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Crawford 1677 (1-6)

Crawford 1677(1)

REPORT

UPON

THE POST OFFICE,

1854.

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



LONDON :

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

1854.

REPORT UPON THE POST OFFICE.

There are several circumstances which combine to give interest to an inquiry into the Department of the Post Office. It is one with the good management of which every person is directly concerned, and which is felt to be of peculiar value to a nation so largely engaged in home and foreign commerce, and in colonial enterprise, as our own. It is also a Department in which great changes have of late years been introduced, and which may be regarded as being still in a state of transition. And it is further interesting, because, owing to its extent and the variety of work which it embraces, it furnishes in itself a series of examples of most of the difficulties which are experienced throughout the civil service, and an inquiry into it involves the necessity of considering nearly all those measures which have been separately suggested in the cases of other offices.

Some features of interest in the Post Office.

The Establishment of the Post Office necessarily extends over the kingdom, and indeed all over the British possessions, though in many of the Colonies the Inland Posts are under the management of the Colonial Governments. Its Head-quarters are in London; there are Metropolitan Offices in Edinburgh and Dublin; and there are District Offices in every town, and almost every village, throughout the country. Our inquiry has not extended to its relations with the Colonial Offices; nor have we, except incidentally, examined into the constitution of those in the provinces. We have for the most part confined our attention to the Metropolitan Offices in London, Edinburgh, and Dublin, and to those parts of the system which are common to the whole country.

Present constitution of the Department.

The Central Office in London is under the immediate direction of the Postmaster General, assisted by two Secretaries, and two Assistant Secretaries. A certain number of Clerks are attached to the Secretary's Office, and assist in the conduct of the correspondence, and in the general supervision of the work of the subordinate Departments.

In London.

Secretary's Office.

The practical business of the Post Office may be divided into two branches; it consists of the management of the circulation of letters and newspapers, and of the keeping of accounts; to these two functions a third has of late years been added, namely the transmission of money by means of the Money Order Office.

Circulation
Departments.

The subdivisions of the Establishment which undertake the business connected with the circulation are four in number: The Inland Office, The London District Office, The Mail Coach Office, and the Dead Letter Office. Of these the first two are directly engaged in collecting, sorting, delivering, and charging the letters and newspapers in London and its immediate neighbourhood, and in despatching the mails to all quarters; the third is concerned with the arrangements for the conveyance of the correspondence throughout the country; and the fourth takes charge of such letters as, on whatever account, fail to reach the persons for whom they are intended by the ordinary course.

Account
Departments.

The Account Departments are two in number, namely, the Office of the Accountant General and the Office of the Receiver General. The Accountant General is strictly an Officer of the Post Office; the Receiver General is an Officer of the Treasury. The latter is the person to whom all the money which comes into the hands of the Department is paid, and who issues the sums required for the conduct of its business; the former receives no money, but keeps a complete account of all money transactions, which account is in the nature of a check upon the Receiver General, as well as upon the various servants of the Post Office who receive money for the Department.

Money Order
Office.

The Money Order Office is a piece of machinery for transmitting small sums from one part of the country to another. Its business has no necessary connexion with that of the Post Office, and might be carried on by other Departments of the Government, or by private persons; but the Post Office is peculiarly interested in the maintenance of a system which tends to check the inconvenient practice of forwarding coin in letters, and it has also especial advantages for conducting the Money Order Office, by means of the organization of the rural and district Post Offices.

Surveyors.

The connexion between the Central Office and the country districts is maintained by the agency of a staff of Surveyors, of whom there are now 13; each having

charge of a particular district, and being expected to investigate all causes of complaint arising therein, to see that the work is satisfactorily performed, and to assist the Postmaster General and the public in any manner that may be required. The Surveyors are allowed the assistance of Clerks.

The Metropolitan Offices of Edinburgh and Dublin are interposed between the General Post Office and the Surveyors for Scotland and Ireland respectively. Complaints and references, which in England would be made to the Surveyors, and reported upon by them to the Chief Office, are made in Scotland and Ireland to the Metropolitan Offices, by which they are referred to the Surveyors, and the reports of the Surveyors are forwarded to London, not directly, but through the Metropolitan Secretary.

Edinburgh and
Dublin Offices.

The foregoing brief sketch will suffice to convey such a general idea of the constitution of the Post Office as is requisite for understanding the nature of the defects which we are about to point out in it, and of the amendments which we are about to propose.

Defects in the
constitution.

The first point which challenges attention is the existence of the double Secretariat. Two Officers of equal rank and of independent authority, usually called the Secretary to the Post Office and the Secretary to the Postmaster General, hold the chief places in the centre of a system, the well working of which depends mainly on the perfection of its machinery and the harmony of all its parts. The respective functions of these two Officers have never been clearly defined, and the ill success which has attended the attempts hitherto made at a definition seems to show that it is impossible to lay down one which shall be satisfactory. The business of the Post Office is of a kind which peculiarly requires centralisation, and to whatever extent the subordinate Departments may be divided and sub-divided, it is essential that the whole should in the last resort be brought together, and placed under the direction of a single Secretary.

The double
Secretariat.

The permanent Establishment of the Secretary's Office should consist of a single Secretary, at a salary of 1,500*l.*, rising in five years to 2,000*l.*; two Assistant Secretaries, at salaries rising from 700*l.* to 1,000*l.*, by an annual progression of 50*l.*; and a sufficient number of Clerks, who should be divided, we think, into three classes, and should be charged with the execution of

Permanent con-
stitution of Se-
cretary's Office.

all such duties of the Department as require the exercise of superior intelligence. The more mechanical operations of copying, registering, and so forth, may, to a considerable extent, be assigned to a distinct class of Clerks, selected with an especial reference to the quickness and excellence of their handwriting, and their familiarity with the first rules of arithmetic. The salaries of these Clerks should commence at 80*l.*, and rise by 5*l.* a year to 150*l.* We consider that this arrangement will not only place the Secretary's Office itself on a more satisfactory footing than at present, but will materially conduce to the harmonious adjustment of the other Departments of the Post Office.

Necessity for
re-arrangement
of Salaries.

