

Crawford 1198

1849.

NEW SOUTH WALES.

POSTAGE BILL.

Clayton

REPORT FROM THE SELECT COMMITTEE

ON THE

POSTAGE BILL,

WITH

MINUTES OF EVIDENCE.

ORDERED, BY THE COUNCIL, TO BE PRINTED,

12th September, 1849.

Sydney:

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1849.

*From Topland
collection*

EXTRACTS FROM THE VOTES AND PROCEEDINGS OF THE
LEGISLATIVE COUNCIL.

VOTES No. 48, THURSDAY, 9 AUGUST, 1849.

3. Postage Bill:—The Colonial Secretary moved, That this Bill be now read a second time.
Debate ensued.
Question put and passed; Bill read a second time.
The Colonial Secretary then moved, That this Bill be referred to a Select Committee.
to consist, with the mover, of the following Members:—The Auditor General, Mr.
Donaldson, Mr. Lamb, Mr. Moor, Mr. Cowper, Mr. Hamilton, Mr. William Mac-
arthur, and Mr. Cooper, with instructions to report upon its several provisions.
Debate ensued.
Question put and passed.

VOTES No. 67, WEDNESDAY, 12 SEPTEMBER, 1849.

Postage Bill:—The Colonial Secretary, as Chairman, brought up the Report from and
laid upon the Table the Evidence taken before the Select Committee to whom this
Bill was referred on the 9th ultimo, together with a copy of the Bill as amended in
the Select Committee.
Report, Evidence, and amended Bill ordered to be printed.

LIST OF WITNESSES EXAMINED:—

James Raymond, Esq	1
C. J. Campbell, Esq	10
Mr. R. Clayton	16
Edward Knox, Esq	17
James Raymond, Jun., Esq.....	18



1849.

NEW SOUTH WALES.

REPORT FROM THE SELECT COMMITTEE
ON THE
POSTAGE BILL.

THE SELECT COMMITTEE of the Legislative Council appointed on the 9th August, 1849, to whom was referred "*A Bill to establish an uniform rate of Postage, and to consolidate and amend the law for the Conveyance and Postage of Letters,*" with instructions to report upon its several provisions, have agreed to the following Report.

As the measure introduced by the Government recognizes the expediency of adopting an uniform rate of Postage, the first question which engaged the attention of your Committee was the particular rate which should be adopted in this Colony, having a due regard, on the one hand, to the wants of the public, and on the other hand, to the exigencies of the Revenue; it appearing to your Committee that the Postal Department should be made to pay its own expenses, or, in other words, that the rate should be so fixed as that the expenditure of the Post Office should be ultimately covered by the revenue to be derived from Postage.

2. The principle of an uniform rate appears inseparable if not deducible, from another principle, namely, that of pre-payment. To adopt the language of the author of Postal Reform in Great Britain—"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, an uniform rate of postage to simplify the mode of accounting for its receipt."

3. It may not be inappropriate here to glance at the mode in which the uniform penny rate was arrived at in Great Britain. From a statement contained in Mr. Rowland Hill's first pamphlet (1837), it appears that the then average cost of conveying a letter or newspaper in Great Britain, including the cost of collecting the tax thereon, was about $1\frac{1}{2}$ d. But it was shewn that the Post Office Revenue was burdened with many heavy charges which in fairness ought not to enter into the calculation. Disregarding these extraneous charges, the results at which Mr. Hill arrived are thus shewn (page 16):—"It appears then that the cost of mere transit incurred upon a letter from London to Edinburgh, a distance of four hundred 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 shewn how we are to collect so small a sum as the thirty-sixth part of a penny.*"

4. Your Committee were desirous of following the course here marked out, as closely as the different circumstances of the Colony would permit. According to a Return laid before your Committee by the Postmaster General, it appears that, assuming for the purpose of this calculation, that letters of every kind and also newspapers pay postage, the present average rate of Postage is 2-38 pence, whilst the entire average cost per letter is 2-52 pence, of which 1-57 of a penny, or more than three-fifths, represents the average cost of conveyance, and 0-95 of a penny or less than two fifths the cost of management, or in other words, of the receipt, delivery and collection of the Postage.

5. It should be here explained that this and the other Returns which will be found appended to the Postmaster General's Evidence, relate exclusively to the Middle District of the Colony, as time did not admit of similar Returns being procured from Port Phillip. But there is no reason to believe that the Returns for the whole Colony would shew a different result.

6. Having regard to these figures, and trusting to the sources of increase hereinafter alluded to, your Committee are prepared to recommend that the uniform rate of inland Postage in this Colony be fixed at two-pence for letters not exceeding half an ounce in weight, to be doubled in case of non-pre-payment, leaving the Postage on ship letters and Town delivery as at present, except that the latter should be charged double if not pre-paid.

7. But to compensate, in some degree, for so great a reduction (from eight pence, the present average postage of inland chargeable letters, to two-pence), it is absolutely necessary that in addition to the abolition of franking already provided for in the Bill, there should be imposed a moderate postage on newspapers.

8. It will be seen from the evidence of the Postmaster General, that a very large proportion of the expense of the conveyance of mails arises from the bulky nature of the newspapers transmitted by post. Mr. Raymond states his opinion, "that letters constitute only about a tenth of the "entire bulk of the mails," that "out of ten pounds weight, there are nine of newspapers to one of letters." Besides this tenfold multiplication of the bulk of the mails, and the great consequent increase of the cost of transit, there is a corresponding increase in the cost of management. The Postmaster General states, "there are two men constantly employed "in sorting newspapers, and we are obliged to employ the whole strength "of the department on some occasions."

9. Under these circumstances it appears to your Committee obviously unfair that newspapers should continue to enjoy an exemption from Postage at the expense of the class of letter writers. Nor is there anything novel in subjecting newspapers to the payment of at least a portion of the expense which they cause to the public. The practice prevailed in this Colony some years ago; it is now the practice in the United States of America, where newspapers are chargeable with a Postage of one cent per ounce; and if they are exempt from Postage in Great Britain, it is only in consideration of the fact that they largely contribute to the Revenue by means of a stamp duty, and a heavy tax upon advertisements, to neither of which have newspapers ever been liable in this Colony. After mature consideration of the question your Committee have resolved to recommend that the Postage on newspapers, whether Foreign or Colonial, should be an uniform rate of one penny *each*, without regard to weight, and with this further qualification, that they shall not be subject to compulsory pre-payment, (that is to say, to a double rate for non-pre-payment;) and that newspapers arriving from beyond seas shall not be liable to Inland Postage, wherever delivered, in addition to the penny rate. Your Committee conceive that on the whole this mode is preferable to charging by weight, which would press most severely on the larger and more important class of journals, the circulation of which is perhaps of most value to the public, besides causing considerable additional expense in the establishment which would be requisite for this purpose. It must

also

Q. 41.

Q. 42.

Q. 43.

also be borne in mind, that the Bill laid before the Council already provides that it shall not be compulsory to send newspapers by the Post, but that the same may be sent in the way most convenient to the parties concerned. If, therefore, in any case a more favorable arrangement can be made for their transmission and delivery, it will be quite competent for the parties interested to adopt it.

10. In the present unsettled and unsatisfactory state of the question relating to the introduction of Steam Communication with England your Committee have been unwilling to recommend any alteration in the present rate of Sea Postage, as an entirely new arrangement will doubtless become necessary so soon as that most desirable measure shall come into operation.

11. Your Committee have had their attention particularly directed to the probable effect of these Postal alterations on the Revenue derivable from that source. In the Return furnished by the Postmaster General will be found the number of letters and newspapers of each class circulating in the Middle District of the Colony in the year 1848. Taking this as the basis of their calculation, your Committee conceive that the following may be regarded as a fair estimate of the probable Postal Revenue for 1850, should their present suggestions be carried into effect.

1. Inland chargeable letters	353,016							
Add 50 per cent. for probable increase..	176,508							
			£	s.	d.	£	s.	d.
	529,524	at 2d. =	4,412	14	0			
Add one-third of entire amount for probable non-pre-payment			1,470	18	0			
						5,883	12	0
2. Franks (no increase)	106,285	at 2d. =				885	14	2
3. Ship letters (no increase)	183,788	at 3d. =				2,297	7	0
4. Town letters	56,173							
Add 50 per cent. for probable increase..	28,086½							
			84,259½	at 1d. =	351	1	7½	
Add one-third for probable non-pre-payment			117	0	6½			
						468	2	2
5. Newspapers, (no increase) say	750,000	at 1d.				3,125	0	0
6. For Bankers' parcels, periodicals, &c., say						500	0	0
Total probable Revenue for 1850.....			£	13,159	15	4		

And assuming the Postal Revenue for the Port Phillip District to be in proportion, say £5,692 10s. 7d., the entire Postal Revenue of the Colony for 1850 will be £18,852 5s. 11d., shewing a deficit, as compared with the Revenue of 1848, of £1,860 7s. 2d.

Thus,—

Actual Revenue, 1848.			Estimated Revenue, 1850.		
£	s.	d.	£	s.	d.
Sydney	14,458	9 3		13,159	15 4
Port Phillip	6,254	3 10		5,692	10 7
	20,712	13 1		18,852	5 11
	18,852	5 11			
Deficit....	£ 1,860	7 2			

12. Your Committee are not unmindful that in the foregoing estimate is included (under the head of Franks) the expense of Official Postage, which will have to be defrayed from Public Colonial Funds, for the Departments

5 and 6 Vict., cap. 76.

