within it almost any number of letters; for it must be borne in mind, that in a town (and at present we are only considering the arrangements for towns) a Letter Carrier's walk would scarcely be lengthened by an increase, however great, in the number of letters to be delivered; and that even the number of houses at which he would have to call would be increased but in a low ratio.

This important relief to the Clerks and Letter Carriers would indeed be obtained at the cost of some additional labour to the Receivers and Deputy Postmasters, on whom would then devolve the whole duty of taking the postage. It must be remembered, however, that as these officers have already to receive and account for the postage upon about one-fifth* of the letters which pass through their hands, constant attendance is even now required; while their labour is obviously much increased by the circumstance of the charge varying with each successive letter.

As we have seen that the above arrangements, if carried into practice, would secure a vast public second round, charging a small sum, say a halfpenny, for his trouble.

* Eighteenth Report of the Commissioners of Revenue Inquiry, p. 54.

benefit, we are naturally led to the consideration of the means for their adoption.

To so extensive a change there are, of course, many obstacles; some sacrifices are necessarily required; any plan, therefore, which holds out a fair prospect of surmounting the difficulty must justly be considered, even if not free from objection, as entitled to a careful and candid examination.

The essential elements of such a plan are, first, a very low rate of postage, to neutralize the objections on the part of the public to its being demanded in advance; and, secondly, a uniform rate of postage, to simplify the mode of accounting for its receipt. With respect to the latter element, it has already been shown (p. 16) that in fairness the rates of postage for primary distribution ought to be uniform; the cost of transit along the mail-roads, even for the greatest distances, being so trifling, as not to be expressible by the smallest coin. This part of the plan, therefore, appears to present no difficulty, and the only question is, whether it is possible to reduce the postage sufficiently low.

In order to ascertain the greatest extent to which this reduction may be carried, it will be necessary to calculate the cost of primary distribution under the economical arrangements proposed above. It has already been shown that, under such arrangements, the present establishment of the Post Office, with some slight addition to the salaries, under the head "Superintendents," (the class to which Receivers and Deputy Post-masters belong,) would suffice.

even if the amount of business to be transacted should increase four or five-fold. A considerable addition to the mileage would of course be required, as on some roads it certainly would be necessary to employ two, three, or even four mail-coaches. Assuming for the present that, owing partly to the reduction in postage, and partly to increased facilities of communication, the total number of letters, &c. passed through the Post Office would increase to four-fold the present amount, the calculation will be as follows :

Heads of charges. (See p. 12.)	Present cost of primary distribution within the United Kingdom. (See page 12, column D.)	Estimated future cost of primary distribution within the United Kingdom.
	£	£
Salaries and allowances.....	222,510	250,000
Special services and travelling charges	8,039	12,000
Conveyance of Mails, &c.	135,919	310,000
Packet service and port dues	4,987	10,000
Tradesmen's bills, building, and repairs	9,974	15,000
Rents of offices, tithes, and taxes	4,085	6,000
Law charges	5,913	9,000
Stationery, printing, and postage	3,539	6,000
Superannuation allowances, &c.	30,248	30,248
Menai and Conway bridges (tolls) ...	1,303	3,000
	426,517	651,248

By the above estimate it appears that, if the correspondence of the country increase four-fold, i.e. amount to about 500,000,000 of letters, newspapers, &c., (see page 10,) then upon the proposed arrangements the cost of primary distribution within the United Kingdom will amount to £651,248 per annum, pro-

ducing an average cost per letter or newspaper of 32 hundredths of a penny, or one farthing and three-tenths of a farthing.

When it is considered that the mere transit of a letter by the mail-coaches costs practically nothing, and that the penny posts, of which there are about 200* in England alone, are stated by Sir Francis Freeling to be in many cases very profitable,† even though these pence have to be collected from house to house, there is nothing very surprising in this result. The following facts may be stated in corroboration of its accuracy.

The average cost of managing the twopenny-post of London, notwithstanding the large allowance of weight, and the expensive manner in which the establishment is conducted, is only 34 per cent. on the receipts,‡ or about two-thirds of a penny per letter.

The distribution of the Penny Magazine is exactly parallel with the proposed primary distribution of letters. The magazine is sent to every part of the kingdom, and in considerable towns is delivered at the houses of the subscribers; but the penny charged for the magazine includes not only the cost of distribution, but the cost of eight large pages of letter-press and wood-cuts; and yet it is well known that the undertaking is a profitable one.

* Eighteenth Report of Commissioners of Revenue Inquiry, p. 585.

† Eighteenth Report of Commissioners of Revenue Inquiry, p. 351.

‡ Twenty-first Report of Commissioners of Revenue Inquiry, p. 4.

town in the British Isles, *shall be at the uniform rate of one penny per ounce* ;—all letters and other papers, whether single or multiple, forming one packet, and not weighing more than an ounce, being charged one penny ; and heavier packets, to any convenient limit, (say one pound,) being charged an additional half-penny for each additional half ounce.

The charge for weights exceeding one ounce should not, perhaps, in strict fairness, increase at so great a rate ; but strict fairness may be advantageously sacrificed to simplicity ; and it is perhaps not desirable that the Post Office should be encumbered with heavy parcels.

Having shown the practicability and even fairness of a uniform and low rate of postage, (the primary conditions of the simplicity of arrangements, and of the extension in the number of letters which we have contemplated,) our next step is to show the means by which such postage might be conveniently collected in advance, and accounted for by the collector.

The following is a sketch of the mode of collection which I would submit for consideration. It is drawn out with reference to the metropolis, but a few very slight and obvious modifications would adapt it to any other town.

Let the number of receiving-houses be considerably increased,* and one division, or more, of the princi-

* The Commissioners of Revenue Inquiry (18th Report, p. 54) recommend the consolidation of the general and two-penny post

pal offices in St. Martin's le Grand and at Charing Cross, be converted into receiving-houses similar to the others.

These receiving-houses to be open shops: the slits through which letters are now passed to be closed: all letters to be brought to the counter, and the postage paid at the rate already specified; viz., a penny for each letter or packet not exceeding an ounce, with an additional half-penny for each additional half ounce; the letter being weighed, if necessary, in the presence of the bringer, and stamped with the date and the address of the receiving-house, the marks being given by a *tell-tale stamp*, which would count the letters. It would be unnecessary to mark the amount of postage, and therefore the stamp would not be varied. The letter, when stamped, to be thrown by the receiver into a box marked with the initial letter of the post-town to which it is addressed. Thus all letters, as received, would be assorted alphabetically; that is to say, all letters for post towns beginning with A would be thrown together, &c.* A similar set of boxes would be required for newspapers, so long as the present arrangements respecting them exist.† Franked letters might offices; or, as they would become under the proposed arrangements, offices for general and for local distribution. If this recommendation were adopted, some slight modification in the following plan would be required.

* See Appendix, p. 61, for further details as to the alphabetic assortment.

† If the proposed arrangements should be adopted, it might

be put into a separate box, as they would have to be inspected at the Central Office.