There exists at present some dissatisfaction in particular Departments where the Clerks consider themselves less well paid than those who are of equal rank in other Departments, the importance of which is not greater than that of their own. We consider that the only satisfactory mode of meeting these complaints is by placing the salaries in all the Departments upon an uniform and equal footing, with the exception of those in the Secretary's Office, where the business is of a peculiar kind, and requires special qualifications in some of the higher Clerks. We have little doubt that the justice of such a distinction will be generally recognized throughout the Establishment, and that it will not give occasion to jealousies. At the same time, we feel so strongly the importance of inspiring all members of the Office with a sense of equality of treatment, and we are so sensible of the great advantages which must accrue to the whole Department from a consciousness that the highest prizes are within the reach of every deserving person, that we think it desirable to recommend a plan for opening the ranks of the Secretary's Office to all members of the Establishment.

Scales of Salary
recommended.

The principle of the arrangement which we propose is, that the Secretary's Office should be divided into three classes of Clerks, the highest receiving salaries which should commence at 400*l.* and rise by 20*l.* a year to a maximum of 500*l.*, the second receiving salaries which should commence at 260*l.* and rise by 15*l.* a year to 380*l.*, and the lowest commencing at 120*l.*, and rising by 10*l.* a year to 240*l.* The vacancies occurring in the higher classes should be supplied by promotions from the lower, which promotions should be regulated entirely by merit. The vacancies in the lowest class should be filled by selection from the whole establishment of the Post

Office, in the same manner as appointments in the Secretary's Office at the Customs are filled by selection from the Custom House establishment, provided that the Postmaster-General is satisfied that there is any one in the Office fit for the work of the class.

The number of Clerks of the first class who will be required in the Secretary's Office will be eleven, besides the Chief Clerk, whose salary should be fixed at 650*l.* Of these we think that the three who may be placed at the head of the important departments of (1) Discipline, (2) Circulation, and (3) Foreign and Colonial business should form a higher division of the class, and receive salaries rising from 500*l.* to 600*l.* by 20*l.* a year, as a reward of superior merit. This would at once supply an incentive to exertion, and would enable the Postmaster-General to put an end to the inconvenient practice of granting special allowances for particular services, without diminishing the total remuneration which meritorious officers now receive. The first and second classes should in the first instance be formed by the selection of the gentlemen whom the Postmaster-General may consider most meritorious, it being understood that the salaries and prospective increases of salary of the gentlemen not selected remain as at present.

Arrangement of the Secretary's Office.

The scale of salaries which we recommend for the Clerks in the other Departments, that is to say, in the Mail Coach Office, the Inland and London District Office, the Account Offices, and the Money Order Office, is, for the lowest class, 80*l.* a year, increasing by 5*l.* to 150*l.*; for the class above it 180*l.* a year, increasing by 7*l.* 10*s.* to 240*l.*; and for the highest class 260*l.* a year, increasing by 10*l.* to 350*l.* It is to be understood that in all scales of salary which we recommend, we consider that each man who is appointed or promoted to a particular class is to begin at the minimum salary assigned to that class, and to rise according to the annual rate of increase. The date of the first increase should be one year after the date of the appointment or promotion. Thus, if a Clerk is promoted to the second class on the 1st May 1854, he will receive 180*l.* for the year ending 30th April 1855, and 187*l.* 10*s.* for the year ending 30th April 1856.

Salaries for other Departments.

Turning now to the Departments connected with the circulation of letters, we have to call attention to the division of the business between the Inland Office and

Circulation Department.
Inland Office,

the London District Office, the former of which is charged with the despatch of mails from London to the provinces or to foreign parts, and with the delivery in London of letters received from the country or from abroad; while the latter is charged with similar duties in respect of the correspondence carried on within London itself and a district around it of twenty-four miles in diameter, and, at certain times, with the delivery of letters from the Inland Office also.

London District Office.

Proposal for uniting them.

The analogous character of these two Offices, and the apparent waste of power in the present arrangement of some portions of their staff, have caused proposals to be made for uniting them under a single superintendent, and consolidating the two sets of clerks, of sorters, and of letter carriers, into one.

Not recommended as an isolated measure;

It does not appear to us that the adoption of this suggestion, unaccompanied by other alterations in the constitution of the Departments, would be productive of any material advantages, except that if the salaries to be paid to the officers of the united Department were uniformly put upon the footing of those now paid in the Inland Office, a good deal of jealousy would be removed from the minds of the persons employed in the London District Office, where the salaries are at present lower than those in the other Department. This advantage would, however, be purchased at a considerable expense to the public, which would not be compensated by any considerable, if any, reduction in the total number of persons employed in consequence of the consolidation.

but should form part of a general plan.

We consider, however, that a general re-organization of the Circulation Departments, comprising the union of the Inland and London District Offices, as part of a more extensive plan, may advantageously be carried into effect.

Importance of providing a proper system of promotion.

The aggregate number of officers employed under the Post Office is very large. It is, therefore, of considerable importance to the public that their salaries should be as moderate as the nature of the duties will justify. At the same time, it is essential that those who are engaged should be men of unimpeachable integrity and of considerable intelligence. The nature of the duties is also such as to render it necessary that those who are employed should be able to read and write with facility and correctness, and should be ready calculators.

In order to obtain men of the proper degree of education and of trustworthiness at low wages, it is necessary to

hold out prospects of advancement to those who conduct themselves well, and who manifest the qualifications which are required for superior posts. By a proper system of encouragement to merit, economy and efficiency may be combined, and the Office may be well worked at a moderate cost.

We are therefore of opinion that the two Departments of the Inland Office and the London District Office should be combined, and that the Dead Letter Office also, which is now on a separate footing, should be consolidated with them. The United Department should be placed under the direction of a single Chief Officer, with a liberal salary, (rising from 600*l.* to 800*l.* by 25*l.* a year,) who should, we think, bear the title of Controller of the Inland Office. He should have the assistance of a Vice Controller, at a salary of 500*l.* rising to 600*l.* by 20*l.*, and of a sufficient number of Deputy Controllers, of whom we think that fifteen will probably be required, at salaries commencing at 350*l.* and rising by 15*l.* to 500*l.* They should be selected according to merit from among the Clerks. The duties of these Deputy Controllers would be similar to those of the "Presidents" now employed in the two Offices. Instead, however, of holding the rank of Clerks, and receiving their salaries as such, with the addition of a small sum for acting as Presidents, they should be directly appointed to the office of Deputy Controller, and should receive the salary attached to that situation. Below the Deputy Controllers should be a small body of Clerks, forming three classes, at the salaries already proposed (p. 7.), and below the Clerks should be the body of Sorters and Letter Carriers, divided into four classes, and including within them, not only the present Sub-Sorters and Letter Carriers, but all those classes of officers now known as Stampers, Porters, Messengers, &c. The lowest class to begin at 19*s.* a week, and to rise by an annual increment of 1*s.* a week to 23*s.*; the next class to begin at 25*s.* and to rise to 30*s.*; the class above them to begin at 32*s.* and to rise to 38*s.*; and the highest class to begin at 40*s.* and to rise to 50*s.* The promotion from class to class to be according to qualification and merit in all cases.