Departments borne upon the General Revenue, as well as those Departments chargeable upon the Schedules of the Imperial Act, and the Territorial Revenue, and that in effect a further deficiency will in the first instance arise in the Postal Revenue on this account. On the other hand, there will be a direct contribution from the Military Chest for the Military and Convict Departments, which, under the present system of franking, have had this portion of their expenditure virtually defrayed out of Colonial Funds

13. It should also be explained that the foregoing estimate being formed on the number of letters and newspapers actually circulated by post in the year 1848, and the comparison drawn between the probable income that will be collected under the new system, and that actually received in the past year, based upon the data thus afforded, the increase of revenue which may be expected to be derived from the large extension of postal communication beyond the Settled Districts, which has been effected since the commencement of the present year, has not been taken into account, and which it is hoped will in some measure tend to make good the balance of the postal revenue which in the Estimate of Ways and Means for 1850 has been calculated as the probable income from this source.

14. Your Committee did not deem it necessary to pursue this calculation further than for one year, as it is in the first year that the greatest amount of deficit is to be looked for, and it is confidently anticipated that the very great reduction in the rate of Postage now recommended, by leading to increased correspondence, and by removing all inducement to evade the Post, will, in the course of three or four years, at the furthest, ensure the Revenue against all loss, whilst the social and moral advantages incident to a more enlarged means of correspondence, will, it is believed, amply compensate for any temporary loss of Revenue.

15. As so low a rate as two-pence has been proposed as the uniform inland rate, your Committee do not hesitate to recommend the adoption of the system of pre-payment with respect to inland and town letters, or the imposing a double rate in case of non-pre-payment; but in order to justify this course, it is necessary that every facility for pre-payment should be afforded to the public. With this view your Committee recommend the introduction of the system of Post Office stamps now in use in England. The necessary dies can, your Committee have ascertained, be prepared in the Colony at a moderate cost. The dies, when so prepared, should be placed in the custody of the Postmaster General, who should keep a strict account of the stamps struck off, and render periodical returns thereof, and of the issues, to the Government.

16. Your Committee attach the utmost importance to the successful introduction of stamps, without which the system of a low uniform rate can scarcely be said to have a fair trial. For the same reason your Committee recommend that facilities for increased correspondence should be given by the establishment of Post Offices in all the suburbs of the City, and of a number of receiving houses in convenient parts within the City. These receiving houses should not, as at present, be confined to the receipt of unpaid letters only, but should be open for the receipt of all letters and packets of every kind transmissible by post, whether unpaid or pre-paid by stamp or otherwise. In order to induce respectable shopkeepers and others to undertake the duties attaching to these receiving houses, it will, of course, be necessary, to allow them some adequate remuneration.

17. Whilst on this subject, your Committee must not omit to allude to the altered position of country Postmasters, consequent on the adoption of a low uniform rate. At present their only remuneration is a commission of twenty per cent. on the postage collected by them; but it is more than probable that the sudden reduction to the two-penny rate will render the commission so little remunerative, as to fail to ensure the services of respectable persons. Your Committee would, therefore, suggest, for the consideration of the Executive Government, whether it would not be well to make to the country Postmasters a fixed allowance, equal at least to the average commission received by them during the last three or four years.

18. Your Committee being desirous, if practicable, to afford to the inhabitants of the Colony the benefit of the system of Post Office money orders, which is adopted with great convenience to the public in the Mother Country, have taken evidence upon the subject from several gentlemen, whose opinions are recorded in the printed evidence which accompanies this Report. But your Committee regret to state that they cannot at present recommend the adoption of this system, for the following, among other reasons:—

(1.) A large portion of the currency in the interior consists of cheques and orders upon Sydney; and, with the exception of Maitland and Bathurst, no Bank is established in any inland town, nor do Bank notes circulate to such an extent as to render payments in cash either easy or safe.

(2.) Money orders not being transferable, the convenience to the public would be very small, while, if the English plan were so far altered as to render them transferable, the Post Office would be converted into a Bank of Issue, which would not be consistent with its legitimate objects.

(3.) By far the larger portion of the demand which could possibly arise from money orders would be in the interior, for orders payable in Sydney, which must involve both the considerable risk of transmitting money from the Branch Post Offices to the Capital, and the holding, for uncertain periods, of large balances in cash by the Deputy Postmasters; neither of which risks your Committee deem it right to recommend should be borne by the Government. The adoption, therefore, of this measure of convenience in connexion with Postal Reform, your Committee are obliged to recommend should be postponed, until by the rapid advances which the Colony is making, the facilities for a proper medium of circulation of money in the remoter districts shall be established.

19. Your Committee have also had their attention directed to the urgent necessity which exists for placing on a more satisfactory footing the postal arrangements between this Colony and the Mother Country; but, as your Honorable Council has in the meantime taken the subject into consideration, and sent up an Address to Her Majesty the Queen, your Committee deem it unnecessary to add anything to the Resolution adopted by your Honorable Council.

20. In order to facilitate the determination of this important measure, your Committee beg to present the Bill referred for their consideration, with such alterations as are necessary for giving effect to the several recommendations contained herein.

21. Although your Committee have not been able to suggest a strict adherence in all respects to the postal operations of Great Britain, they yet conceive that bearing in mind the present circumstances of the Colony, the reform involved in the foregoing recommendations is so considerable as to justify the adoption, in a qualified sense, of the language used by Mr. Rowland Hill, when, twelve years ago, he so happily conceived the idea, since effectuated, of postal reform in England:—"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. * * * * *

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 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."

E. DEAS THOMSON,
Chairman.

Legislative Council Chamber,
Sydney, 12th September, 1849.

1849.

NEW SOUTH WALES.

POSTAGE BILL.

MINUTES OF EVIDENCE TAKEN BEFORE THE SELECT COMMITTEE

ON THE

POSTAGE BILL.

SATURDAY, 18 AUGUST, 1849.

Present:

THE COLONIAL SECRETARY, IN THE CHAIR.

DANIEL COOPER, Esq.,

CHARLES COWPER, Esq.,

HENRY MOOR, Esq.,

James Raymond, Esq., called in and examined :—

James Raymond,
Esq.

18 August, 1849.

1. You are Post Master General? I am.
2. You have held that appointment for a number of years? Above twenty.
3. The Committee are desirous of obtaining information from you, which would afford data upon which they could propose a particular rate to be fixed in the Bill which is now before the Council? I have prepared an estimated return shewing the average rate of Postage, the average cost of conveyance, and the average cost of management, of the different classes of Letters (reduced to single rate) circulating in New South Wales, exclusive of the District of Port Phillip during the year 1848. (*The witness handed in the same, Vide Appendix A.*)
4. Have you made any calculation according to any specific rates, of the probable amount of Revenue that would be derived by the Post Office? I have made calculations at three separate charges of postage, 2d. 3d. and 4d.
5. Do you propose that each of these rates should be doubled in the event of the letter not being pre-paid? I do not propose that the 4d. rate should be doubled; but the other two might.
6. Will you state to the Committee the result of your calculation with reference to the 2d. rate? I beg to hand in the result of my calculation; I think I am rather under than over the mark in this calculation (*The witness handed in the same, Vide Appendix B.*)
7. This calculation is confined to the Sydney District? Yes.
8. And the amount of revenue is £11,704 16s. 9d.? Yes.
9. The Postage revenue at the present rate amounts to about £15,800? It was £14,430 9s. 2d. last year.
10. So that according to this calculation there would be a considerable falling off? Yes.
11. In this calculation you allow 33½ per cent for increase? Yes.
12. What do you allow for the double payment? I have not taken that into consideration in that calculation; I have only taken the single rate there.
13. At what rate have you calculated the Newspapers to be charged? At one penny each.
14. Does that include sea Newspapers as well? It includes all that pass through the Colony.
15. Can you form any estimate of the probable number of letters which, according to the rate, would have to pay the double rate of postage in consequence of not being pre-paid? I should say nearly one third.
16. That would go a considerable way to make up the deficiency in the revenue as shewn in this statement? Yes; that is an oversight in not putting it down.
17. You have also prepared a statement upon the calculation of a 3d. rate? Yes. (*The witness handed in the same, Vide Appendix C.*)
18. And upon the supposition that the charge shall be doubled in the case of letters not pre-paid? Yes; but the doubling of the rate is not brought into account at all.
19. You have made an allowance of twenty-five per cent, for increase at the three-penny rate? Yes.
- 20.

James Raymond,
Esq.,
18 August, 1849.