At the proper hour the letters and newspapers would be taken to the Central Office, at which time the receiver would settle the account for postage. In adjusting this account it would be unnecessary to attempt to ascertain the exact amount of postage he had actually received. It would, I think, be quite sufficient to weigh the letters, and to charge the receiver a certain rate per ounce; the rate of charge being so adjusted as to leave on the average a little profit for the receiver's trouble.

If it should be thought that a uniform rate of charge, according to weight, would in certain cases lead to too wide a departure from accuracy, it might be well to make the charge depend on a combination of weight and number. The tell-tale stamp of the receiving-house would at all times give an unerring report of the number of letters stamped,* but, as a

perhaps be considered advisable to remove the stamp from newspapers, and to subject them to the same charge for postage as letters, or other printed papers. This would tend still further to simplify the proceedings of the Post Office; it would remove the temptation to fraudulent writing on newspapers, (a practice which at present obtains to an enormous extent, and which, even under the proposed arrangements, would not perhaps be altogether avoided,) and it would probably leave the revenue derived from newspapers nearly in its present state.

* I do not think it necessary to encumber this statement by pointing out all the provisions which would be required, if the proposed plan should come into operation. In the present case

means of preventing abstraction, it might be well to use a tell-tale stamp at the Central Office, the reckoning being recorded as the stamping of the letters from each receiving-house was completed.

The Deputy Post-masters at the several post towns, in transmitting their letters to London, would account for the postage they received precisely in the same manner and under the same checks as the metropolitan receivers.

It is not necessary to enumerate all the advantages which would result from this proposed arrangement, indeed such an enumeration would be impossible, for it invariably happens in all extensive operations that simplification is productive of advantages which were unexpected. One, however, occurs to me as arising indirectly out of these arrangements, which is too important to be altogether omitted. A great source of trouble at the Post Office is, the incompleteness or inaccuracy of the addresses to the letters. Frequently these imperfections are apparent on the face of the letter; for instance, there is no inconsiderable number of letters put into the Post Office daily with no address whatever, and, what is very remarkable, not a few of these letters contain money. Now, as the receiver would have to look at

it is manifest that distinctive stamps should be employed for letters liable to charge, franked letters, and newspapers; the two latter may or may not be tell-tale stamps. Many other provisions, which would soon be discovered in practice, have been purposely passed *sub silentio*.

the address of each letter before putting it into its proper box, and as this examination might take place before the departure of the bringer of the letter, an opportunity would be afforded for supplying any very obvious deficiency.

INCREASED FACILITIES OF DISTRIBUTION.

The Commissioners of Revenue Inquiry begin their Report on the Post Office as follows: "The facility of frequent punctual and quick communication which the institution of the Post Office was calculated to secure, may be justly classed among the elements of profitable commerce. It is essential to the purposes of government, and subservient to all the ends of national policy.

"In this view the establishment of the Post Office possesses a character distinct from, and an importance superior to its title to consideration as a productive branch of the revenue. Nor is its utility in this respect to be appreciated solely by the revenue derived directly from it, for it may be considered also as auxiliary to other branches of the public income.

"But whatever distinction may be observed between the more general and primary purposes of this institution, and its value separately regarded as an immediate source of revenue to the Crown, it will be found that the same means may be employed to promote its several objects; and that, in a prosperous state of the country, its productiveness, in a financial calculation, will be measured by the proportion in

which, under judicious management, it is made to contribute to the interests, the convenience, and the habitual indulgence of the community.

“To prove the truth of this principle, it might be sufficient to refer to the immediate results of the well-known improvements, introduced in the year 1784, upon the suggestions of Mr. Palmer, in the circulation of letters within the now United Kingdom.

“Various causes have subsequently contributed to the vast progressive increase of the annual receipts of this department, which in twenty years, dating from the adoption of Mr. Palmer’s plan, were trebled, and have since become five-fold their previous amount. But a general comparison of the extent of the accommodation afforded, and of the quantity of correspondence maintained through the Post Office at different periods, will establish the principle already assumed, that the growth of this correspondence (and of the attendant revenue) naturally keeps pace with the amendment and extension of the means of intercourse, and with the increased wealth, commerce, and prosperity of the country, and will show that this effect, although it may have been in some degree counteracted, has not been prevented by the restraints of augmented taxation.

“In looking at the Post Office, therefore, with a view to its regulation as a department of the revenue, it is indispensable that attention be principally directed to its more important uses, and to

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“In looking at the Post Office, therefore, with a view to its regulation as a department of the revenue, it is indispensable that attention be principally directed to its more important uses, and to

the efficiency of its arrangements for the attainment of those purposes.”*

There can be no doubt that one cause of the comparative falling off of the Post Office revenue is want of attention to the principles here laid down. The Post Office has too generally lagged behind other institutions in the progress of improvement, instead of being, as it might be, an example to the country of skilful and energetic management. Previously to the improvements of Mr. Palmer, the mail was about twice as long in proceeding from town to town as the stage-coaches: Mr. Palmer's improvements brought up the Post Office to an equality with other commercial institutions of his day, and, as stated by the Commissioners, led to an enormous increase of revenue. For many years past, while other institutions have been rapidly improving, the Post Office has again been nearly stationary; it has, consequently, fallen a second time in arrear, and, as a means of distributing the correspondence of the country, is, at present, lamentably inefficient.

In making these statements I imply blame to no one. So long as the office of Post-master General is a political appointment, it is impossible that the individual selected, however anxious he may be efficiently to discharge his duty, can do more than acquire a general knowledge of the vast and

* Eighteenth Report of the Commissioners of Revenue Inquiry, pp. 3 and 4.

complicated mechanism he is supposed to direct. The most efficient officer, therefore, is the secretary, but as he has not the requisite authority for effecting such improvements as he may think necessary, the responsibility does not in fairness attach to him. Much may be expected from the known talent and energy of the gentleman recently appointed to this office, but it must be borne in mind that, if the preceding views are at all correct, the inefficiency of the Post Office results chiefly from the excessive and variable rates of postage; consequently that the removal of the evil depends on Legislative enactment: this consideration in a great measure explains the present state of things. Looking at those arrangements which were clearly within the control of the Post Office authorities, we find much that has received and has deserved general admiration; and in one respect, viz. the prompt and courteous attention paid to all letters of complaint, the Post Office has for many years been a model of excellence.*

It would here be out of place to enter into a

* It is not generally known that the Duke of Richmond, when Post-master General, was desirous of performing the duties of the office gratuitously, and that it was not until after he had been repeatedly urged by Government that he consented to accept a salary: even then it was only accepted prospectively. It is not, perhaps, consistent with the efficient discharge of important public duties, that the public servants should be unpaid, but it is impossible not to admire such an instance of generous disinterestedness.

general investigation of the defective system of the Post Office, I may, however, be allowed to mention a few facts.