The Inspectors of Letter Carriers should be divided into two classes; the salaries of the lower class to begin at 110*l.*, and rise by 5*l.* a year to 200*l.*, and the salaries of the higher to begin at 210*l.*, and to rise by 10*l.* a year to 300*l.* These appointments should be filled by the most

Plan proposed for the reconstruction of the Circulation Department.

Controller.

Vice Controller.

Deputy Controllers.

Clerks.

Sorters, and Letter Carriers.

Inspectors Letter Carriers.

deserving of those who have served as Sorters or Letter Carriers.

Pensions to be allowed to Letter Carriers and others.

The Letter Carriers of the Inland Office, of the London District Office, the Messengers and the Mail Guards, have been allowed various rates of pension when no longer fit for service, but they have none of them been required to pay the deductions prescribed by the Superannuation Act. We are of opinion that all the other conditions of the Superannuation Act should be applied to these classes of persons, but that they should continue to be exempt from any deduction from their salaries. The weekly rates of pay recommended by us are not more than sufficient to furnish a reasonable remuneration for the services expected to be rendered; and if these rates were to be subjected to abatement, either the remuneration would be insufficient, or it must be increased by an amount equivalent to the abatement. We have reason to believe that the pensions which have been granted under the present exceptional regulations to some of the retired Guards and London District Letter Carriers bear a smaller proportion to their former emoluments than is usual in similar cases; and we recommend that the Postmaster General should be authorized to inquire into the subject, with a view to some further allowance being made when the circumstances clearly warrant such an indulgence.

Importance of securing properly qualified persons as Clerks and Letter Carriers.

We consider that these arrangements will materially improve the condition both of the Clerks, and also of the great body of the Letter Carriers and other inferior officers of the Post Office; and that, by means of the incentives to exertion and good conduct which will be furnished, they will decidedly conduce to the general interests of the public. We must not, however, omit to add, that no regulations can be expected to produce a satisfactory effect, unless care is taken to secure the appointment in the first instance of properly qualified persons. We are of opinion that the Postmaster General should lay down strict rules for the examination of all Candidates for admission, either into the class of Clerks, or into that of Sorters and Letter Carriers, in order to test their capacity, and should take care also to satisfy himself as to their characters, before making any appointment. We consider that the limits of age for admission should be 17 and 23 in the case of all candidates for Letter Carrierships, Sorterships, or Clerkships, who have

not previously been in the service of the department. A medical examination should also take place in order to ascertain that the candidate has no physical or mental defect or disease which is likely to incapacitate him for the public service.

It will be observed that in the proposals which we have made we contemplate a considerable reduction in the number of officers of the rank of Clerks to be employed for the future in the Inland and London District Office. It will be for the Postmaster General to decide what number of persons are necessary for the discharge of the strictly clerical duties of the department, and to fix the number of Clerks on the new establishment accordingly. The work of sorting letters, which is now chiefly performed by Clerks, may, we think, be in great measure entrusted to members of the inferior establishment; and if proper precautions are taken for filling this establishment with well qualified persons, we do not doubt that they will be able, on the occasion of any extraordinary pressure, to take a share in the duties of the Clerks. The mode in which we propose that the change should be made is this. The Postmaster-General should in the first instance decide what number of Clerks are to be borne on the new establishment. He should then select from the present Inland and London District Establishments those whom he considers the best qualified, and should arrange them in the three new classes. When these have been formed, the remaining Clerks on the old establishment should be re-arranged in classes on the present footing; the number in each class bearing the same proportion to its present number, that the total number of Clerks left on the old establishment may bear to the present total number; that is to say, if the old establishment is reduced by one third to form the new classes, the numbers to be borne on each of its classes must also be reduced by one third. After this, promotion should take place from class to class in the old establishment exactly as at present, but the lowest class should not be recruited by fresh appointments. The old establishment will thus gradually wear itself out; and, as it does so, the higher classes of the inferior establishment should be gradually augmented, and fresh appointments made to the body of Letter Carriers and Sorters, till the whole office falls into the proper form. Vacancies in the new establishment of Clerks should be filled either by drafting Clerks from the

Changes in the
Circulation
Department.

old establishment into the new third class, or by fresh appointments, at the discretion of the Postmaster General.

Collateral questions adverted to.

Having thus explained our plan for the constitution of the Inland Department upon a new footing, we abstain from entering into any of the important, but collateral questions connected with its working, which have naturally attracted our attention in the course of our inquiry. Such are the questions of hourly deliveries, of Branch Offices, of the separation of the Metropolis into distinct postal districts, and of the alteration of the method of sorting letters. We consider that these, and similar matters, are better left to the decision of the Postmaster General.

Mail Coach Office.

Not adapted to present circumstances.

We proceed now to another portion of the Establishment, which is also connected with the circulation of the country,—the Mail Coach Office. The arrangements in this Department do not appear to us entirely well adapted to the present state of the Postal system. The very title of “Mail Coach Office” sufficiently indicates that the machinery was originally applied to a state of things very different from that which now exists, and a further inquiry into its details shows that it has not been altered to meet the altered circumstances of the times. There are still attached to the Office a number of Inspectors of Mail Coaches whose functions are almost obsolete in consequence of the small proportion of mails now sent by such conveyances. On the other hand there is great need of a different class of Inspectors capable of exercising some check over the Railway Companies, compelling them to be more exact in keeping time, and reporting upon the causes of any irregularities. The condition of the Mail Guards also requires attention. In the days of mail coach travelling the Guards received a considerable addition to their incomes in the shape of fees from passengers. These are now almost entirely cut off. The Mail Guards are now complaining of their position. Their salaries have indeed been considerably raised in order to meet the loss of the fees, and now range from 70*l.* to 130*l.* per annum, instead of being fixed, as formerly, at 10*s.* 6*d.* a week,—a rate which is still retained on the very few coach lines on which fees are now received. But the retiring allowance which they receive when superannuated never exceeds 7*s.* 6*d.* a week, and this is felt to be too low for them to subsist and maintain their families upon. They are therefore petitioning to be placed upon the same footing as other servants of the