20. At what rate are Newspapers charged in this calculation? A halfpenny each.
21. And the total amount of revenue expected to be derived is £12,715 16s. 8d.? Yes.
22. Have you made a calculation at 4d.? Yes; (*The witness handed in the same, Vide Appendix D.*)
23. Is that a fixed rate, without charging double in case of non-pre-payment? Yes.
24. At what rate have you calculated Newspapers in this? A halfpenny each.
25. And the total amount is £14,422 8s. 6d.? Yes.
26. Allowing an increase of only ten per cent? Yes; I have calculated that the higher the postage the less will be the increase.
27. In point of fact this rate would bring the Postage revenue to its present amount? Within about £30.
28. From your practical knowledge and long experience in matters of this kind, which of these rates would you propose for adoption by the Committee? It is a difficult question; but I think three-pence would be nearly safe.
29. Is there not this objection to the three-penny rate, that if doubled in consequence of letters not being pre-paid it would in many cases be an increase upon the rate of Postage now paid; for instance, in the County of Cumberland? No; considering the weight of the letters; because we now charge double upon half ounce letters, whereas they are proposed to be charged only a single rate; we now charge 8d to Parramatta for a half ounce letter, whereas under this Bill, with the doubling it would be only sixpence; and if pre-paid only three-pence.
30. In the proposed scale which is contained in the Bill there are other advantages to the letter writing portion of the community as regards the mode of charge? I should think all the advantage was on the side of the community.
31. Under the present state of the law the rate is increased by every quarter of an ounce; whereas it is now proposed to be increased by each half ounce? Yes.
32. Have you taken this into account in your calculations? Yes; I have.
33. You have made allowance in each of your calculations for a considerable increase of revenue from the transmission of bankers' parcels, periodicals, and other papers of this description? I think the Bill in this respect will be a great source of revenue, and be very satisfactory to the public.
34. The present rates are almost prohibitory to the transmission by post of this description of papers? I may say entirely.
35. Have you made any allowance for the increase that probably would arise to the Postage revenue from the prevention of the evasion of Postage which now takes place in consequence of the high rates? It is upon that I have made my calculation of increase per cent.
36. Do you not consider that independently of the prevention of evasion, there would be an increase from the lowering of the rates acting as an inducement to persons to write letters? I place greater reliance in collecting all the stray letters that are now sent by hand. I think that will make more difference than the increase of the number of letters written; for instance, if persons have only threepence to pay for letters from here to Melbourne, they will not make them up in a parcel and send them by the steam boat.
37. *By Mr. Moor:* You do not think the extra revenue will arise so much from increased correspondence as from catching stray letters? Not so much.
38. *By Mr. Cwpper:* You anticipate that under the new system, many letters will go by post which have hitherto gone by other means? Yes.
39. *By the Chairman:* Do you consider that any increase in the expenses of conveyance and management would arise from the adoption of the rates upon which you have founded your calculations? I think the present management would be sufficient for the purpose for some time.
40. If there were any great increase in the number of letters, do you think there would be a corresponding increase in the expense of conveyance? The expense of conveyance depends a great deal upon what is done about Newspapers; whether the mails are to be encumbered with Newspapers free of cost.
41. Does a considerable part of the expense of conveyance arise from the bulky nature of the Newspapers transmitted by post? No doubt a great deal of it does, and we have complaints every day of the weight of the bags.
42. Are you enabled to state to the Committee the proportionate weight of Newspapers generally sent, as compared with that of letters and packets of other descriptions? I think the letters bear about the proportion of one tenth of the whole weight. Out of ten pounds weight there is nine of Newspapers to one of letters.
43. With respect to the expenses of the management of the Post Office, how are they affected by the Newspapers? There is a corresponding duty to perform, without being of any benefit to the Government. There are two men constantly employed in sorting Newspapers; and we are obliged to employ the whole strength of the department on some occasions.
44. The Post Masters in the interior, being paid by a commission on their actual receipts, get nothing for their trouble with respect to Newspapers? Nothing; and it forms a very large portion of their duty.
45. Although Newspapers pay nothing towards the revenue, complaints are numerous of their non-delivery? I think the complaints are made under a mistaken expectation of Newspapers

from

from England. People say such a friend in England forwards such a Newspaper, and they think they are harshly dealt with if they do not get them here; whereas in many instances they are not posted in England at all; in some instances we get papers from the Post Office in England for Cape Breton, South Wales, or North Wales; and we were in the habit of throwing these papers aside; but since the reports have got into circulation I send them back as mis-sent Newspapers; therefore they cannot be said to remain in the office.

46. *By Mr. Moor*: As those Newspapers are sent here erroneously, you have reason to suppose that the same thing happens with respect to Newspapers directed to this Colony? I am sure of it; I got a letter the other day addressed "Sydney," which was sent to Cape Breton, and from thence here.

47. *By the Chairman*: You have stated that at the two-penny rate, probably about one third of the letters would not be pre-paid? Yes.

48. Do you think there would be the same proportion of unpaid letters at a three-penny rate? I do not think there would be much difference.

49. *By Mr. Moor*: Do you calculate the penny upon Newspapers under the two-penny rate for the purpose of making up the revenue only? In fairness to the letter writers.

50. How is it you charge only a half-penny on Newspapers under the three-penny rate? That was my calculation at first under the two-penny rate; but if the rate is made so low as two-pence, something will be required to make up the deficiency in the revenue.

51. You talk about justice to the letter writer; I do not see how a desire of doing justice to the letter writer who has to pay two-pence should induce you to charge one-penny on Newspapers, when if you charge the letter writer three-pence you only charge the Newspaper one half-penny? I think unless something additional is imposed upon Newspapers, the rate cannot be brought so low.

52. *By the Chairman*: In point of fact whatever deficit there may be in the Postal Revenue will be a charge, not upon the letter writers, but upon the public at large? Upon everybody, as the deficiency will have to be taken from the General Revenue.

53. And therefore you propose that there should be a rate of one-penny upon Newspapers to make those who obtain the advantage pay for it? Yes; and to relieve the public from the charge; I have many complaints—Gentlemen say, why am I to pay so much. Perhaps the person who gets Newspapers does not write a letter in the whole year.

54. *By Mr. Cowper*: Might you not cause the complaint to go in the other direction, if from charging nothing, you were to make an excessive charge? The Editors of Newspapers did not complain much formerly when they were charged a penny, and I do not see why they should do so now; at present this is a bonus to Editors.

55. *By Mr. Cooper*: You stated that the increase you anticipate in the number of letters would not arise so much from increased correspondence as from catching stray letters? Yes.

56. Do you not think that at the very lowest rate there would be an increase from the mercantile and trading community writing not as matter of correspondence merely, but as matter of business; that is instead of coming down to purchase goods, they might write and send for samples of such and such goods to be sent to them? Yes; but I have taken that into consideration in the Estimate for parcels.

57. Is not that a cause of very great increase in England? Yes.

58. *By the Chairman*: Do you think it would be necessary to make any difference under the new principle with reference to the remuneration of the country Post Masters? I have considered that; and I would propose that the average commission paid to each country Post Master for three years back should be calculated, and he should receive a fixed remuneration to that amount, payable quarterly; suppose a Post Master has received upon an average £40 a year, I would give him £10 a quarter.

59. *By Mr. Cowper*: Do you think that would be preferable to paying them a percentage as at present? There would then be a difficulty in getting Post Masters if the Postage rates were reduced. It is difficult to get Post Masters at the present rates.

60. Are there not some Post Offices where the paying by commission works unfairly, for instance where there is a central Post Office, the Post Master has a great deal of night work and makes up a great number of mails probably; in such a case would it not be fair to give him extra remuneration for his extra trouble? Where there is that extra trouble there is generally a considerable amount of business done, and the Post Masters have always been satisfied with the twenty per cent; no doubt some Post Masters will have the advantage of others, but I do not see how that can be avoided.

61. *By the Chairman*: Might it not be made optional with the Post Masters to receive either one or the other, so that if the Postage increased they would have an increase of remuneration? I have thought that at the end of each half year the balance should be made up the same as the preceding year, but that has since struck me as being too complex; the Post Masters would rather have a certain sum.

62. *By Mr. Cowper*: Would you revise that scale of remuneration at the end of one, two, or three years, and until then allow them a salary equivalent to the average commission they have received for the last three years? That should be the salary, and afterwards if the Government saw fit they might increase it.

63. You would not at the present stage make any recommendation that it should be revised? No.

James Raymond,
Esq.,
18 August, 1849.

James Raymond,
Esq.
18-August, 1849.

64. *By Mr. Cooper*: Would not many storekeepers and shopkeepers be glad to receive and dispatch letters for the custom it would draw to them? I am anxious to get that class of persons, and wherever they have offered, I have accepted them.

65. *By the Chairman*: Have you considered the practicability of introducing the system of stamps for pre-payment into this Colony? When the subject was first brought under my notice I thought we could only obtain stamps by sending to the stamp office in England for them, but by this means the whole of our revenue would have been absorbed; to avoid the evil, I propose that we should have a stamp prepared here, which should be kept in a room in the Post Office, where any quantity might be struck off.

66. You are in favour of stamps? Yes.

67. You think you could manage it by your own department, if the proper dies were made? Yes.

68. Have you made any inquiry as to whether the proper dies could be made in the Colony? I have.

69. Will you state the result of that inquiry? One of the engravers has sent me a tender offering to put the whole thing in working order for £36. (*The witness handed in the same, Vide Appendix E.*)

70. Is that for one description of stamp only? For three different descriptions; the press is the expensive part of it; the stamps are fixed into the press.

71. That would include engraving the stamps? Yes.

72. Have you satisfied yourself that these are stamps which could not easily be imitated to facilitate forgery? By having them under our own lock no one could furnish them without going to the expense of say £25; and it would be very little worth a man's while to go to that expense for a thing which could only last for a few days, as it must soon be discovered.

73. *By Mr. Cooper*: By a galvanic battery might it not be done at a small expense? I do not think the inducement would be sufficiently great to a person to forge the stamps.

74. *By The Chairman*: Are you aware of the nature of the stamps prescribed by the Post Office authorities at Home? I am not minutely.

75. It appears that they are:—"First, Stamped Covers; the Stamp being struck on pieces of paper the size of half a sheet of quarto letter-paper.

"Second, Stamped Envelopes;—the Stamp being struck on pieces of paper of a lozenge form, of which the stationers and others may manufacture envelopes.

"Third, Adhesive Stamps; or Stamps on small pieces of paper with a glutinous wash at the back, which may be attached to letters either before or after they are written; and

"Fourth, Stamps to be struck on paper of any description which the public may send to the Stamp Office for that purpose." Do you consider that it would be possible to carry out the whole of this arrangement here? The glutinous stamps are the kind I was alluding to.

76. Could you not carry out the others? I should say we might. At the present moment we do make a great many stamps for the town delivery.

77. In what way would you propose, after the stamps have passed through the Post Office, to mark them, so as to prevent their being used again? There is a sort of die used in the English Post Offices, which is put across them and disfigures them.

78. Would you propose that these stamps should be sold to stationers and also to country post-masters, that they might be purchased for individuals for use as they might be required? Yes; that is the best way of disposing of them.

79. They might be sold at a small per centage discount in order to leave a profit to the ultimate vendors? I charge eight shillings a hundred for the present stamps, so that the vendor has four-pence profit on a hundred.

80. Do you find that that is a sufficient inducement to parties to deal in stamps of that kind? I have experienced some difficulty in inducing persons to use these envelopes; for although the charge for Postage when the envelope is not used is two-pence, and the envelope costs only a penny, they have been very little used; of late, however, they have been much more generally used.