About 6000 of the letters which arrive in London by the morning mails, on their way to other towns, lie all day at the Post Office for want of a morning dispatch,* although there are excellent morning coaches from London to every part of the kingdom. The consequence of this delay is, that places corresponding through London, however near they may really be to one another, are, as regards facilities of communication by post, forced as far asunder as London and Durham.

If a blank post-day intervene, the delay is even more remarkable. A letter written at St. Albans after the close of the Post Office on Friday night, would not be delivered at Gravesend, a distance of little more than forty miles, earlier than Tuesday morning.

The extent to which personal intercourse takes place between London and the district within a circuit of ten miles, that is to say, between the places of business and the homes of thousands of professional men and tradesmen, is shown by the continued current of stage-coaches and other carriages along every road. There can be no doubt that the communication by letter, in the same district, would be proportionately great if the Post Office afforded the

* Eighteenth Report of the Commissioners of Revenue Inquiry, p. 477.

necessary facilities; but such is the ludicrous tardiness of the three-penny post, that no one thinks of employing it where dispatch is of the slightest importance.

To interchange letters between London and Hampstead, through the post, requires, under the most favourable circumstances, about ten hours.

A letter which shall arrive in London between six and seven o'clock, by a morning mail, would not be delivered at Hampstead, or any other place equally distant, till eleven or twelve o'clock.

A London tradesman residing at Hampstead, who should, from any cause, be prevented from returning home as usual in the evening, would be unable to prepare his family for his absence by a post letter, unless he wrote before three o'clock; and even after two o'clock a letter would be too late, if put into any district receiving-house.

If two letters were put into the proper district receiving-houses in London, between five and six o'clock in the evening, one addressed to Highgate, the other to Wolverhampton, (which lies 120 miles further along the same road,) the Wolverhampton letter would be delivered first.

In the charges for postage the most unaccountable anomalies exist; *e. g.*: there is a cross-post from Wolverhampton through Dudley, Stourbridge, and other places. Between Dudley and Stourbridge this post passes through the village of Brierly Hill. The postage of a letter from Wolverhampton to

Dudley is 4*d.*; but from Wolverhampton to Brierly Hill, some miles further on, it is only one penny.

The remedy for the defective arrangements which lead to these and many other inconveniences and anomalies, is no doubt, to a great extent, independent of the reduction in postage which has been recommended: the increase in the number of letters, resulting from that reduction, would, however, greatly facilitate the necessary reforms. With regard to more frequent departures of the Mails, for instance, as two or more coaches would probably be required on each mail-road, they might arrive and be dispatched one in the morning and one in the evening, not only without additional expense, but with great advantage to the Post Office, as a means of preventing an inconvenient accumulation of business at one hour of the day, and also as a means of reducing the number of cross-posts, and thus *centralizing* the business of the Post Office. There are serious objections to numerous cross-posts. Hitherto it has been found impossible satisfactorily to check the receipts for postage; and the number of cross-post letters which are lost is proportionately very great.*

If the facilities for the general distribution of letters were rendered adequate to the wants of the public; and if the local distribution of the metropolitan district,† and of similar districts about all large towns,

* Eighteenth Report of the Commissioners of Revenue Inquiry, p. 489.

† The three-penny post is peculiarly in want of improvement.

were managed, as it might easily be, so as to afford the means of frequent and rapid communication, these causes alone would produce a great increase of letters.* The extent of the increase thus obtained, as well as the extent of that which would result from the reduced postage, does not admit of exact calculation ; but, judging from the effects produced by similar causes, (as the increase of letters resulting from Mr. Palmer's improvements, and the greatly extended consumption of any article in general request which invariably follows a considerable reduction in price,) there is scarcely a doubt, in my opinion, that the

Its operations are not only slow, but irregular and expensive. The mileage for the wretched hacks which carry the bags is nearly three times as great as for the mail-coaches. The Commissioners of Revenue Inquiry (Twenty-first Report, p. 46) recommend the employment of the stage-coaches. To this it has been objected, that their punctuality cannot be depended upon ; (Parliamentary Report, 1835, No. 443, p. 21) but surely the means employed for enforcing punctuality on the part of the mail-coaches, are not less applicable to coaches travelling a short distance.

* The increase of travelling between places connected by railways may be cited in support of this view. The fares between such places have not been much reduced by the railways ; (in some instances they are not reduced at all ;) and yet it has been shown by Dr. Lardner that the number of travellers between places so connected has increased nearly four-fold. (See the Reports of the Bristol meeting of the British Association for the advancement of Science.) In his evidence before the Parliamentary Committee on the Blackwall railway, Dr. Lardner states the number of persons conveyed along the Dublin and Kingston railroad, in a single year, to be about a million and a quarter.

total increase in the number of letters would exceed that which has been assumed.*

The increase of MS. letters alone would be very great, for, in the first place, many more would be written, especially by the poorer and more numerous classes; and, in the next place, all, or nearly all, would be distributed by the Post Office; but the great increase would probably be in the transmission of printed circulars, prospectuses, catalogues, and prices-current. In the opinion of commercial men, enormous numbers of such papers would be distributed by the Post Office, if the rates of postage were low.

Secondary distribution of letters, or that distribution which proceeds from each post-town as a centre, to towns of inferior importance and to country places. In the present state of things, the secondary distribution of letters is in many places a source of loss. This is undesirable: every branch of the Post Office ought certainly to defray its own expenses, although it is, at the same time, important that the ramifications should be as numerous as possible. The most equitable arrangement appears to be this: let the whole weight of taxation be thrown on the

* It generally happens that a reduction in the price of an article in extensive demand, so greatly increases the consumption as to augment the whole expenditure upon it. The increased expenditure in silk may be taken as an illustration of this rule. The assumed increase in the number of letters allows, however, of some diminution in the whole expenditure in postage. (See Appendix, p. 69.)

primary distribution, and let each department of the secondary distribution just defray its own expenses. As a means of effecting these objects, I would submit for consideration the following plan.

Let the inhabitants of any district, acting through the Guardians of the Poor or other recognized authority, be entitled, on paying in advance a small annual fee to the Deputy Post-master of the town to which their letters are dispatched, to require that a bag shall be made up for the district; and let them arrange for fetching and carrying the bag, and for the delivery and collection of letters; charging the expense, which would be very trifling, upon the parochial rates, or upon each letter, as may be most convenient.*

An extra postage, to be collected on each letter, would, in a country district, delay the delivery but little, as the time of the Letter Carrier is occupied chiefly in walking from house to house. The proposed arrangements should in each case be submitted to the approval of the Post-master General.

If this plan were adopted, the central authority of the Post Office would be relieved of nearly all care with respect to the secondary distribution of letters; the frequency, and, consequently, the expense of

* What are called fifth clause posts, or posts established on a guarantee given by the parties benefited to defray the expense, may be considered as in some measure a precedent for the proposed arrangement. See the evidence of Sir F. Freeling, Eighteenth Report of the Commissioners of Revenue Inquiry, p. 351.

total increase in the number of letters would exceed that which has been assumed.*

The increase of MS. letters alone would be very great, for, in the first place, many more would be written, especially by the poorer and more numerous classes; and, in the next place, all, or nearly all, would be distributed by the Post Office; but the great increase would probably be in the transmission of printed circulars, prospectuses, catalogues, and prices-current. In the opinion of commercial men, enormous numbers of such papers would be distributed by the Post Office, if the rates of postage were low.