Government, and to be allowed to receive pensions bearing such proportion to their salaries as the scale of the Superannuation Act allows. We are of opinion that the principle of this request is a reasonable one. It is unwise to assign to superannuated public servants so low a scale of allowances as to render men unwilling to retire when they are becoming unserviceable; and we see no reason why the Superannuation Act should not apply to Mail Guards as well as to other persons. We think, however, that if this boon is conceded, the salaries of the Guards should be revised, as at present they appear to be unnecessarily high. Instead of placing them all in one class with salaries commencing at 70*l.*, and rising in 15 years to 130*l.*, we propose that they should be divided into two classes; the salaries in the lower to begin at 70*l.*, and to rise by 1*l.* a year to a maximum of 90*l.*; and those in the higher to begin at 100*l.*, and to rise by 1*l.* 10*s.* a year to a maximum of 120*l.* Promotion from class to class should be the reward of merit. The age of admission to the service should be between 20 and 25, and none should be allowed to enter it after the latter age, except such persons as may be promoted to it from another branch of the public service. The situations of Mail Guards would probably afford opportunities of rewarding meritorious Letter Carriers and other inferior officers. This is a point which we have discussed at more length in another part of our report. Before quitting the subject of the Mail Guards, it is right that we should remark that a large reduction has taken place in their number since the introduction of railway travelling, and that there are now only 178 employed, whereas in the year 1841 there were 356.

With regard to the Inspectors of mail coaches, whose Inspectors. functions have now become nearly obsolete, we are of opinion that the present staff of ten should be replaced by a smaller body of more highly paid officers capable of maintaining the authority of the Post-Office in dealing with the railway companies, and of requiring them to adopt such measures as may appear to be necessary for the fulfillment of their contracts. We consider that there should be four such Inspectors, that their salaries should commence at a minimum of 300*l.* a year, and rise by an annual increment of 20*l.* to 500*l.*, in addition to which they should be allowed the sum of 15*s.* a day for their

subsistence while travelling. Their actual travelling expenses should be paid as is usual with Government officers. They should be required to keep diaries of their proceedings, and to transmit them to the Post-Office every week, in order that the Postmaster-General may be satisfied that they are actively employed.

Railway Post Office.

While travelling on those lines of railway on which a railway Post-Office is in operation, the Inspectors should make use of the carriage allotted to the Sorting Clerks and should superintend their proceedings.

Title of Mail Coach Office to be dropped.

We consider that the title of "Mail Coach Office," should be discontinued, and that of "Mail Office," substituted for it. There should be an officer at its head, with the title of Inspector-General of Mails, and with a salary equal to that of the Controller of the Inland Office (600*l.*, rising to 800*l.*), and with the assistance of a Chief Clerk, at a salary rising from 400*l.* by 15*l.* a year to 500*l.* The salaries which we recommend for the Clerks have been already stated.

Inspector-General.

Chief Clerk.

Appointment of an Officer for conducting negotiations with Railway Companies recommended.

The large sum now paid to railway companies for the conveyance of the mails has attracted our attention. This sum now amounts to no less than 372,000*l.* per annum. It is usual that in making the contracts for the conveyance of the mails, the Postmaster-General and the railway company should each appoint an arbitrator, and that these should agree upon an umpire in case of their being unable to come to terms. Much depends upon the selection of a proper person on behalf of the Government, the stake being often very large, and we are of opinion that, if the system of arbitration is to be continued, it would be a measure of economy to appoint a duly qualified person, with a fixed salary, to act for the Post Office in making these bargains. The office would be one of the highest importance, and we consider that the salary attached to it should be the same as that of an Assistant Secretary, viz. : 700*l.*, rising by 50*l.* a year to a maximum of 1000*l.*

His salary.

Departments of Receiver-General and Accountant-General.

The departments to which we have next to direct our attention, are those of the Receiver-General and the Accountant-General, with reference to which it is necessary that we should enter into some detail, for the purpose of showing the nature of the business transacted in them, and of the checks established upon the receipt and expenditure of money in the various other branches of the office.

Check in Inland and District Offices.

The check in the Inland and London District Offices on the Letter Carriers, Receivers, and others employed in

the collection of postage, consists chiefly in a separate telling by a Clerk and the Letter Carrier, and derives its efficacy from the circumstance that the result of the Clerk's telling is entered on a docket which is not seen by the Letter Carrier. That this check is open to fraud by collusion is not denied, but it is contended that another telling by a second Clerk, although occasionally resorted to, would, if practised as a rule, impede the operations of those branches of the Post-Office more particularly pressed for time, without being productive of any commensurate advantage.

The amounts payable by Letter-Carriers and others being reported to the Receiver-General, either directly by the Inland and District Offices, or indirectly through the Accountant-General as shown underneath, the duties of the Receiver-General commence.

The postage collected by Letter Carriers and Window Men of the Inland Office, is reported to the Receiver-General - - - - -	}	By the Head of the Inland Office.
Ditto ditto by the Dead Letter Office - -	}	By the Head of the Dead Letter Office.
Ditto ditto by Letter Carriers and Window Men of the London District Office - - -	}	By the Head of the London District Office.
Ditto ditto by Letter Receivers in respect of Inland and District letters - - - -	}	By the Accountant-General.
Amount payable by Letter Receivers for Postage Stamps - - - - -	}	By the Accountant-General.

Receiver-General.

The Receiver-General (who holds his Office by Patent under the Privy Seal, but during pleasure only,) is simply a Treasurer, whose duty it is to receive the revenue, and to pay the charges attendant on its collection and management.

The revenue collected in London is paid to the Receiver-General in full; that collected by country Postmasters in England and Wales comes to him in the form of remittances of net revenue, as does also the aggregate of the collections in Scotland; the local expenditure being deducted from the gross revenue before the remittances are made. Of the sufficiency of these remittances the Receiver-General knows nothing, the check in this respect being entirely in the hands of the Accountant-General.

The revenue collected in Ireland is paid by the Receiver-General in Dublin into the Exchequer direct through the Bank of Ireland, and does not pass through the hands of the Receiver-General in London at all.

The Receiver-General exercises no control over the correctness of the sums to be received, or over the propriety of the payments to be made, although he has occasionally objected to the authority of the Postmaster-General, in cases where the expenditure has been of such a character as to require, in his opinion, the sanction of the Treasury.