81. *By Mr. Cooper*: If there were a more frequent delivery, would there not be a great increase in the use of them? I adopted three deliveries; one at nine o'clock, one at two, and one at four; but I found the four o'clock delivery of no use, the principal merchants being away, the offices locked, and nobody to take the letters.

82. Have you inquired of any of the Bank Managers here who have tried to have their plates for bank notes executed in this Colony, whether they have had any difficulty in so doing? I am aware there have been great difficulties.

83. They have discontinued them? Yes.

84. There is a great difficulty not only as to the die, but also as to the ink used? Yes.

85. *By the Chairman*: Are there any precautions which you would recommend to prevent the possibility of frauds being committed on the revenue by means of the stamps? I do not know any, except by following the plan adopted in England, to disfigure the face of the stamp on its first entering the office.

86. I mean particularly with reference to the issuing of the stamps? That will depend greatly on the care taken in the office.

87. *By Mr. Cooper*: Does not pre-payment give greater facility in the delivery of letters?

No.

No doubt; Mr. Rowland Hill says, "It is especially important that the charge for Postage should be brought so low as that it may be invariably paid in advance; anything short of this must be attended with a comparatively complex, expensive, slow, and unsatisfactory system of management."

James Raymond,
Esq.
18 August, 1849.

88. *By the Chairman*: Do you see any difficulty in carrying out a system of money orders, to the limited extent of five pounds, according to the system which obtains in England? There are several post offices such as Bathurst, Goulburn and Maitland, where we could do it at present; but in many other places the system could not be adopted for some time.

89. *By Mr. Cooper*: Upon what plan would you recommend it to be done? Suppose a person comes to the Post office in Sydney, and lodges £1 with us, I give him an order for £1 on the Post Master at Bathurst, for instance, for which he pays a certain per centage, and we advise the Post Master at Bathurst of it; that order, if stolen, will not be paid except to the person in whose favor it is drawn; the Banks refuse to pay cheques to order, but we would do so.

90. How is the Post Master to pay the order if he has not got notes? At Bathurst or such places they generally have money.

91. Might they not draw upon you again? They might.

92. Knowing that the order, like a Bench of Magistrates cheques in the country, was considered to be drawn upon you by an authorised party, persons would take it as soon as money? Yes; and sooner, because it would only be payable to order, and if stolen the money would not be lost; the party having the management of that department would not pay the order except to a particular person.

93. *By Mr. Moor*: You would be as subject to imposition as the Banks were under that system? We must be very cautious, but we take care to deliver letters only to proper parties.

94. *By Mr. Cooper*: You do not give a letter to a person unless you are almost certain he is the right party? We take every possible care.

95. You think if the rate of Postage upon letters is made two-pence there ought to be a rate of one-penny upon Newspapers, and if three-pence on letters, a halfpenny on Newspapers? I am in doubt as to which rates to recommend.

96. You are not so certain as to feel justified in giving a decided opinion? I am not.

97. *By the Chairman*: Do you think it possible that the revenue could be made up with a two-penny rate, without charging a penny on Newspapers? No; the falling off will be so great upon letters that a rate must be put upon Newspapers.

98. Would not a postage of one-penny very much reduce the circulation of Newspapers? I do not think it would.

99. You contemplate then that the subscribers would not have to pay it? The Editors paid it formerly, and to secure their circulation will do so again.

James Raymond,
Esq.,
18 August, 1849.

APPENDIX REFERRED TO.

A

ESTIMATED RETURN shewing the average rate of Postage, the average cost of conveyance, and the average cost of management of the different classes of Letters, (reduced to single rate,) circulating in New South Wales exclusive of Port Phillip, during the year 1848.

	NUMBER.	AVERAGE RATE OF POSTAGE.	AVERAGE COST OF CONVEYANCE.	AVERAGE COST OF MANAGEMENT.
Inland chargeable Letters,	353,016.	8 $\frac{1}{100}$.	5 $\frac{98}{100}$.	3 $\frac{95}{100}$.
Inland chargeable Letters, and Ship Letters.	} 536,804.	6 $\frac{29}{100}$.	4 $\frac{28}{100}$.	2 $\frac{58}{100}$.
Inland chargeable Letters, Ship Letters, Franks, Town Letters,	} 699,262.	4 $\frac{97}{100}$.	3 $\frac{28}{100}$.	1 $\frac{98}{100}$.
All classes of Letters and Newspapers.	} * 1,459,262.	2 $\frac{38}{100}$.	1 $\frac{57}{100}$.	0 $\frac{95}{100}$.

* Includes only 750,000 Newspapers as it is calculated over 250,000 are counted twice; first as ship Newspapers, and when forwarded to or received from the interior they are entered as Inland Newspapers.

B

TWO-PENNY RATE.

Estimated amount of Postage likely to be collected. All classes of Letters (except Town Letters) being charged two-pence, Town Letters one-penny and Newspapers one-penny. The calculations are founded upon the number of letters circulating in New South Wales during the Year 1848, exclusive of Port Phillip.

Inland Letters . . . }	643,089	£5,359. 1. 6.
Ship Letters . . . }		
Franks, . . . }		
Town Letters, . . .	56,173.	234. 1. 1.
Newspapers	90,000.	3,750. 0. 0.
		£9,343. 2. 1.

* Add 33 $\frac{1}{3}$ per cent, for increase	1,786. 7. 2.
Add for Bankers' parcels, &c., ...	500. 0. 0.
	£11,629. 9. 3.

* I have only calculated upon a third increase thinking it better to be on the safe side. It is possible however that the increase may be 50 per cent, and if the clause respecting pre-payment should be adopted, some additions may be calculated upon for non pre-payment. This rate would also answer for parcels, periodicals, &c.,

C

THREE-PENNY RATE.

Estimated amount of Postage likely to be received. All classes of Letters (except Town Letters) being charged an Uniform Postage of three-pence, Town Letters one-penny, and Newspapers

Newspapers one halfpenny. The calculations are founded upon the number of Letters circulating during the year 1848, and exclusive of Port Phillip.

Inland Letters, ... }	643,089.	£8,038. 12. 3.	
Ship Letters, ... }			
Franks, ... }			
Town Letters, ...	56,173.	234. 1. 1.	
		£8,272. 13. 4.	
Add 25 per cent, for increase		2068. 3. 4.	
Add for Bankers' and other parcels, periodicals, &c., ...		500. 0. 0.	
Add for Newspapers, say 900,000.		1,875. 0. 0.	
		£12,715. 16. 8.	

James Raymond,
Esq.,
18 August, 1849.

D

FOUR-PENNY RATE.

Estimated amount of Postage likely to be collected. All classes of Letters (except Town Letters) being charged an Uniform postage of four-pence, Town Letters one-penny, and Newspapers one halfpenny. The calculations are founded upon the number of Letters circulating in New South Wales during the year 1848, and exclusive of Port Phillip.

Inland Letters, ... }	643,089.	£10,718. 3. 0.	
Ship Letters, ... }			
Franks, ... }			
Town Letters, ...	56,173.	234. 1. 1.	
		£10,952. 4. 1.	
Add 10 per cent, for increase		1,095. 4. 5.	
Add for Bankers' and other parcels, periodicals, &c., ...		500. 0. 0.	
Add for Newspapers, say 900,000		1,875. 0. 0.	
		£14,422. 8. 6.	

E

Castlereagh-street, Sydney,
24th August, 1849.

GENTLEMEN,

I beg leave most respectfully to state, that I am prepared to furnish you with Press, Dies and Plates, for the sum of (£36,) thirty-six pounds, covering the whole expense necessary for the full completion of the work you require for the General Post Office Establishment.

With the most profound respect,
I beg to subscribe myself Gentlemen,
Your most obedient servant,

ROBT. CLAYTON.

Wednesday.

WEDNESDAY, 22 AUGUST, 1849.

Present :

THE COLONIAL SECRETARY, IN THE CHAIR.
 DANIEL COOPER, Esq., | STUART A. DONALDSON Esq.,
 CHARLES COWPER, Esq., | HENRY MOOR, Esq.,

James Raymond, Esq., called in and further examined :—

James Raymond,
Esq.