Secondary distribution of letters, or that distribution which proceeds from each post-town as a centre, to towns of inferior importance and to country places. In the present state of things, the secondary distribution of letters is in many places a source of loss. This is undesirable: every branch of the Post Office ought certainly to defray its own expenses, although it is, at the same time, important that the ramifications should be as numerous as possible. The most equitable arrangement appears to be this: let the whole weight of taxation be thrown on the

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avoided, if postage were charged, without regard to distance, at a uniform rate per ounce, (which is shown to be the only fair rate with reference to the expenses incurred,) and were collected in advance.

3. That the postage might be collected in advance, if reduced to the rate proposed; viz., one penny for each packet not exceeding an ounce in weight, with an additional half-penny for each additional half ounce.

4. That, owing to the great simplicity of the arrangements which might be adopted under these conditions, the present establishment of the Post Office, with a slight addition, would suffice for a four-fold increase of business.

5. That this increase of business would lead to greatly increased facilities of communication, as, for example, two departures and two arrivals of the London mails per day.

6. That these increased facilities, together with the greatly reduced charges, would have the effect of increasing the number of chargeable letters, in all probability, at least five and a quarter fold; which increase (the number of franks and newspapers continuing as at present) would produce the four-fold increase of business, for which, as it has been shown, the present establishment of the Post Office, with a slight addition, would suffice.

7. That the necessary cost of primary distribution is not the present actual cost, viz., 84 hundredths of a penny, but only 32 hundredths of a penny;

the difference, viz., 52 hundredths of a penny, arising from the employment of the Post Office in levying an excessive tax, and from the consequent expensiveness of arrangements and restriction of correspondence.

8. That in consequence of the great reduction in the necessary cost of primary distribution which would be effected by the proposed arrangements, the proposed low rate of postage would yield a profit or tax of 200 per cent. on such necessary cost of primary distribution; which, after paying for the distribution of franks and newspapers, would afford a probable net revenue of £1,278,000 per annum.*

9. That the secondary distribution of letters ought to be untaxed, and the small unavoidable expense defrayed, in each instance, by the inhabitants of the district for whose benefit it is established; also that it may be so managed as not, in any degree, to interfere with the simplicity of the arrangements proposed for effecting the primary distribution.

In treating this subject, it is not improbable that the want of *practical* familiarity with the arrangements of the Post Office may have led to some misconception in matters of minor importance; but I am not without hope that any such disadvantage

* The amount of revenue realized will, of course, depend chiefly on the increase in the number of letters, &c., the extent of which is necessarily very much a matter of conjecture; there is no doubt, however, that a large revenue will be obtained. It is probable that the amount will not fall far short of the present one, and it is possible that it may even surpass it. See Appendix, p. 68.

may be counterbalanced by the absence of those prejudices in favour of an established routine, to which practical men are peculiarly, and, perhaps, unavoidably liable: and I feel assured that no misconception can possibly have arisen which materially affects the results at which I have arrived. The data from which these results are deduced are taken chiefly from Parliamentary Reports; they, as well as the calculations, are fully stated, and are consequently open to examination and correction.

Besides the state of the revenue and the necessities of commerce, there are other circumstances which clearly show that the present is a very desirable time for effecting the reforms here suggested.

The rapid extension of railroads now going on would of itself, in a short time, inevitably work a revolution in the system of the Post Office. Between Manchester and Liverpool, instead of one direct post per day, as before the construction of the railroad, there are now four, which alone produce a revenue of nearly £11,000 per annum. Indeed, it is obvious that the extensive employment of railroads will render it necessary to re-model the whole system of distribution. Let other independent changes then be made, while there is time to effect them.

The public attention, too, thanks to the persevering exertions of Mr. Wallace, whose success shows how much may be accomplished even by one Member of Parliament who shall thoroughly devote himself to his purpose, is at length beginning to

awake to the evils of the present system; and the newspapers already manifest frequent indications of a growing anxiety for their removal.

Judging from the rapid growth of public opinion which we have recently witnessed with regard to other institutions, we may expect that in a few years, or even months, if "the still small voice" which, at present, gives scarcely audible expression to half-formed desires, be neglected, it will swell into a loud, distinct, and irresistible demand; and then a reform, which would now be received with gratitude, as one of the greatest boons ever conferred on a people by its government, would perhaps be taken without thanks, and even with expressions of disappointment, because less extensive than unreasonable people might have expected.

Fortunately this is not a party question, some of the leading men of each political party having expressed themselves favourable to great changes. The Duke of Richmond, Earl Spencer, and Lord Ashburton, in the House of Lords, and Viscount Lowther, Mr. Hume, Mr. Wallace, Mr. Warburton, and many others, in the House of Commons, have declared themselves in favour of extensive reforms; the necessity for which may almost be said to have been acknowledged by the present Government, when they proposed to appoint a Commission of management, and by the late Government, when they appointed a Commission of Inquiry. Lord Ashburton, whose opinion is deserving of great attention, appears to think that the

cheap transmission of letters is so important that postage ought to be relieved altogether from taxation.

It is conceived, therefore, that the proposed reform, if undertaken by Government, would not meet with opposition. Its object is not to increase the political power of this or that party, but to benefit all sects in politics and religion; and all classes, from the highest to the lowest. To the rich, as to the less wealthy, it will be acceptable, from the increased facilities it will afford for their correspondence. To the middle classes it will bring relief from oppressive and irritating demands which they pay grudgingly; estimating them even beyond their real amount, because probably of their frequent recurrence—which they avoid by every possible contrivance, and which they would consider quite intolerable if they knew that nearly the whole is a tax. And to the poor it will afford the means of communication with their distant friends and relatives, from which they are at present debarred. It will give increased energy to trade; it will remove innumerable temptations to fraud; and it will be an important step in general education: the more important, perhaps, because it calls on Government for no factitious aid, for nothing in the shape of encouragement, still less of compulsion; but merely for the removal of an obstacle, created by the law, to that spontaneous education which happily is extending through the country, and which, even the opponents of a national system will agree, ought to be unobstructed in its progress.

We see, then, that the state of the revenue, the improved means of conveyance, the necessities of commerce, the proposed alterations in the controlling authority, the state of public opinion,—all things concur in rendering the present the most desirable time for a complete reform of the Post Office. A more popular measure could not be discovered. It would bring immediate, substantial, practical, indisputable relief to all. A thorough investigation will, I am satisfied, prove the practicability of the extensive reforms here suggested: but the most superficial examination will manifest the perfect ease with which great improvements may be effected. Let the Government, then, take the matter in hand; let them subject these proposals to the severest scrutiny, availing themselves of the information possessed by the able men who constitute the present Commission of Inquiry; let them proceed with that boldness which the present state of the revenue justifies and requires, and they will add another claim—not inferior to any they now possess, nor one which will pass unregarded—to the gratitude and affection of the people.