He is also the Depositary and Distributor of Postage Stamps, receiving them from the Office of Inland Revenue, and distributing them to the several Postmasters, Letter Receivers, and Window Men, as required. Their cash value returns to the Receiver-General in payments made to him on this account by the Letter Receivers and Window Men, and in the amount remitted to him by the Country Postmasters, as net revenue. He further receives from the Commissioners of Inland Revenue the value of such stamps as are sold by their Agents.

The Receiver-General makes all the remittances required by the Postmasters and Agents at home or abroad, whether on revenue or money-order account.

His duties in regard to the money-order business, are generally to make the necessary advances for carrying it on, and to bring the proceeds of the charge made to the public for commission, &c., to account as revenue.

For the execution of the several duties entrusted to him, the Receiver-General has an Establishment of nineteen Clerks, including the Chief Clerk.

The Receiver-General appoints his own Clerks, and gives security to the amount of 12,000*l.* His Clerks are also bound to himself; the Chief Clerk in the sum of 3,000*l.*, and each of the other Clerks in 1,000*l.*

As a detailed explanation of the long list of books in which the monetary transactions of this Department are recorded would afford little or no information, we shall merely observe that some of them are still kept in much the same form as when first established in the reign of Queen Anne. Others have been added to meet the requirements of later times, but with very little attention to economy of labour, for they involve constant repetitions. And although we do not question the accuracy with which they have been kept, still, true as they may be, they have not enabled

Establishment
of Receiver-
General.

Receiver-Ge-
neral's Books.

the Department to furnish the Commissioners of Audit with a monthly cash account properly so called, *i. e.*, a simple statement of the actual receipts and payments of each day, from which the cash balance on any given day could be readily ascertained. To arrive at this result from these books is a work of some labour, for they include expected receipts as cash actually received, and payments to be made as cash actually paid. The account sent to the Commissioners of Audit is an annual account classed under Heads of Service, but having the same inherent defect.

As, however, for the reasons herein-after stated, the Department of the Receiver-General will probably be incorporated with that of the Accountant-General, it is hardly worth while dwelling on the redundancy, and yet insufficiency, of these books, or on the advantages that would be derived from their revision and reduction. Such a revision must go hand in hand with the amalgamation of the two Departments, and must embrace the inquiry as to how far the routine duties may be made less laborious. For instance: the country notes received from the various Postmasters (averaging about 800 daily), are endorsed in the Receiver-General's Department, with the name of the Postmaster, the town, and the date of the receipt, which takes up one Clerk's entire time, whereas the same end could be attained by simply desiring the Postmasters to stamp their notes.

One of the principal duties of the Accountant-General is to act as a check on the Receiver-General. For this purpose he is informed by the Inland and District Offices of the amounts reported to the Receiver-General as payable in respect of postage collected in London, the receiving-houses excepted; and as he examines the whole of the expenditure previously to its being warranted, he is necessarily acquainted with the payments to be made by the Receiver-General.

Accountant
General.

The Accountant-General is also advised by the country Postmasters of the remittances of net revenue made to the Receiver-General.

From these sources a charge is raised against the Receiver-General for revenue, and credit given to him for expenses of collection. This is done in a set of books, kept especially for this purpose, and which are nearly the counterpart of those kept by the Receiver-General. And from these books, and not those of the Receiver-General,

the receipts and payments of the latter are incorporated with the receipts and payments of the Postmasters and Agents at home and abroad.

It will be seen from this description of the mode of proceeding that the work of the Receiver-General, as regards the keeping of accounts, is done twice; and that it is not altogether the independent check supposed, even as regards the revenue collected in London, for in the case of the London receiving-houses, the amounts payable to the Receiver-General do not come to his knowledge direct from the London District Office, but indirectly through the Accountant-General; and as regards the Postmasters in England and Wales, the check is even in a much greater degree within the Accountant-General's own Department, the Receiver-General having no other knowledge of the large amount of postage collected by the country Postmasters than the remittances of net revenue made to him.

It is also the duty of the Accountant-General to make up the accounts of Country Postmasters, who, contrary to the usual practice of Accountants, do not make up their own accounts. For this purpose the Postmasters transmit the following periodical returns, viz.:

Amount received for the postage of letters sent to London direct - - -	} Daily.	} Forming the debits.
Ditto ditto Railway Post receipts - - -	} Ditto.	
Ditto ditto Cross Posts receipts - - -	} Monthly.	
Ditto ditto Ship Letter receipts - - -	} Ditto.	
Ditto ditto sale of postage stamps - - -	} Quarterly.	
Ditto ditto postage on French and packet letters, and for private boxes - - -	} Ditto.	
Amount paid in respect of postage returned - - - - -	} Monthly.	} Forming the credits.
Ditto ditto incidental allowances - - -	} Quarterly.	
Ditto ditto guards' wages - - - - -	} Ditto.	
Ditto ditto Ship Letter gratuities - - -	} Ditto.	
To which must be added the following credits collected from other sources:		
Remittances of net revenue, made weekly, fortnightly, or monthly - - -	{ Reported by the Receiver-General.	} Forming the credits.
Fixed salaries, &c. - - - - -	{ Taken from an establishment book, called the "Riding Work Book."	
Poundage on postage labels - - - - -	{ Calculated by the Accountant-General.	

At the end of the quarter the Postmaster is furnished by the Accountant-General with a statement of the whole of these receipts, payments, and credits, which he is required to return acknowledged as correct, or to state his objections thereto, although there is reason to believe that in very many cases the statement is not understood.

At present the Postmasters are not, generally speaking, required to furnish vouchers for their disbursements, most of the items being carried to their credit without any evidence of payment.

The Postmasters and Agents abroad, and the Chief Offices in Edinburgh and Dublin, make up their own accounts, which are transmitted to London quarterly. Accounts are also received from certain Postmasters in the East Indies, and from Foreign Governments, all which are duly examined by the Accountant-General. But as there are "Accountants" on the Establishments both of Edinburgh and Dublin, the examination as regards those places is not quite so full, *i.e.*, it does not extend to castings and computations.

It is also the duty of the Accountant-General to audit what are called the Money Order Office Journals, *i.e.*, the receipts and payments of each day. This is, however, a very limited audit, being confined to the receipts and payments of the Office in London.

Finally, the Accountant-General examines all expenditure of every description previously to its being warranted by the Postmaster-General; countersigns all drafts drawn by the Receiver-General, whether on revenue or money order account; and prepares all Parliamentary and other financial returns.