22 August, 1849.

1. The Committee are desirous of ascertaining from you the average weight of an ordinary Newspaper? The ordinary Herald weighs one and a half ounces, but if it contain a supplement or an extraordinary it is two ounces; with respect to English Newspapers, the Illustrated News weighs three ounces, the Times two ounces and a half, and with a supplement four ounces.
2. The Committee are informed that it has been proposed in the United States of America to charge a halfpenny an ounce on Newspapers, do you consider that that would be a fair rate in this Colony? I think it would come very near the rate which I have already proposed, namely one penny for each newspaper.
3. Do you think there would be any practical difficulty in carrying out the suggestion of charging by weight for Newspapers? It would be attended with more trouble than the other plan.
4. Do you consider that it would increase the expenses of the Establishment in any degree? We might be obliged after a time to get additional sorters of papers.
5. But it would not materially increase the expense of the Establishment? Not materially.
6. Do you not think that upon the whole that would be the most equitable way of making the charge? Yes.
7. All Newspapers according to the Post Office Act, are chargeable as Letters if there be any written communication in them? Yes; but parties are allowed by recent regulations to make marks upon Newspapers calling attention to any particular paragraph.
8. Would you propose that the system of pre-payment should extend to Newspapers? No; I would not.
9. You would not double the charge upon them if they were not pre-paid? No; I think it should be a fixed rate in the case of Newspapers.
10. But you would make the rates increase in proportion to the increased weight? Yes; under the principle of charging by weight, if the paper exceeded an ounce, I would charge one penny, if two ounces two-pence, and so on in the same way as is proposed for Bankers' parcels.
11. *By Mr. Donaldson*: Do you contemplate in the Estimates you have handed in to the Committee that there would be any additional expense to the Post Office from the establishment of Branch offices? If these offices were formed upon the original lines they would be attended with very little additional expense, but if they were extended beyond the present lines there would doubtless be the additional expense of conveyance.
12. Would you establish a Post Office at Hinton for instance? I dare say it might be done, that office however never paid itself formerly.
13. Do you not think it would do so under the cheap rate? I think it would be worth while to establish a branch office there.
14. *By Mr. Cowper*: When you were last examined a question was asked you with reference to increasing the numbers of deliveries in Town, and you then stated that you had attempted to have three deliveries in the day, and that that experiment had failed? Yes; we found that the morning and mid-day deliveries were the only ones which were of general benefit to the public, as most of the Merchants had left their offices at the time of the four o'clock delivery.
15. Do you not think the failure of that experiment may be attributed to the want of branch Post offices in different parts of Sydney? We attempted to form some branch offices, but we could not get them into operation, in consequence of the frequent changes of residence of the inhabitants of Sydney; I should however be very glad if it were possible to establish them in the various parts of Sydney.
16. I am not aware that any difficulty exists in England in the way of establishing branch Post Offices? In England people do not so frequently change their residences as here; they reside in the same house for years, but in Sydney people are changing their residences constantly; we have lately established one branch Post Office in Sydney.
17. *By the Chairman*: The Post Office you mention is a receiving house for the general post, as well as for the Sydney post? Yes.
18. Would you propose that the new branch offices should be receiving houses for the general post? Yes; for all letters but ship letters.
19. What difficulty would there be in the way of their receiving ship letters if there were a fixed rate to all parts? You would give them the collection of the Revenue.
20. Is it not optional to all parties to pay at the receiving houses now? No.
21. What objection is there to imposing that duty upon them? They would have the additional trouble of receiving the money, and would require remuneration for so doing.
22. What remuneration do they get now? Nothing.

James Raymond,
Esq.,

22 August, 1849.

23. Would it not be equitable that they should receive 20 per cent the same as the country Post Masters? I do not see any objection to it, but a small gratuity would be more satisfactory.

24. Do you not think if there were some remuneration given to them, that the difficulty which now exists in the way of establishing those offices would be surmounted? I think if the branch Post Masters received £5 a year each, they might be induced to take the trouble upon themselves.

25. Considering the advantage that would result to the public, do you not think it desirable that such an inducement should be held out? I think it is.

26. Would it not be desirable to extend those offices to the suburbs of the City, as St. Leonards, Balmain, Pyrmont, Redfern, Paddington and New Town? I have taken a great deal of trouble with respect to St. Leonards, and have endeavored to induce some person to take the duty there, but I have not succeeded.

27. Might not that have been because there was no remuneration for the trouble? Yes; at present there is a man who comes in every morning from New Town bringing with him the letters which he has collected there, and taking back with him those letters which may be lying at the Post Office for distribution in New Town.

28. That is a private arrangement I apprehend? Yes; the people at New Town consent to pay him one-penny for each letter; but at St. Leonards they would not.

29. That is paid to the individual who is employed in carrying those letters between Sydney and New Town? Yes; that is attended with no expense to the Government beyond the coat and hat which is furnished to him.

30. It is not desirable that the delivery of letters in the suburbs should be subject to the control of the Post Office Department? This man has no objection to perform any of the duties which we have imposed upon him; he takes out the letters which are for New Town, and brings back those from New Town regularly; he is sworn like other letter carriers.

31. Is there any receiving house at New Town? He has a receiving house at New Town.

32. *By Mr. Donaldson*: But there is not a Government receiving house? None but the one referred to.

33. *By the Chairman*: What rate of postage would you propose for the delivery of letters in the suburbs of the City? There is this difficulty, that some of the letters which come from the country addressed to the suburbs of Sydney are always taxed; I am not prepared to say whether an additional postage should be charged for their delivery, although of course there would be an increased expense in that case.

34. Would not the facility that would then be given tend to increase correspondence, and thereby make up any deficiency that might arise from the increased expense? I am afraid it would not sufficiently increase for some considerable time.

35. Have you made any calculation as to the probable expense that would be incurred in transmitting daily the mail bags to the suburbs of the City? No.

36. *By Mr. Moore*: The charge for letters delivered in Sydney is now one-penny? It is when stamps are used.

37. Without the stamps what is it? Two-pence.

38. Are those stamps sold at any place besides the Post Office? They were supplied to several Stationers, but they found they could not sell them.

39. Did they return those stamps to you? No; they paid for them as they got them.

40. What is the charge for letters posted and delivered in the City of Melbourne? One-penny; whether pre-paid or not.

41. Will you account for the difference between the charge of one-penny in Melbourne, and two-pence in Sydney? At the time the Act of Council was passed, there was no Post Office established in Melbourne, and that is treated as being a Town in the country, while Sydney is of course specially provided for in the Act.

42. In Melbourne and Geelong there is no penalty for non-pre-payment, but there is in Sydney? There is.

43. *By Mr. Donaldson*: Will you state what is the relative weight of franked letters to others; are not franks generally much heavier than ordinary letters? Yes.

44. What proportion do you think the franks bear to other letters? I think the weight of the franked letters to the other is as one to four.

45. Do you attribute that to the number of enclosures from the Colonial Secretary's and the Colonial Storekeeper's Offices? Yes; we get them sometimes in a dray from the Colonial Storekeeper's.

46. Do you imagine that if those offices had to pay postage, the weight of the letters would be diminished? I should think it would.

Christopher

C. J. Campbell,
Esq.

Christopher James Campbell Esq., called in and examined.

22 August, 1849.

1. You were for some time employed in the Post Office Department in London? For nearly eight years.
2. In what way? As a senior clerk in the money order Department.
3. You have recently come to this Colony? Quite recently; I have been in the Colony about four months.
4. Will you explain to the Committee the system in operation in the money order office, with respect to orders? The money order office was established under the Treasury authority on the 13th of August 1838, and consisted of three clerks; since which time it has greatly increased; in February 1841, when the President was appointed the establishment consisted of about 60 regular Clerks, and 40 on extraordinary duty, making a total of 100; and at the time I left the office, July 1848, there were about 276 employed; the system when I left was that of daily communication, the accounts were balanced with the various Postmasters daily, that is to say, they had to send up their accounts of the daily transactions, which were checked, and closed in one office the day following. When the system was first brought into operation the accounts were closed quarterly, but we found that this system was open to many abuses; to the liability of the Post Masters drawing orders in their own favor, which were paid at other offices and remitted to them by their agents, thus obtaining the use of such funds until they closed their quarterly accounts and returned the surplus to the chief office. Afterwards the accounts were balanced every month, and finding that that mode worked well, the period for settling the accounts was still further shortened, and ultimately the accounts were balanced daily. That is to say, the accounts of the various Post Masters in England and Wales; the accounts of Scotland and Ireland were however kept separately at the chief offices in Edinburgh and Dublin. Our department was confined entirely to England and Wales in daily accounts.
5. Had you not communication also with the General Post Offices at Edinburgh and Dublin? Yes; they sent up their accounts quarterly, but they were a different kind of accounts; they sent a general account for the quarter, and the internal communication with the various Post Towns in their respective countries.
6. Then there was either a balance remitted or claimed according to circumstances; the balances were remitted when they exceeded the amount allowed to the Post Master to retain in hand to meet other demands; and should large amounts have been drawn upon any Post Office, money was sent from the chief office to meet those demands should their balance on postage account be insufficient to make up the amount, that office having a knowledge of what would be required as early as the Post Master himself.
7. What was the general number of orders issued in England and Wales, and the amount in circulation? It would be between five and six millions of orders, and eleven and twelve millions of cash.
8. Are money orders limited to £5? Yes; about the time that I left England a proposition was made to allow single orders to be granted for a larger amount, and consequently to charge a reduced commission; Bankers collected them for parties who paid them in and charged a commission thereon. Originally the object of money orders was to afford convenience to the poorer classes; for instance persons who came over from Ireland during the harvest time were enabled by this means to remit small amounts to their families securely, and with very little trouble.
9. In the twelve millions do you include the circulation in Scotland and Ireland? Yes; I think that might be included, but England bears a so much greater proportion and magnitude in these transactions, as entirely swallow up the others.
10. Are you able to state the time that money orders are generally outstanding? No; that was a great stumbling block in the way of the operations of the money order office; sometimes there was a floating capital of twenty, thirty, or forty thousand pounds, and I believe at the present time there is as much as £120,000 outstanding, which Government derives a per centage from; of those orders some are however always being reclaimed. I understood a short time before I left that it was about to be proposed to call in all orders; when the orders had been outstanding say three months, to grant a fresh order and to charge a second commission thereon; when at still longer dates to increase the charge, and at the end of twelve months to cancel them altogether.
11. Do you mean to say that if a party could make good his title to the money, that it would not be paid to him after the expiration of that time? I left England just at the time that this was proposed to be carried out, but whether they could enforce the forfeiture of such orders eventually or not I cannot say, it struck me as being arbitrary, but it was deemed necessary to decrease the great amount of outstanding orders, as the books and papers increased to such an extent that this room would not hold the arrears of a single quarter, journals, ledgers, abstract books, accounts, advices, orders, &c., &c., and moreover references so far back entailed great labor and difficulty to the department.
12. What was the system of entry adopted in the office, double entry? I do not think you can exactly call it so; it was a mixture of entries &c., there were so many different plans in operation that almost every week or month we tried a new system, everything was done that could be done to simplify the arrangement, we attempted to make it so simple that one book should contain the whole transactions.
13. Have you the forms of the books? I have forms of the two last books that were in

use, the books I kept myself, which were a check upon the entire office, but I should presume that such a form as that would be too intricate for a new establishment.