APPENDIX.

No. 1.

ERRORS AND FRAUDS ARISING OUT OF THE PRESENT MODE OF COLLECTING THE POSTAGE.

The following extracts are from the Eighteenth Report of the Commissioners of Revenue Inquiry.

“It is also to be observed, that upon the taxation of letters in the evening there is no check, there being no examination similar to that which takes place in the morning in the Inland Office, and the duty of the tellers being confined to a computation of the general amount of the postage chargeable against each Deputy Post-master.*

* * * * *

“The species of control which is exercised over the Deputy Post-masters is little more than nominal; and its defectiveness will be more fully seen hereafter from the necessary remarks upon the practice incidental to it in other offices. We therefore felt the more desirous to ascertain what degree of protection this portion of the revenue had derived from the practical conduct of the business relating to it in the Inland Department. An examination of the letter bill books, for this purpose, disclosed a series of inaccuracies, in the charges raised against the Deputy Post-masters in that department, far exceeding that frequency of minute error, for which, considering the complicated nature of the duties, and the rapidity with they are required to be executed, we were prepared to make allowance. In many instances, it appeared upon inspection, that for twenty-five successive days the “Office Account,” as it is called, differed from the charges admitted by the Deputy Post-masters, and this with reference to towns afford-

* Eighteenth Report of the Commissioners of Revenue Inquiry, p. 66.

ing the most considerable revenue, as Hull, Brighton, Exeter, Plymouth, Birmingham, Liverpool. Your Lordships may observe, on referring to the evidence of Mr. Johnson, who combines the duties of a President of the Inland Office with those of a senior clerk in the Letter Bill Office, and should therefore be peculiarly conversant with this branch of the business, that such a continued series of differences is not regarded as unusual in most of the large towns. His statement is corroborated by Mr. Brown, a clerk also in the Letter Bill Office, who says that in the large towns there is scarcely a night that some variation does not occur.

“We do not pretend to offer any accurate pecuniary estimate of the general result of the imperfect practice in raising these charges against the Deputy Post-masters; but we have grounds for stating, so far as our scrutiny has extended, that the ‘Office Accounts’ have most frequently fallen short of the true amounts of charge as corrected and admitted by the Deputy Post-masters. A comparative statement which we caused to be made from the Letter Bill Books of the accounts of 184 post towns, included in the first, second, and third divisions for the months of July and August last, showed that in the former month, in 118 out of 158 cases, and in the latter, in 113 out of 168 instances, an excess of charge was admitted by the Deputy Post-masters beyond the amounts of the respective office accounts for those periods. It is remarkable that in some of those instances, as of Bath and Bristol, the daily differences consisted uniformly of short charges against the Deputy Post-masters throughout the period of two months, and the same was observable in the case of Plymouth for the month of August. The short charges against the two first-mentioned towns in this period amounted to £47. 0s. 0½d. The total excess upon the whole of the divisional accounts alluded to (that is, the additional revenue brought to account by Deputy Post-masters beyond what they had been originally charged with in the Inland Office) amounted to £133. 5s. 4½d.; the overcharges in the same period amounting to £16. 10s. 7d. To what amount errors, either of taxation or telling, may have escaped correction it is not possible to ascertain; and we do not offer this statement as any criterion whereon to found any calculation of

the extent of the differences that may have arisen upon the accounts at large. In one instance of recent occurrence, which has fallen under our inspection, a short charge of £16. 4s. against a Deputy Post-master, (as admitted by himself,) appeared within a period of twelve days: in another, a sum of £7. 4s. 7d. was added by a Deputy Post-master to the charge of one day. It has, however, been stated to us that the duties here alluded to never were so accurately performed as of late."*

It may be here remarked, that the Post Office authorities do not appear to have availed themselves of the means afforded by the wonderful powers of the machinery of the present day, for facilitating and rendering more certain the different operations. The present varying rates of postage, no doubt, present a great difficulty; still I do not hesitate to say, that it would be quite practicable to construct a stamp which at one blow should impress both the date and the required charge, whatever that may be, and register mechanically both the number of letters stamped, and the total amount of postage charged; and that the use of such a stamp, so far from retarding the operations, would, in all probability, much accelerate them.

As regards the Cross Posts, such a machine would be invaluable. Its use would render loss to the revenue from fraud or even error, next to impossible; while at present, however unsatisfactory the mode of accounting for the direct postage may be, that of accounting for the Cross Postage, which amounts to nearly £800,000 per annum, is even more so.

The following is part of the evidence of Mr. Robert Watts, an officer, whose duty consisted in superintending the assorting of letters at the Central Office.

"Did you ever happen to detect the secreting of letters? Not often; I was once at an unpleasant concern of that kind: *unfortunately those cases have very often occurred*, but I cannot say that I individually detected any other person.

"In those instances in which letters have been lost, letters carrying money for instance, has a detection taken place frequently in the office?—*No, not often.*

* Eighteenth Report of Commissioners of Revenue Inquiry, p. 66.

“How has the detection taken place?—It used to do more when the paper circulation took place, the notes used to be traced to the parties, they used to be passed off in the neighbourhood of the letter carrier, they used to be traced by the solicitor: *but certainly detection in the office is of rare occurrence.*”*

I am indebted to Mr. G. Napier, Advocate Depute, for the following interesting account of the discovery and conviction of an offender in the Edinburgh Post Office, who had abstracted a bank note from a letter. The trial took place at Edinburgh, in March 1834.

In January 1834, Mr. Duncan, a merchant at Liverpool, put into the Post Office there a letter addressed to his mother, at Broughty Ferry, in Forfarshire, and containing a Bank of England note for £50 sterling. The letter, which had been expected on a particular day, not having reached the old lady, she immediately wrote to her son on the subject, and he again, being a mercantile man, and having kept a memorandum of the date and number of the note, immediately wrote to the Bank of England to stop payment of it. Inquiry was also immediately made at the different post offices of Liverpool, Edinburgh, Dundee, and Broughty Ferry, through all of which it should have passed in the proper course of transmission to the place of destination, but no trace of it could thus be got; no trace as to where it was lost, or even that it had ever been seen in the possession of the Post Office at all. All that could be learned was, that the letter containing the bank note had been put into the Liverpool Post Office and had not reached its destination.

It happened, however, that one of the Tellers of the Commercial Bank of Edinburgh, being one night in the pit of the theatre, had his attention particularly attracted, by some accidental circumstance, to a person sitting immediately in front of him. The very next day a person, whom the Teller at once recognized to be the same individual, although completely altered in dress, being now muffled up in a cloak, and wearing green spectacles, and having a fur cap drawn much over his face, called at the Commercial Bank, and presented to the next Teller a £50 Bank of

* Eighteenth Report of Commissioners of Revenue Inquiry, p. 499.