The collection of the revenue, and the expenses attendant on its management, having been checked and examined, it is the duty of the Accountant-General to bring the whole to account. This he does in a set of books kept on the principle of double entry, from which he makes up the general account of receipt and expenditure sent to the Audit Office, which includes the receipts and payments of the Receiver-General, as before described. But, notwithstanding this incorporation, the general account is accompanied by a separate account of the Receiver-General's transactions, as taken from the books of the *Accountant-General*, the account sent to the Commissioners of Audit by the Receiver-General being made up from his (the Receiver-General's) own books.

Accountant
General's Books.

As regards the books more particularly belonging to the Book-keeping Branch of this department, we find the Abstract Books, Journals, and Ledgers, which were established in 1848, work well; but the subordinate books require a complete revision. They are far too numerous, and occasion much unnecessary labour; as the information many of them contain might have been obtained by slight alterations of other books.

The same remark applies to the books of the Examining Branches, where the more frequent use of original documents would have spared much labour. The entering of authorities and other documents to be acted upon is too often defended on the ground of the inconvenience of the form in which the information is conveyed; but in most cases this difficulty could be removed by alterations, which would not cause additional labour to the informant.

As the waste of power we have described is so very general, and as the amalgamation of the two Departments of Receiver and Accountant General must lead to the establishing of an entirely new system of account, and to a different distribution of the duties (which if properly done involves a revision of the *manner* in which the duties are now performed), we do not think it necessary to point out more than two or three instances of the unprofitable labour alluded to.

A Senior Clerk, one Junior, and three Extras (in all five Clerks), are employed in "checking and examining the London Letter Vouchers, and establishing a charge against the Postmasters for the same; examining all ship letter receipts, and calculating the gratuities thereon." This check and examination consist in entering in bill books, provided for the purpose, each letter bill sent with unpaid letters from London, and received with paid into London. The bills outwards are returned by the Postmaster day by day, and at the end of the month every Postmaster sends up a monthly detailed statement of the whole, unpaid and paid, which is an exact counterpart of the bill book.

It is therefore obvious that, as the charge against the Postmaster is not raised daily, it would be sufficient to check the Postmaster's monthly statement, when received, with the bills themselves, and not by comparison with an entry made from them. The amount of this profitless labour may be estimated by the number of persons employed on it.

The same unnecessary process of entering bills is gone through in the "Colonial Branch," instead of examining the quarterly accounts, when received, with the bills themselves, which must, after all, be referred to in the event of any discrepancy.

And again, we find the same practice in the "Foreign Branch," in the case of the French and Belgian accounts.

There is also a complicated mode of proceeding in the "Postage Stamp Branch," where six books are used for showing certain particulars in regard to the sale of postage stamps, four or five of which would be unnecessary if proper use were made of a return received monthly from each Postmaster, showing the stock of stamps on hand.

On an attentive consideration of the double operations performed in the two departments of Receiver and Accountant-General, and of the evil effects of the distribution of the duties in the latter Department into a variety of branches more or less independent of each other, we are led to the conclusion that an amalgamation of the two offices, while it would, by a proper arrangement of the duties, give quite as much security against malversation as is at present possessed, would also, by the opportunity it would afford for a harmonious adaptation of the various processes to the ends desired, be the means of effecting a considerable saving.

Having thus briefly described the mode in which the Post Office revenue and the charges of collection and management were brought to account at the period when we commenced our inquiry, we proceed to bring under notice the various improvements, both of practice and account, which have since been introduced under the authority of the Postmaster-General, and which will take effect from the 1st of April 1854.

The Chancellor of the Exchequer having determined that the gross receipts of the Revenue Departments should be paid into the Exchequer without deduction, and the expenses of collection voted by Parliament, a careful estimate of the latter has been prepared, which, while it presents the various charges in as condensed a form as the great number of agents through whose instrumentality the service is conducted will admit of, will also be found to afford ample information on every point.

This introduction of an estimate for the charges of collection has necessarily led to an alteration both of

practice and account ; but independently of the alterations thus necessitated, advantage has been taken of the occasion, to introduce various other improvements, without, however, interfering with the check of the Accountant-General over the Receiver-General, as it at present exists. And when the further improvements we anticipate from the proposed amalgamation of the two Offices of Receiver and Accountant-General shall have been fully carried into effect, we consider that the Finance Branch of the Post Office Department will be on as satisfactory a footing as that of any other Department of the State.

The improvements to which we allude as the result of the introduction of the estimates are:—

The substitution in the Receiver-General's Office of two proper cash books for the imperfect one heretofore in use, viz., one for revenue, and the other for the grant of Parliament ; and by excluding from these books all sums not actually received or paid, they will at all times agree with the pass-books of the Bank of England. Another great advantage of this change is, that the Commissioners of Audit will now be furnished with monthly accounts, which under the old system they could not be.

Instructions have also been given to the Postmasters to stamp all the bills and notes in which their remittances may be made, by which simple alteration the time of one Clerk will be saved.

As regards the business of the Accountant-General's Office, the defective mode of making up and examining the accounts of the Postmasters adverted to at page 19, will be remedied by the introduction of a weekly statement of receipts and payments in the form annexed, to be made up by the Postmaster himself, and to be accompanied by the necessary vouchers in support of his payments as well as of his receipts. This important alteration, which has been extended to the Town and Country Receivers of the London District, has been carefully considered, and will not only abolish the elaborate system of books through the medium of which the Postmasters' accounts have been heretofore checked and made up, but promises also to work very satisfactorily in regard to the Postmasters and Receivers themselves. Another advantage of this alteration is the opportunity that it gives of greatly improving the form of the abstract book (a book used for collecting and condensing the accounts previously to their contents being passed through the journal and ledger), which will now be

Form of weekly
Account.
See Appendix,
page 42.

made to exhibit the transactions of the Postmasters in such a form as to supersede the necessity of opening accounts with them in the auxiliary ledgers, besides giving every facility for ascertaining the punctuality of their remittances, their stock of stamps, and their balances.

With a view also to keeping a careful watch over the progress of the expenditure, the foreign accounts will be made up and rendered monthly, being examined, as in the case of the weekly accounts of Postmasters at home, directly from the vouchers, instead of through the medium of bill books.

All postings will, therefore, be monthly instead of quarterly.

The expenditure will be defrayed temporarily, as at present, out of the local receipts. The adjustment in this respect between revenue and expenses of collection will be matter of account in the books of the Department, and of transfer between accounts at the Bank of England.