14. Unnecessarily intricate? Unnecessarily so; in our office there was a very great expense incurred on account of the constant change in the form of accounts &c., for stationery, I think the amount has never been fairly stated; that item I believe was always slurred over; of the ledgers which cost two or three pounds each, fifty or sixty were used and thrown aside in a quarter, besides the corresponding journals, &c. The last proposition which was made was to reduce this greatly by only granting one advice, and by the Post Masters account acting as a reference instead of a ledger and this was part of the system in operation when I left.

15. Will you be so good as to explain to the Committee the whole system of the granting and paying of money orders? The party applying for a money order hands a slip of paper to the Clerk at the office drawing window containing the name, occupation, and place of residence of the remitter, and the Christian and surname of the payee; he pays his money with the commission thereon and desires it to be sent to such a town, say from London to Manchester; this is then handed to the clerk who has charge of the money orders, of which there are a number kept in the office signed by the President, the form of the orders is similar to that which I beg to hand in. (*The witness handed in the same, Vide Appendix A.*) The clerk enters it in a journal or window book, he then reads over the entry to the person who checks it with him to see that it is correct, and who is then furnished with the order. After the window is closed to the public at 4 p.m., the advice form is filled up from the journal, and posted with the rest accordingly. The order when paid is returned in the Post Masters daily account, and the books are then checked off. The Post Masters draw on each other in a similar manner, and the accounts come up to the chief office with the vouchers paid on that day, and a list of those granted by each.

16. Then the balances of the money orders, and the balances of the postage received are amalgamated? They are returned under the head of Postage Revenue in the annual statement, and the office itself is subservient to the Post Master General.

17. Cash only is received by the clerk at the Post Office window for money orders? Yes.

18. Is the fractional part of a pound received? Yes.

19. And of a shilling? Yes; I have seen orders for one-penny or two-pence, but I think in such cases probably the money has been sent more from joke than anything else; constantly however a shilling is transmitted by this means and half a crown is very frequently sent.

20. Are the bulk of the money orders less than £1? The average was formerly about £2; I do not however think that would be a fair average now, but it would be nearer £2 10, as a different class of persons now transmit money by that means, in addition to that class for whose convenience the system was originally established; at one time it was feared that these orders would interfere with banking business, but from the fact of the bankers extensively employing these money orders I do not think it can have had an injurious effect upon bankers' business.

21. Was there any calculation made of the amount floating for any given period, say for a week, a month, three months, six months and so on? I think no calculation has been made of the amount; we had great difficulty in the system with reference to outstanding orders, but I do not think they have been so much of late, as they were formerly, some people used to deposit their money in the Post Office as they would do in a Bank, and hold the orders until they required the money, which was done by having the amount refunded to the remitter. This was frequently done by sailors who would perhaps deposit £20 in the Post Office, for which they paid 2s. as they knew they could get the money at any time they pleased.

22. When a person presented himself at one of the offices how was his identity ascertained, was the production of the order sufficient, it being made payable to the bearer? It was not made payable to bearer, it was only payable to the signature of the party in whose favor it was drawn; in the first instance, it was necessary for the person himself to present the order, but this was found to be exceedingly inconvenient, and of late the servant or clerk of the party in whose favor the order was drawn might obtain payment, on giving a proper description of where it came from &c., together with his employer's signature attached to the foot of the order.

23. Must the party sign the order himself? Yes; and no other person could obtain it unless directed as above or by committing the double offence of forgery, and robbery, because he must first have stolen the letter enclosing the received order to gain the particulars, and then forged the signature.

24. If the Post Master had any doubt of the party making application for the payment you would require him to give every particular? Yes; but generally speaking however, I think it would be a very difficult thing for a person to practise a fraud of this kind as he must, as I have just said, commit a robbery; and even then the letter would not be likely to contain information as to the writer's occupation &c., and he must then have forged the name of the payee in full, which the address of the letter would not probably furnish.

25. Are the money orders payable at the receiving houses of London as well as at the principal Post Office? Yes; I think there are thirty different offices in London within the three mile circle.

26. Are those money orders transferable? They are transferable from Town to Town, as the Payee on a written application to the Secretary of the General Post Office may wish,

C. J. Campbell,
Esq.,

22 August, 1849.

C. J. Campbell,
Esq.
22 August, 1849.

he having removed or some mistake as to his address on the part of the remitter. The money can also be refunded to the remitter on a similar application, should he be still in possession of the order. Also an order being lost a duplicate may be obtained, the Post Office being satisfied of the identity of the party claiming it, and cancelling the former one advising the Post Masters thereof, "duplicate," being written in red ink across the face of the second order; this is done without charge.

27. Is the address of the party to whom the order is paid required? No; it used to be put into the advice, the address of the party and his occupation, but now if there are any doubts about the man, the necessary enquiries are made as to the remitter's name, address, and occupation.

28. Do you think the precautions that have been taken latterly have been effective for the prevention of fraud? Entirely; formerly under the system of quarterly accounts as I have before mentioned Post Masters occasionally debited themselves with money they had never received, in order that they might receive cash through accomplices by drawing through Post offices without having funds in their own hands, but under the present system of daily accounts they have no opportunity of so doing, I do not think at present that fraud could occur in the department, there is not the slightest chance of it.

29. Is there any great increase of expense in the Post Office Establishment from carrying out this daily system of accounts? There has been a very great increase, the number of clerks is nearly double what it was formerly, but there has also been a corresponding increase in the Revenue derived from the extended business of the office, and also greater convenience to the public; it may fairly be stated that the expense as compared with the profit is not greater than formerly. In 1842, the estimated profit from this department was £12,000, now it must be a very much larger sum; it may be as well here to state that it has further increased the revenue derived from Postage most considerably; giving rise to frequent correspondence between parties who hitherto scarcely used the post.

30. What is the per centage paid by the public for these money orders? Three-pence is paid for all orders under or not exceeding £2, and for all orders above £2 and not exceeding £5, sixpence.

31. Can a person take more than one of those orders? He may take as many as he requires, but he cannot transmit a larger amount than £5 by a single order; the object of this arrangement was, that Bankers' business might not be interfered with.

32. Has this system affected in any material degree the remittances made by Bank Post Bills? No; the Bankers' I apprehend do not consider that it has in any way affected their business, indeed it gives them a command of money which otherwise they would not have in those small amounts.

33. Those orders are all paid in cash at the Post Office? Yes; they are all received and they are all paid in cash. With reference to the adoption of a system of money orders in this Colony, I would beg to suggest as I have learnt that in the country districts, bills &c., almost supersede the use of cash, and that some trouble is incurred in cashing them, that a certain amount of commission should be paid on a money order where cash was paid into the Post Office, that double that amount of commission should be paid for orders or bills, and if those orders or bills after three days sight should be returned dishonoured before being delivered to the original owners, the Post Master should be authorised to charge another commission, being three rates of commission, for the trouble occasioned; this I think would operate as a check upon sending orders or bills which were likely to be dishonoured, or it would to a considerable degree prevent orders being sent at all; as I presume that in the large Towns cash would be paid, the Post Master should write to the principal Post Office stating that such an amount had been paid by cash or by orders as the case may be, then upon their arrival these orders should be sent out and if there were no effects, and if those orders should be returned dishonoured, they should be returned to the Post Master who should be informed that the money could not be collected; of course the money orders should not be paid in Sydney until it was ascertained that the orders transmitted were good.

34. *By Mr. Moor:* You state that the party who pays for a money order has his name written by a clerk in the journal? Yes; his name, occupation, and address.

35. No name is stated in the order, supposing I pay £5 into the Post Office, and procure a money order payable to bearer, No. 1000, I send it into the country to Mr. Smith and he draws the money out from the Post Office of the Town to which it is sent? Yes.

36. He does not sign his name? Yes; he signs his own name.

37. Supposing Mr. Smith gave this money order to Mr. Brown, on Mr. Brown's signing his name would the Post Master pay the order? No; Mr. Smith must sign his name.

38. How do you know to whom the order is payable? Because the Post Master receives a letter of advice as to the party to whom it is to be paid.

39. *By the Chairman:* If a money order is presented by a servant must it have the signature of the master who sent it? Yes.

40. Might my clerk or servant get it by signing my name? If we did not know that he signed it, and upon giving me a full description of the party from whom it came.

41. Do you know anything of the system of Stamps? Very little; it being an entirely distinct department to that to which I belonged.

C. J. Campbell,
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40. Might my clerk or servant get it by signing my name? If we did not know that he signed it, and upon giving me a full description of the party from whom it came.

41. Do you know anything of the system of Stamps? Very little; it being an entirely distinct department to that to which I belonged.

42. With respect to the issue, is that from the department of the Stamp Office? Yes; the Stamp Office I presume supplies the Stationers, and we supply the receiving houses; they debit us with the quantity we receive, and we forward them to the various branch offices, debiting them accordingly.
43. How many descriptions of Stamps are there now in use? Only two; the penny and two-penny.
44. Are there adhesive stamps as well as stamps upon envelopes? Yes; envelopes are very rarely used.
45. Adhesive stamps almost entirely? Yes; but I think nearly as much money is received from the pre-payment in money, as from stamps.
46. As much cash is paid at the window of the Post Office? At the smaller branch offices generally, but at the chief office the labels are mostly employed, because they are chiefly used in Merchant's offices, who keep a number of them constantly in the office for use.
47. Have you any knowledge of the number of letters pre-paid, as compared with those which are not? I think about four fifths of the penny inland letters are pre-paid.
48. Are you now speaking from information you have derived from any particular return? No; but from what I have gathered generally from the different reports of the Inland department.
49. Only one fifth of the letters are subject to the double rate for non-pre-payment? Yes; the number subject to this double rate has decreased very considerably of late.
50. What is the system adopted of obliterating the stamps, so as to prevent their being used a second time? There is a figure inclosed by lines which is stamped upon the label; a strong ink impregnated with some acid is employed, which it is very difficult to remove, and if removed it destroys the label; it is not however worth the trouble to attempt to do it.
51. Practically very few frauds occur? I believe at first it was done in some instances; but I think it was more as an experiment; I have not heard of any cases of late.
52. Are the stamps distributed to the Stationers who sell them to others by the Stamp Office, or through the department of the Post office? The Stamp office supplies the Stationers, and we supply the receiving houses.
53. Do you make remittances by those stamps to the country Post offices? Occasionally, where there is a large demand we remit a considerable amount in stamps, but of course we should not think of sending £100 worth of stamps to a small place.
54. Is there any deduction made in the remittances so sent? Not in our office.
55. Do those orders operate as a legal receipt to parties for the payment of money? I presume that they would; I am not aware that our books have ever been allowed to be taken to prove a receipt; but reference to the books I have no doubt would be permitted.
56. *By Mr. Donaldson:* In the event of large amounts being given in London upon provincial offices, how do you make remittances? We transmit cash in the mail bags to meet them, or bank checks if there should be a branch bank in the neighbourhood; but the balance on postage revenue together with the cash paid into the window would generally meet the demand. (*The witness handed in the forms appended, marked B and C.*)

C. J. Campbell,
Esq.,
22 August, 1849.

APPENDIX REFERRED TO.