England note, to be exchanged in Commercial Bank notes, who, according to custom, requested the person to write his name and address on the back. The person then wrote on the back of the note the words, "Jo. Wilford, College Post Office," and the money was paid him. When he had gone, the brother Teller, who had been in the theatre, asked, from mere curiosity, who that was, and was shown the signature upon the note. The note was then transmitted in the usual course to the Bank of England, and was there discovered to be the note stolen from Mr. Duncan's letter. It was then returned to the Commercial Bank for inquiry, and from the accidental circumstance already mentioned, the Teller who had been in the theatre at once recollected the appearance of the person who had presented it. A clue being thus got, it was thought proper first to ascertain whether that person could be found amongst the officers of the Post Office at Edinburgh. The Teller was therefore placed in a room into which every officer of the Post Office, as he arrives in the morning, comes to enter his name in a book, and amongst them the Teller there saw the person who had presented the stolen note. This person was James Wedderburn Nicol, who was of course apprehended, and in his lodgings, which were immediately searched, was found the fur cap, the spectacles, and a considerable portion of the Commercial Bank notes, or at least the same description of notes, for they could not be expressly identified. It was also ascertained that Nicol had borrowed the cloak in which he had appeared at the bank, and the whole had been so adroitly managed, that if the proof had not been particularly strong against him, he might have broken it down by proof of an *alibi*, as his absence at the Post Office had not been noticed, he having quietly slipped out at a favourable moment, run to his lodgings and disguised himself, got the note changed, thrown off his disguise, and returned to his place in the Post Office, in an unaccountably short time.

It appeared that Nicol, who was well connected, and it is understood of previously good character, was tempted to abstract the letter, from having observed the presence and value of the note it contained, when, in the discharge of his duty, he held the letter up to a strong light for the purpose of ascertaining whether it was

single or double. He pleaded guilty to the charge of theft, and was sentenced to transportation for life.

This story serves to illustrate the temptations to which those in the employment of the Post Office are exposed: it shows also that while the opportunities for the commission of fraud are frequent, the chance of detection is exceedingly remote. But for a curious combination of accidental circumstances it appears probable that this delinquent would have escaped. The narrative also leads to this reflection, that had either of two mistaken arrangements not existed, the offence would not, in all probability, have been committed. First, if postage were not so high, the note would probably have been cut into two parts and sent at different times. And secondly, if letters were charged by weight, instead of by the number of separate pieces of paper they contain, it would not be necessary for some one to hold up each before a light to examine its contents, and thereby be placed under strong temptation.

No. 2.

PREPARATORY ASSORTMENT OF LETTERS.

The Commissioners of Revenue Inquiry* recommend a preparatory assortment of letters at the receiving-houses, similar to that here proposed. To this recommendation it has been objected by the Post-master General, that "the receivers are tradesmen, and any operation with the letters in an open shop, beyond the mere transfer from the receiving-box to the bag, must be highly objectionable, even if it tended to forward the business at the General Post Office; but any attempt at such assortment, with nearly 700 post towns classed in 24 divisions, would lead to extensive confusion, and would retard instead of expediting the delivery."† But the objection here stated does not appear applicable to the plan which I have proposed; under that plan the letters *would* be merely transferred from the receiving boxes to the bag.

The present mode of procedure is, for the letters to be taken

* Eighteenth Report, p. 64.

† Parliamentary Return, 1835, No. 512, p. 6.

to the Central Office unassorted: at the Central Office they are first assorted into twenty-four divisions, each division corresponding to a line of road,—that is, all letters which go by the same mail-coach are put into a heap, and these heaps are then subdivided, so as to bring all letters for the same post town together.

It appears, then, that a preparatory assortment of letters into twenty-four divisions is common to both the existing and the proposed arrangement. The preparatory alphabetic assortment, however, possesses two decided advantages over the other; first, it is made before the receiving-houses close; secondly, it is much more easily effected, and consequently much more rapidly and accurately done: for it requires no knowledge of the mechanism to be afterwards employed for the distribution of letters, but merely the power of deciding quickly whether a certain place is a post town or not, a fact which the receiver may always ascertain by consulting an alphabetic list, and such a list is frequently consulted at present to ascertain the rate of postage; or, as the number of letters which present any difficulty must always be small, he may put them apart for assortment at the Central Office, by those who have more experience than himself; while the preparatory assortment now practised requires a knowledge not only as to whether certain places are post towns or not, but as to the particular line of road to which every one of the 700 post towns belongs. Frequent practice will certainly accomplish much; but it may be doubted whether, amid such a multitude of facts, any amount of practice will afford that perfect familiarity which is essential to a high degree of accuracy and dispatch. If the alphabetic arrangement were adopted, it is probable that the first operation, after the letters arrived at the Central Office, would be, to bring all letters for the same post town together; they would then be put into the bags, and the bags assorted for the roads. Possibly experience may show that even more progress in the assortment might be made at the Receiving-houses. Much would be accomplished by providing separate boxes for a few of the largest towns, as Dublin, Glasgow, Edinburgh, Liverpool, Manchester, Birmingham, and Bristol.

If this were done, a very considerable portion of the whole number of letters would be finally assorted; for in these towns, and in London, nearly one-half of the Post Office revenue is collected.*

No. 3.

RECEIPTS FOR LETTERS.

There is an important improvement, the mention of which was reserved for the Appendix, because it is not essentially connected with those great changes which it has been the main object to recommend.

The evidence given before the Commissioners of Revenue Inquiry shows the great desirability of some plan which would render it practicable and easy to give, when required, receipts for letters sent to the post.

In many instances such a plan would be the means of tracing lost letters: oftentimes it would protect the Post Office from needless applications and unfounded complaints; and it would oppose an effectual bar to the fraudulent conduct of servants, who are known, in many instances, to have destroyed letters, in order to pocket the postage.

I should propose that every person desiring a receipt should, on taking the letter to the receiving-house, present a copy of the superscription, on which the Receiver should stamp a receipt, with the date, and his own address.

I propose that the charge for such receipt should be a halfpenny, and that, as a means of collecting the same, it should be required that the copy of the superscription should be made on a printed form, to be provided by the Post Office, and to be sold to the public at the rate of a halfpenny each, by the Receiver, either singly or in books, as might be required; a certain profit on their sale being allowed by the Post Office, as a remuneration to the Receiver.

As a large number of persons would probably avail themselves of this arrangement, no small benefit might thus accrue to the revenue.

* Tables of Revenue, &c., 1834, p. 44.

Estimate of the Number of Chargeable Letters which pass through the Post Offices of the United Kingdom in a Year.

[The data on which this calculation is founded, are, 1st, The number of letters delivered in London and the suburbs, as far as the limits of the three-penny post; 2nd, The amount of postage collected within that district; and 3rd, The amount collected in the whole kingdom. As about one-fifth of the letters are post-paid, the amount of postage collected in the metropolitan district does not necessarily represent the total charges on the letters delivered in that district; it may, however, be safely assumed that the postage paid in advance on the letters delivered, is balanced by the postage paid in advance on the letters collected in the district.]