The Postmaster will be Dr. to revenue for revenue charge, as also for any other revenue receipts, and Cr. by revenue cash for remittances, and by revenue in account with vote (an intermediate suspense account) for charges of collection, &c. voted.

Revenue-cash will be Dr. to revenue in account with vote, for receipt from vote-cash in reimbursement of advances in preceding entry. (This closes the intermediate account, and places the whole receipts of the Postmaster in the revenue-cash at the Bank of England.)

Voted services will be Dr. to vote-cash for payment to revenue-cash in reimbursement of advances for voted services made out of revenue by Postmasters.

It only remains for us to propose that the two Departments of "Receiver-General" and "Accountant-General" should be consolidated, and to submit a sketch of the manner in which this consolidation should be carried out, viz.:—

Proposed Consolidation of the Department of the Receiver General and Accountant General.

The Postmaster-General to be responsible for the proper conduct of the business of the united Department, for the due collection of the revenue, and for the proper application of the vote of Parliament to the expenses of management.

Two distinct accounts to be kept,—one of the gross revenue, the other of the application of the grant for the expenses of collection. And two corresponding cash accounts to be opened with the Bank of England.

The consolidated Department to be presided over by one head, who might be designated "Receiver and Accountant-General."

The business to be apportioned among three branches, viz. :—

A cash branch with a cashier as principal, for the receipt of the revenue and the payment of the expenses of collection.

An examining branch, with a Chief Examiner, for the examination of all vouchers, bills, and accounts, whether of receipt or expenditure.

A book-keeping branch, with a Principal Book-keeper, for the keeping of all books of account, the preparation of the estimates, of the salary lists and warrants, of the accounts to be rendered to the Commissioners of Audit and others, and of all Parliamentary Returns.

The Postmaster-General to grant two deputations, one to the Cashier, and the other to the Chief Examiner, to sign all drafts on the Bank, and to endorse bills.

Every cheque when signed by the Cashier to be countersigned by the Chief Examiner, or the Clerk next in succession, and when signed by the Chief Examiner to be countersigned by the Clerk next in seniority to the Cashier.

Cheque-books to be provided with counterfoils, containing 100 cheques in each book, and no more. The cheques and counterfoils to be numbered in one continued series.

The blank cheque-books to be in the custody of the "Receiver and Accountant-General," and to be issued to the Cashier only as required.

The daily and other reports of the sums payable on account of revenue, forming what is termed the charge, to be made to the "Receiver and Accountant-General" in duplicate,—one copy for the Cashier, the other for the Chief Examiner.

The Cashier to enter the sums he receives, day by day, not in the aggregate, but each transaction separately, in a list, with such particulars as may be desirable.

To do the like with his payments.

At the close of each day, *i.e.*, at an hour to be fixed upon, the Cashier to send his lists of receipts and payments, together with the vouchers in support thereof, and the cheque-book, to the Chief Examiner.

The Chief Examiner to compare the amounts received with the charge and the vouchers, and the sums paid

with the vouchers and cheque-book, and to insert in both lists the heads of service to which the several items of receipt and expenditure should be posted. The remaining blank cheques to be counted. Both lists should then be passed on to the Principal Book-keeper, and the cheque-book returned to the Cashier.

The Principal Book-keeper to check the correctness of the classification, and to enter the amount of each list, in one sum, into its proper cash-book, and to compare the balances, as shown by the two cash-books (Revenue and Vote), with the corresponding pass-books of the Bank of England, daily.

It will be seen from the foregoing sketch of the working of the new system, that it would at once abolish the double operations now performed by the Receiver and the Accountant General, while it would at the same time open the way for such further simplifications and arrangements of detail as would materially conduce to an economy of labour.

The numbers at present employed in the two Offices of Receiver and Accountant-General are as follow :—

- 1 Receiver-General.
- 1 Chief Clerk.
- 18 other Clerks.
- 1 Accountant-General.
- 1 Deputy do.
- 42 Clerks.

—
In all, 64 persons.

And although it is difficult to determine the precise number which will be required for the consolidated Office, we consider that the duties might fairly be undertaken with a force of—

	£	£	£
1 Receiver and Accountant-General, at 600 rising by 25 to 800.			
1 Cashier - - - - -	400	20	550.
1 Chief Examiner - - - - -	400	20	550.
1 Principal Book-keeper	400	20	500.
46 Clerks, divided into the same classes, and receiving the same rates of salary as the Clerks in the other departments of the Post Office.			

In all, 50 persons.

The facility of transmitting small sums of money through the Post Office was first given to the public in

Money Order
Office.
Its origin.

1792, when a plan organized for that purpose received the sanction of the Postmaster-General.* In the origin, it appears to have had for its principal object the transmission of small sums to soldiers and sailors; but the public generally soon availed itself of the facilities offered.

The first projectors of this plan were three officers of the Inland Office, who carried it on as a private enterprise, without any interference on the part of the Post Office authorities. Premises were hired for the purpose in a building apart from the Post Office, and the necessary capital was found by the projectors, who were however assisted, to a certain extent, by being allowed to carry on the correspondence arising out of the business in question, free of postage.

The orders were limited to five guineas, and the commission was a per-centage of eightpence in the pound. The profit derived from this source by the parties who originated the plan was about 240*l.* per annum each.

Its connexion
with the Post
Office.

In April 1838,† the Postmaster-General, acting on the recommendation of the Commissioners of Revenue Inquiry, that, "if it should be deemed expedient still to sanction an Establishment of this description annexed to the General Post Office, its management should be directly controlled by proper officers of this department, and its produce be appropriated to the revenue," recommended to the Lords of the Treasury that the Money Order Office should be converted into an Official Establishment.

The Treasury having acquiesced in this arrangement, the business of the Money Order Office was carried on from the 6th December 1838, on Government account. The amount of a single order was limited to 5*l.*, and the commission reduced from 8*d.* in the pound, to 6*d.* on every order of 2*l.* and under, and to 1*s.* 6*d.* on sums from 2*l.* to 5*l.*

In November 1840, with the view of taking away all inducement to remit *coin* by post, the commission was further reduced to 3*d.* instead of 6*d.*, and to 6*d.* where it was before 1*s.* 6*d.*

Increase of
business.

The following Table shows the gradual Increase from 1842 to 1853.

* 18th Report of Commissioners of Revenue Inquiry, p. 85.

† 18th Report of Commissioners of Revenue Inquiry, p. 86. The Commissioners of Post Office Inquiry also recommended this measure. 10th Report, p. 5.