A

N.B.—Parties remitting money through this office must be careful to give their christian and surnames in full, as well as those of the payee, together with their own addresses and occupations, to guard against fraud, and to ensure payment to the lawful owner.

The following rates of commission are charged; on sums under and not exceeding £2, 3d; on sums above £2, and not exceeding £5, 6d; orders for larger amounts cannot be obtained; fractional parts of 1d not allowed.

No. of Order.	£	s.	d.

18

sum of Pounds. Credit the person named in my corresponding letter of advice the Shillings. Pence.

To the Post Master of

Post Master,

The Christian and surname of the Payee }
must be signed here in full. }

B.

C

Daily Account of Money Order Transactions at _____
for the _____ day of _____ 18

DR.		CHARGE.							
No. OF ORDER.	TOWN WHERE PAYABLE.	NAME OF PAYEE.	AMOUNT.			COMMISSION.			REFERENCES, &c.,
			£	s.	d.	£	s.	d.	

D

Daily Accounts of Money Order Transactions at _____
for the _____ day of _____ 18

DISCHARGE.										Cr.
No. of ORDER.	TOWN WHERE GRANTED.	AMOUNT.			No OF ORDER.	TOWN WHERE GRANTED.	AMOUNT.			
		£	s.	d.			£	s.	d.	

SELECT COMMITTEE ON THE POSTAGE BILL.

15

C. J. Campbell,
Esq.,
22 August, 1849.

Thursday

THURSDAY, 23 AUGUST, 1849.

Present :

THE COLONIAL SECRETARY, IN THE CHAIR.

DANIEL COOPER, Esq.,
CHARLES COWPER, Esq.,
STUART. A. DONALDSON Esq.,EDWARD HAMILTON, Esq.,
HENRY MOOR, Esq.,

Mr. R. Clayton,

23 August, 1849.

Mr. Robert Clayton, called in and examined :—

1. How are you engaged in Sydney? In engraving and printing.
2. Did you follow the same calling in England? Yes.
3. The Committee are desirous of introducing a system of stamps for the pre-payment of postage, similar to that which obtains in England; are you prepared to offer any suggestions with reference to that subject? I am.
4. Do you consider you could produce such a stamp as it would be impossible to imitate? I would not say that it would be impossible to imitate it, but I would produce one similar to that used at the Post Office in England.
5. Are you acquainted with the adhesive mixture which is necessary to fix it upon letters? Yes perfectly; for I have provided it in the Stamp Office in the City of Dublin.
6. Could a stamp of that nature be easily imitated; (*a Post Office adhesive stamp being handed to the witness*)? It could I think; I have examined it with a Microscope and found that it is in regular waves, with a white spot between the ink.
7. Is the paper of any peculiar texture, or has it any peculiar mark? I am not aware.
8. Can you produce the particular ink so as to give the red color which that stamp possesses? I cannot say; but I can produce inks of almost every color, and have done; the ink used for these stamps may be peculiar; I know nothing of it.
9. What would be the cost of a stamp of that kind; There should be several before you could possibly carry on an establishment; several on a plate; I am however acquainted with a plan, by which several thousand impressions might be taken from one die.
10. Each die would then produce the same impression as the original? Yes; it must necessarily be the same.
11. Do you consider that you could make a die that would be difficult to imitate? I do; and I have done so, in the Stamp Offices in Dublin and London.
12. Have you engraved dies for the Stamp offices of London and Dublin? In Dublin.
13. Have you any specimens of your engraving which you could exhibit to the Committee? I have not with me, but will forward them to the Committee; I am however in possession of a system which would be of the greatest importance.
14. Will you explain that system so far as you are willing to disclose it? The plan I would suggest, is to take an indefinite number of copies from the original die; this would obviate the necessity of touching up the plate, which cannot be done without injury.
15. Would that enable you to make an engraving of an elaborate character? Yes; but there never was an engraving produced which could not be imitated.
16. Can you inform the Committee of the probable expense of carrying out your plan; supposing stamps of three different descriptions should be required; what would be the probable cost of those stamps per thousand, for any given number? About 1s. a thousand on my system.
17. *By Mr. Moor*: What would be the first cost of the die? About £5.
18. *By Mr. Hamilton*: For each die? Yes; I could do it in perfection for that sum.
19. That die can be multiplied indefinitely? Yes; hundreds of thousands may be produced.
20. *By the Chairman*: Could you also make a stamp of that description; *handing one of the Post Office Stamps printed in blue to the witness*? This is similar to the one previously handed to me; but printed in another color.
21. Would there be any difficulty in sticking those stamps on sheets of paper and envelopes, if it were thought necessary? None whatever.
22. Then they might be applied in all the ways in which they are used, for the purposes of pre-payment of postage in England? Unquestionably.
23. Are you acquainted with the indelible ink which is used for stamping the letters, in their passage through the Post Office? Perfectly.
24. Is it a description of ink that cannot be removed with acids, or in any way so as to remove the impression? I can produce an ink that cannot be removed by acids.
25. You perceive that there are certain letters in the corners of the stamps, as A. C; A. B. and so on; would there be any difficulty in producing a plate of that kind? I do not see any.
26. What would be the additional expense of producing such a plate seeing that you could not multiply the plate in such a way as to indicate each letter; because the plan you propose would make each plate identical with the original? I would leave a square recess in the die, into which the various letters might be dropped.
27. That would not be the cause of any additional expense in the formation of the die? No.
28. Do you consider that stamps of this nature printed in colors are more or less easily

imitated

imitated than those that are cut in relief? I think those cut in relief are objectionable, as being more easily imitated than those printed in colors.

29. Do you think you could make a stamp that would be as difficult to imitate as that of the English Post Office? Certainly; and I could do more than that; I could print them in five colors, a red line crossing a blue one, or a black one crossing a white or a red.

30. Would you be willing if the Government were to enter into a contract with you to give security that you would not use the dies in your possession, for any other purpose than for producing stamps that would be for the purposes of the Government? I would.

31. Will you forward to the Committee some specimens of your engraving? Yes.

32. Would the expense of producing stamps be increased by printing them in party colors in the way you have mentioned? About 6d a thousand additional.

33. Whether they were two colors or more? For every additional color, they would cost an additional 6d per thousand.

34. In the estimate you have mentioned, do you include the expense of paper? No; the paper is found by the Post Office at Home; perhaps the price might be less if it were entirely under my direction and superintendence.

35. Does your estimate include the expense of gumming the backs of the stamps? No; there would be an additional expense for that of about 1d per sheet, demy folio.

Mr. R. Clayton,

23 August, 1849.

FRIDAY, 24 AUGUST, 1849.

Present:

THE COLONIAL SECRETARY, IN THE CHAIR.

THE AUDITOR GENERAL,
DANIEL COOPER, Esq.,
CHARLES COWPER, Esq.,

EDWARD HAMILTON, Esq.,
HENRY MOOR, Esq.,

Edward Knox, Esq., called in and examined:—

1. You are now the Manager of the Commercial Bank? Yes.

2. The Committee are desirous of obtaining your opinion as to the expediency of establishing in this Colony a system of money orders through the Post Office; such as obtains in England? I do not think such a system could be advantageously introduced here, unless it could be made the means of absorbing the balances in the hands of the country Post Masters.

3. Will you state your reasons for that opinion? If the system were introduced the effect would be directly contrary. There would be no demand in Sydney for orders upon the country towns; but there would be a very large demand in the country towns, for orders on Sydney, in payment for goods and supplies sent up there; so that the system would have the effect of accumulating large balances in the hands of country Post Masters, for transmission to Sydney; I think moreover it would derange the Post Office revenue very much; and even if some mode of remitting balances could be established, I do not think the system would work well, as much expense would be incurred by reason of the increased emoluments it would be necessary to give the various Post Masters undertaking duties of this nature.

4. Are you aware that it is the practice in England now for Post Masters to render daily accounts of all matters relating to money orders? I am not.

5. As I understand you, your great objection is to the risk there would be in leaving large sums of money in the hands of the country Post Masters? Not to the risk of leaving such balances in their hands; but to the risk of transmitting them to Sydney, which I think would be considerable.

6. How are the remittances made by branch Banks? In orders and cheques; but if money orders are to be obtained from country Post Masters, they will be unable to get Bank notes for them, and must therefore receive orders or cheques in payment, which will have to be collected; and I do not think country Post Masters should be turned into bankers.

7. Money orders on the Post Office would to a certain extent interfere with banking business in cheques? Not much; because there are no branches established except at Bathurst? Maitland and Melbourne. It would be adding a kind of banking business to that of the Post Office.

8. Why do you consider it more so here than in England? Because in England money orders can only be obtained on payment of cash.