The number of chargeable general post letters, brought into London by the mails in the course of a week, counting double and treble letters as one each, is at the present time (Nov. 1836) about	222,000
Of which the "forward letters," or those passing through London on their way to other post towns, are about.....	36,000
Consequently the number of chargeable general post letters, delivered within the metropolitan district in a week, is about	186,000
The number of letters delivered by the two-penny and three-penny post in a week is, at present, about	270,000
Of which the general post letters included above are about	30,000
Consequently the number of two-penny and three-penny post letters delivered within the metropolitan district in a week, is about	240,000
And the whole number of chargeable metropolitan letters in a week is about	426,000
Or per annum about	22,152,000

The amount of postage collected in the metropolitan district, in the year 1835, after deducting for returned letters, over-charges, &c., was as follows:

* In the General Post department.....	£454, 000
* In the Two-penny and Three-penny Post department	113, 000
Total.....	£567, 000

Being an average of about 6½d. per letter.

† The amount of postage collected in the United Kingdom, in the year 1835, was £2,243,293, or about four times as much as that collected in the metropolitan district; consequently the whole number of chargeable letters which pass through the post offices of the United Kingdom in a year, may be assumed to be about 22,152,000 × 4 = 88,608,000.

Estimate of the Number of Franks passed through the Post Offices of the United Kingdom in a Year.

The number which arrive in London in the course of a week is, at the present time (Nov. 1836), about.....	53, 500
The number dispatched from London in a week is about	41, 200

Total of franks passed through the London office in one week 94, 700

As one-half of these probably are Government franks, the greater part of which pass through the London Post Office, the number of franks carried by the cross-posts, even in the parliamentary vacation, will of course be considerably below the proportionate number of

* Finance Accounts for 1835, p. 54.

† Ditto, pp. 54 and 57.

chargeable letters conveyed by the cross-posts; that number, as estimated by the amount of postage,* is about two-thirds of the number passed (inwards and outwards) through the London office. The number of cross-post franks, including those received and dispatched by the Dublin Post Office, will probably be about one-half of those passed through the London Office. Say

47,300

Making the whole number of franks per week... 142,000
Or, per annum. 7,384,000

Estimate of the Number of Newspapers passed through the Post Offices of the United Kingdom in a Year.

The number of newspapers dispatched by the London Post Office, per week, is, at the present time, about ... 305,000

The number published in London is, probably, about 500,000 per week; consequently three in five are dispatched by the Post Office.

The number of provincial papers published is probably about 900,000 per week; the proportion distributed through the provincial Post Offices, including those of Dublin and Edinburgh, is probably about three in ten; the number will therefore be about 270,000

Making the whole number of newspapers passed through all the Post Offices of the United Kingdom per week 575,000
Or, per annum..... 29,900,000
Say 30,000,000.

* Finance Accounts for 1835, p. 54.

Estimate of the Revenue which would be derived from the Post Office under the proposed arrangements, assuming

1. The number of chargeable letters to remain as at present.
2. That it increase two-fold.
3. That it increase three-fold ; and so on to seven-fold.

In each case the number of franked letters and newspapers is supposed to remain as at present.

Though this calculation is necessarily founded to some extent on conjecture, it is confidently hoped that the caution used in making it has secured results not remote from truth.

It will be borne in mind, that the proposed arrangements provide for defraying the cost of distributing the franks and newspapers out of the postage received for letters ; also, that, as the cost of secondary distribution is to be met by a special charge exactly equal to such cost, both the cost and the receipts connected therewith may be altogether omitted in the calculation.

From this calculation (see next page) it appears that, supposing the number of chargeable letters to increase six-fold, the benefit to the Exchequer would be practically the same as at present ; and that, supposing it to increase seven-fold, that benefit would be augmented by about £280,000 ; while on the most unfavourable supposition, one indeed which can never be verified, viz. that the enormous reduction in postage should produce no increase whatever in the number of letters, the Exchequer would sustain scarcely any injury beyond the loss of its present revenue. In other words, while every individual in the country would receive his letters at an almost nominal expense, the whole management of the Post Office would bring upon the state a charge of only £24,000 per annum, and, as this would also cover the gratuitous distribution of franks and newspapers, it may fairly be considered as a mere deduction from the produce of the newspaper stamps.

Estimate of the Revenue which would be derived from the Post Office under the proposed arrangement.

Heads of Charge.—See page 12.	Present cost of primary distribution. (See page 12, column D.)	Estimated Cost of Primary Distribution, assuming the number of Newspapers and Franked Letters to remain under all circumstances as at present, but the number of Chargeable Letters,						
		1st. To remain as at present, viz. 88,608,000 per ann.	2nd. To increase two-fold.	3rd. To increase three-fold.	4th. To increase four-fold.	5th. To increase five-fold.	6th. To increase six-fold.	7th. To increase seven-fold.
		Such increase would augment the whole number of packets to be distributed, whether Chargeable Letters, Franks, or Newspapers, in the ratio of						
		$1\frac{7}{10}$ to 1	$2\frac{1}{10}$ to 1	$3\frac{1}{10}$ to 1	$3\frac{8}{10}$ to 1	$4\frac{3}{10}$ to 1	$5\frac{2}{10}$ to 1	
	£	£	£	£	£	£	£	£
Salaries and allowances	222,510	190,000	209,000	224,000	230,000	246,000	255,000	263,000
Allowances for special services and travelling charges.....	8,039	8,039	9,000	10,000	11,000	12,000	13,000	14,000
Conveyance of mails, &c.	135,919	135,919	179,000	223,000	267,000	310,000	354,000	398,000
Packet service, &c.	4,987	4,987	6,200	7,400	8,700	10,000	11,300	12,600
Tradesmen's bills, &c.....	9,974	9,974	12,000	13,000	14,000	15,000	16,000	17,000
Rents, tithes, and taxes	4,085	4,085	4,700	5,200	5,600	6,000	6,400	6,800
Law charges.....	5,913	5,000	6,000	7,000	8,000	9,000	10,000	11,000
Stationery, printing, & postage	3,539	3,539	4,200	4,800	5,400	6,000	6,600	7,200
Superannuation allowances, &c.	30,248	30,248	30,248	30,248	30,248	30,248	30,248	30,248
Menai and Conway bridges, (tolls)	1,303	1,303	1,800	2,200	2,600	3,000	3,400	3,800
Total cost of primary dist.	426,517	393,094	462,148	526,848	582,548	647,248	705,948	763,648
Receipts		369,200	738,400	1,107,600	1,476,800	1,846,000	2,215,200	2,584,400
Net revenue or profit .....	.....	23,894	276,252	580,752	894,252	1,198,752	1,509,252	1,820,752
		Loss.						

Which of the above results will be obtained by the measure contemplated, it is impossible to predict with certainty. Important material for conjecture, however, may be found in the effects of similar reductions.

That the lowering of duties most decidedly tends to increase consumption, is proved by the fact, that in scarcely any instance has the loss to the revenue been in the same proportion as the reduction. Several instances were cited in the first page of this little work showing that diminution in the rate of duty often occasions comparatively little decrease in its productiveness, while it is sometimes followed by an absolute increase.