9. Might not that be made the practice here? I do not think it could; no parties keep any large amount of bank notes up the country.

10. Do you think it would offer any great degree of accommodation to the public; having the means of making remittances in this way? I do; but I do not think it would be advantageous to the Post Office.

Edward Knox,
Esq.,

24 August, 1849.

Edward Knox,
Esq.,
24 August, 1849.

11. You are aware that the amount which can be remitted in England in this way is confined to £5? Yes; the charge too is trifling in England; being only about five eights per cent, on orders under £2; and on £5 a half per cent. It is three-pence for £2 orders, and sixpence on £5 orders.
12. Do you not consider that sufficient to remunerate both for risk and trouble? I do not think it sufficient to compensate for the risk; because there would be considerable sums of money to be sent from the country towns to Sydney, the transmission of which would be attended with a great deal of risk.
13. You mean by robberies of mails? Principally; the expense attending the introduction of this system would likewise be considerable; I am not acquainted with the salaries of the Post Masters, but I believe they are paid by a commission on their receipts; I dare say in a place like Goulburn the business in money orders would be very considerable, and such as would entitle a Post Master to a much higher rate of salary than twenty per cent, upon the amount received by him for postage.
14. Would not the Government have an additional fund out of which additional remuneration might be given? I do not think it would be larger than the additional remuneration required would amount to.
15. If a sufficient fund were derived to pay the actual expenses, do you think the accommodation to the public would justify the establishment of a system of that kind? I think it would, provided it covered the risk; It would be a considerable accommodation to the public.
16. You think it will not be remunerative as regards the department of the Post Office, but advantageous as regards the interests of the public? No doubt; but I think to make it a great accommodation here the amount should be much extended.
17. What is your reason for considering that the amount should be larger here than in England? Because the demand for money orders here would not be for such small amounts as in England. In such towns for instance, as Goulburn or Yass, large amounts would be required to remit to Sydney to merchants as payment for goods.
18. You consider it would be chiefly advantageous to tradesmen and storekeepers? Yes.
19. Would it not be required by servants, shepherds and others? I cannot see that it would; unless they wish to remit money to the Savings' Bank; and then there is this difficulty, that they are paid their wages in orders and cheques, and I do not think it would be safe for the Post Office to take them as money.
20. Most of these cheques and orders are payable in Sydney; so that in point of fact they form a medium of remittance in themselves? Yes.
21. These orders are cashed by an agent in the country? Yes; and he again is charged a per centage for collecting them; and receives in return either bank notes, or he cashes them by his own cheques which are made payable at the bank in Sydney.
22. How are remittances effected? In cheques and orders; very seldom in notes.
23. Practically the demand for money orders would be confined to the towns? Yes.
24. Would it not be objectionable if instead of receiving cash as in England they were to receive orders and cheques, for which the money order was granted? I think so; both on account of the risk, and because I conceive it is not the business of the Post office to become collectors of orders; there are a great many bad orders, and the Post Office would be sure to get some of them; the only place where a system of money orders could be established with advantage, is between this and Melbourne; but in that case it would not be for the benefit of the same class of persons to whom it is of service at Home; there is however, as much security in sending a cheque as a money order, if the party take the precaution of writing across it the name of bank and of the party for whose credit it is intended; but in case of loss there may be a difficulty in getting another cheque; this would, however, likewise be the case with a money order.
25. Do I understand you to say, that you see practical difficulties to the establishment of a system of this kind? I do.
26. And you are not disposed upon the whole to recommend it? I am not at all disposed to do so; the demand in the country would be too large, and the risk of transmitting balances to Sydney so great as, in my opinion, to render undesirable the adoption of this system.

James Raymond, Jun., Esq., Accountant to the Post Office, called in and examined:—

J. Raymond, Jun.,
Esq.,
24 August, 1849.

1. The Committee wish to obtain some information from you, on the subject of the expediency of establishing a system of money orders in this Colony; have you directed your attention at all to that subject? I have considered the difficulty that will exist as to the mode in which payment will be made for these orders; for instance, parties in the country would give orders upon Sydney which may be dishonored, and the Government might thus be subjected to a very serious loss.
2. Are you aware that in England they accept nothing at the Post Office but cash? I am; but here you could not get cash, you must accept orders which would be attended with considerable risk.

3. Do you consider that an insuperable difficulty in the way of establishing a system of money orders? Not insuperable because you might establish a system of not paying till the orders were cashed here, but that might throw discredit upon the money orders altogether.

4. What peculiar advantage would there be to the public if such a system were adopted, seeing that they might make a direct remittance of orders and cheques to Sydney at once themselves? Only a double check; the office would have a letter of advice, but then another consideration would be if we were to give an order upon a Post Master whether he would have money to meet it; his remittances chiefly consist of money orders.

5. Remittances of revenue? Yes.

6. How frequently are those remittances made? Some not more frequently than once in six months; there are a good number of offices which retain their receipts until the end of six months; the regulations require that the collection shall be remitted with the monthly account which is made out as soon as practicable, but if not paid within a month after the expiration of the half year, the Post Master shall lose his commission; in some instances this regulation is construed into a sanction to retain the collections until the end of six months.

7. Under such a system as that are there large sums left in the hands of country Post Masters? Not large; the largest are at Bathurst and Yass.

8. Can you state the probable amount at the end of six months which is in the hands of the Post Master in either of those places? About £200 at Bathurst; the amounts in the hands of many of the Post Masters are very trifling.

9. *By Mr. Cowper*: Is the amount in the hands of the Post Master at Yass larger than that at Goulburn? Goulburn generally remits monthly.

10. *By the Auditor General*: You stop their per centage if they do not pay? Yes.

11. *By Mr. Macarthur*: The Post Master at Yass is a person in a most respectable way of business is he not? Yes; he carries on a very large business.

12. *By Mr. Hamilton*: Does it not rest within the jurisdiction of the Post Master General to enforce the early payment of it? Yes it does; and Post Masters are deprived of their commission if they do not pay within one month after the half year has expired.

13. Does it not rest with the Post Master to alter that regulation and to say that they shall pay their accounts monthly? The regulation provides that it should be paid monthly or within one month after the six months have expired; the balances then are very small and all the country Post Masters give credit more or less.

14. *By Mr. Cowper*: You say that the places where there is most delay in collection are Bathurst and Yass, and there the amount is the largest? Yes; but they remit within the time prescribed by the regulations to secure their commission.

15. Does it not seem as if the inducement to keep that money was the large amount that was payable? Yes; or probably giving credit, they only collect the postage half yearly.

16. *By the Chairman*: Practically has there been any loss of revenue from this arrangement? I have been looking over the accounts for 1847 and 1848, and find that there are only five offices in arrears for those years, and the amount altogether is not £300.

17. *By Mr. Hamilton*: Of loss? Not of loss.

18. *By the Auditor General*: Do your Deputy Post Masters give security to Government? Yes; themselves in £100, and two sureties in £50 each.

19. *By Mr. Cowper*: Are those occasionally revised? Yes; a new bond was obtained from the Post Master at Bathurst the other day, because one of his former sureties left the Colony.

20. Do I understand you to say, that at the present moment there is a Post office in arrear or more than one for the revenue for the year 1847? For the years 1847 and 1848.

21. Do you mean the Committee to understand that there are some of the Post Masters in arrear for revenue due in 1847? Yes; there is one at Boyd Town who owes about £7; he cannot be found.

22. Where were the sureties? He was appointed but only remained a month; before we obtained his bond, he left the place.

23. You look upon that as lost? We have put it into the hands of the Crown Solicitor.

24. Do you remember any other instances, so that you could give anything like an approximation to the £300; can you say what others were in arrear? The late Post Master at Brisbane, he died suddenly; that we have also put into the hands of the Crown Solicitor.

25. Is there any present Post Master that is allowed to remain in possession of the office who is in arrear for any portion of 1848? There are two, Tamworth and Drayton.

26. *By the Chairman*: What proceedings have been taken with reference to the arrears? They are in course of settlement, or are in the hands of the Crown solicitor.

27. How long have those cases been in the hands of the Crown Solicitor? They are in course of recovery; the amount lost will be very small.

28. But do you consider that the £300 you have mentioned will be probably a total loss to the revenue? Not more than seven or eight pounds; this at Boyd is the only one that will be lost; the rest will all I think be recovered.

29. *By the Auditor General*: In the case of a Post Master failing for a length of time to make his payments according to the regulations, would he not be superseded? Yes; if after being written to, he failed to settle his account.

30. *By Mr. Cowper*: Did you not state that the penalty according to the code of regulations, if the remittance was not made, was, that in a certain time the commission should be forfeited? Yes.

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31. Will the parties who are now in arrear forfeit their commission? Unless the Government choose to grant it—under peculiar circumstances they may do so; for instance one of the Post Masters remitted the money to a party in Sydney, to pay into the Post Office, but his agent failed to do so; in every case where there is a defalcation and commission subsequently allowed it is by the sanction of the Government.

32. *By Mr. Moor*: What sort of proof did you obtain that that man had remitted to his agent, and that the agent had failed to make payment? Only his own statement; he has since paid a portion of it up.

33. *By Mr. Hamilton*: Do you mean the Committee to understand, that at this moment out of the Postal Revenue of 1847 and 1848, £300 are unrecovered at present? About that amount.

34. *By the Chairman*: But you stated that with the exception of £7 where the party is not to be found, the remaining portion will be recovered? Yes.

35. Legal measures have been adopted for that purpose? Yes.

36. *By Mr. Macarthur*: Do you apprehend that no money could be forthcoming to pay the Post Offices in the country districts for money orders? There are some offices; but a regulation should be established that no orders be received in payment.

37. *By the Chairman*: Would it be necessary to increase the establishment at the Post Office if such a system were introduced? It would considerably; the labor would be great in granting and advising those orders, keeping accounts, &c.