It is manifest, however, that that which produces the increase of consumption is a decrease, not in duty, but in *price*. It is of no practical importance to the consumer how this price is made up, and it is only in its tendency to lower the price, or, what is the same thing, to improve the quality, or increase the facility of purchase, that the diminution in duty concerns him.

As in all taxed articles the price is made up of cost and duty, it is manifest that the lowering of the duty cannot in the same ratio lower the price. Thus, on a reduction of one-half in the duty on coffee, the price fell by only one-fourth. In the change here contemplated, on the other hand, our dealings are at once with price. We do not propose to lower the duty on the transmission of letters in the hope of obtaining a reduction in postage, but at once to reduce postage itself. In considering the effects of this change, therefore, we have nothing directly to do with the diminution of duty, but only with a decrease in price. And this circumstance, fortunately, saves us much laborious investigation, as decrease in price is often the compound result of diminution in duty and increase in facility of production. Taking, therefore, one or two articles of which, from whatever cause, the price has fallen, we will observe how far that reduction has resulted in increased consumption.

The price of soap, for instance, has recently fallen by about one-eighth; the consumption in the same time has increased by one-third. Tea, again, the price of which, since the opening of the China trade, has fallen by about one-sixth, has increased in con-

sumption by almost a half. The consumption of silk goods, which, subsequently to the year 1823, have fallen in price by about one-fifth, has more than doubled. The consumption of coffee, the price of which, subsequently to 1823, has fallen about one-fourth, has more than tripled. And the consumption of cotton goods, the price of which, during the last twenty years, has fallen by nearly one-half, has in the same time been fourfolded.

If we might safely infer a general rule from these statements, it would appear that, to say the least, the increase in consumption is inversely as the squares of the prices. And a calculation founded on this rule would lead us to expect that, if the proposed average reduction in postage, viz., from 6*d.* to 1*d.* per letter, were effected, the number of letters would increase thirty-six fold; and perhaps it is not altogether beyond the bounds of possibility that a very long course of time should bring us to some such a result. Indeed, when we consider the immense increase which has taken place in travelling by water, wherever steam-boats have been brought into operation, and when we consider that the advantages which have led to this increase, viz., greater speed and certainty with reduced charges, are equally secured by the arrangements here proposed, this result is not quite so extravagant as might at first sight appear. Still, for many reasons, it would be quite erroneous to admit even the remote possibility of such an enormous increase into any practical consideration of the subject; nor indeed is there any temptation to speculate on such distant chances. A reference to the table which precedes these observations will show, that an increase not more than a sixth part of that, the remote possibility of which has just been glanced at, would be sufficient to retain the revenue in its present state, while a yet smaller increase is all that has been counted upon as probable.

It is important to observe that that increase in the number of letters which would sustain the revenue in its present state, does not require any addition to the present actual expenditure in postage.* All that is necessary to secure the revenue from any

* To make this statement literally correct, a small allowance should be made to meet the expense of secondary distribution; and on the other hand, the present average postage should be given at 6½*d.* instead of 6*d.*

diminution is, that the public should be willing to expend as much in postage as at present. Now it would be very difficult, perhaps impossible, to point out any instance in which a reduction in the price of any particular article has not eventually, and even speedily, been followed by such an increase in demand, as has at least sustained the total expenditure in that article at its former amount. In every one of the instances given above, all of which are of articles of very general consumption, the total expenditure, so far from being diminished by the decrease in price, has considerably increased, and in some instances the increase is very great. Thus on coffee, the price of which, as stated above, has fallen one-fourth, the public now expends more than twice as much as it did before the reduction. And, making every allowance for the progress of population and wealth, this increase, when considered as not on the consumption but on the actual expenditure, must be pronounced a very striking fact. Nor is it to be explained by supposing that coffee has superseded other beverages, for, during the very same time, there has been a corresponding increase in the amount expended on tea, malt liquor, and spirits, an increase manifestly attributable to the same causes.

Among the circumstances to be referred to in considering the probable increase in the number of post-letters, the most important, as regards immediate effect, is the fact that an immense number is already transmitted by irregular means. The extent to which this is carried cannot be ascertained for obvious reasons; but occasionally facts come to light which show that it must be very great. I have already stated (p. 32) that an extensive irregular distribution of letters is constantly proceeding in the manufacturing district around Birmingham; and it is well known that vast numbers are every day forwarded by carriers and coach proprietors. Not long ago there was seized in a carrier's warehouse one bag containing *eleven hundred letters*. Almost all parcels, especially such as are sent at stated times, (booksellers' parcels for instance,) contain letters: not unfrequently large packets are sent, consisting of letters alone; while scarcely any packet of goods travels without its invoice, though there is such a

manifest advantage in sending the invoice as a forerunner of the parcel, that nothing but the high rate of postage prevents its general transmission by post. Indeed some commercial men, with whom I have conversed on the subject, inform me that, but for the expense, they should invariably make use of the post for this purpose ; so important do they consider it that their customers should have early and definite notice of parcels to be received.

As regards more distant effects, a most important circumstance is the fact that the poorer classes are, to a great extent, debarred from communication by letter, through the high charges for postage. The vast importance (financially speaking) of opening the Post Office to these numerous classes, will appear on comparing the amount of revenue derived from the duty on those articles of which they are the principal consumers, with that obtained from articles, the use of which is limited to the wealthy. Thus, for instance, the duties on malt and ardent spirits (which, beyond all doubt, are principally consumed by the poorer classes) yield a yearly revenue of about thirteen millions, while the annual revenue obtained from wine (the beverage of the wealthy) is only seventeen hundred thousand pounds. The wish to correspond with their friends may not be so strong, or so general, as the desire for fermented liquors, but facts have come to my knowledge tending to show that, but for the high rate of postage, many a letter would be written, and many a heart gladdened too, where the revenue and the feelings of friends now suffer alike. In one instance with which I became acquainted, a brother and sister, residing, the one at Reading, the other at Hampstead, had suspended intercourse for nearly thirty years ; that they were deterred solely by considerations of expense is proved by the fact, that, on franks being furnished by the kindness of a member of parliament, a frequent interchange of letters was the immediate consequence.

How many who can write are thus prevented from exercising the art, and how many who would write are thus deprived of a strong motive for acquiring it, time alone will show ; but a glance at what is now doing in popular education will discover the strength of the desire, and the evil of the prohibition.

Thus it appears that a great increase of revenue might be fairly expected, without any increase in the present correspondence of the country, merely by superseding the motives to illicit distribution which now exist. While, on the other hand, by bringing down the price within the reach of all classes, it is clear that a great stimulus will be given to letter writing; which cause, taken in combination with the rapid diffusion of knowledge, may, without extravagance, be expected greatly to multiply the existing correspondence. These elements of increase do not include that which may reasonably be expected from the employment of the Post Office in the distribution of printed papers of various kinds.