	England and Wales.			Ireland.			Scotland.			United Kingdom.										
	Issued.	Amount.	Commission.	Issued.	Amount.	Commission.	Issued.	Amount.	Commission.	Issued.	Amount.	Commission.								
In 1833, the first year after the establishment of the Money Order Office as an official branch of the Post Office, when the poundage of 8 <i>d.</i> was reduced to a commission of 6 <i>d.</i> for every order not exceeding £2, and of 1 <i>s.</i> 6 <i>d.</i> for every sum above £2, and not exceeding £5, the number and amount of orders issued and paid, and the amount of commission on the orders issued, was - - - - -	No.	£	£	No.	£	£	No.	£	£	No.	£	£								
	132,723	240,063	5,137	124,004	208,586	30,015	47,295	964	47,022	71,426	16,183	25,765	531	17,609	31,715	188,921	313,124	6,652	188,635	311,727
In 1840, the first year of the Penny Postage - - - - -	482,764	802,827	14,263	429,600	739,963	53,507	77,167	1,524	89,388	120,950	51,526	80,980	1,476	50,000	83,372	387,797	960,375	17,263	603,888	944,287
In 1841, after a further reduction of the commission from 6 <i>d.</i> to 3 <i>d.</i> , and from 1 <i>s.</i> 6 <i>d.</i> to 6 <i>d.</i> , - - - - -	1,290,115	2,657,989	21,977	1,208,660	2,658,060	125,170	215,382	1,988	1,651	2,445,887	137,500	254,155	2,227	132,899	256,147	1,352,845	3,127,507	26,192	1,560,210	3,140,096
In 1853 - - - - -	4,405,395	8,501,217	73,652	4,240,704	8,339,658	396,996	962,547	6,386	5,515,555	778,196	412,959	752,130	6,782	420,806	802,161	5,215,290	9,916,195	86,820	5,213,065	9,920,296

In	Increase in the amount of Issues, as compared with the preceding year.			
	England and Wales.	Ireland.	Scotland.	United Kingdom.
	£	£	£	£
1842 - - -	1,051,809	80,496	77,365	1,209,270
1843 - - -	659,566	63,006	53,092	775,664
1844 - - -	489,541	32,808	60,205	582,554
1845 - - -	604,568	43,638	69,759	717,965
1846 - - -	463,020	84,547	110,130	657,697
1847 - - -	674,185	65,577	92,358	832,120
1848 - - -	261,145	18,738	(31,776 decrease)	248,107
1849 (from the 6th Jan. to the 31st Dec. only.)	19,062	(11,688 decrease)	(6,025 decrease)	1,349
1850 - - -	292,757	31,228	17,870	341,855
1851 - - -	344,438	29,627	11,857	385,922
1852 - - -	543,001	2,751	12,106	557,858
1853 - - -	440,456	6,437	31,024	477,917

Increase in the amount of Payments, as compared with
the preceding year.

England and Wales.	Ireland.	Scotland.	United Kingdom.
£	£	£	£
1,049,398	51,269	92,846	1,193,513
636,362	58,817	62,671	757,850
498,388	42,088	58,157	598,633
526,203	85,278	70,156	681,637
467,673	127,981	76,715	672,369
609,166	195,450	50,181	854,797
391,323	(141,247 decrease)	3,516	253,592
28,060	(21,093 decrease)	(1,097 decrease)	5,870
253,796	37,513	33,390	324,699
333,734	39,770	19,684	393,188
499,347	8,777	39,352	547,476
408,428	47,706	40,443	496,577

The circulation of this large and constantly increasing amount of money throughout every part of the United Kingdom in small sums, averaging less than 2*l.*, (the total number of orders issued in 1853 being 5,215,290, and the amount 9,916,195*l.*) is effected by means of a chief office attached to each of the Metropolitan Establishments in London, Dublin, and Edinburgh, and the agency of the different postmasters throughout the country. Its consti-
tution.

The number of Money Order offices in the United Kingdom, including the chief offices, is 1808. These are divided into major and minor, the distinction being, that minor offices cannot issue Money Orders to a greater amount on any one day than 50*l.*, and that their advices, instead of being forwarded direct to the offices upon which the orders are drawn, must pass through the chief office.

The chief offices, in addition to the duties common to all, of issuing and paying orders, have the direction and control of the operations of the country postmasters, supplying them with funds, receiving and examining their accounts, (which as regards their Money Order duties are quite distinct from their Revenue Accounts,) and embodying the whole in a general quarterly statement, showing the assets and liabilities of the department. Balance held by
it may be
further reduced.

Hitherto the amount of revenue held by the Money Order Office has been considerable. On the 30th September 1853 it amounted to not less than 127,000*l.* This sum has, however, been gradually reduced to 55,000*l.*, at which it stood on the 11th March 1854; and we conceive that by proper arrangements the Money Order Office might be placed in a condition to meet its liabilities without any aid from the revenue other than the occasional and *temporary* employment of the revenue by the country postmasters, a matter which we think of considerable importance.

The average amount of outstanding orders is estimated at 95,000*l.*; but as the remittances from the country include, on an average, 43,000*l.* in bills having mostly twenty-one days to run, and as the orders supplied to the Committee of Education, averaging 12,000*l.* every six weeks, are only paid for periodically, the available cash is reduced to 40,000*l.* In aid, however, of this sum, may be taken the commission on the orders, which is only paid over to the revenue periodically, so that if means could be taken to reduce the amount remitted in bills by only

one-half, the funds of the Money Order Office would be amply sufficient to meet the demands of that service. This object would be further secured were the Committee of Education to liquidate their account with the Money Order Office once a fortnight instead of every six weeks as at present.

Forfeited
Orders.

In estimating the resources of the Money Order Office we have omitted the amount of forfeited orders, which, together with the unclaimed property found in dead letters, may amount to about 1,200*l.* or 1,300*l.* a year; as we find that these sources of income have been appropriated, under Treasury sanction, to the formation of a fund to aid such officers of the Post Office as may effect insurances on their lives, in the payment of their premiums.

Establishment
in London.

The establishment of the chief office in London is composed of a president and 160 clerks. This number includes at this moment twenty-three vacancies, whose place is supplied by work in extra hours.

Making due allowance for the nature and magnitude of the business transacted in this office, and the consequent necessity for what would otherwise appear a considerable establishment, we have been led by the simplicity of the elements which form the basis of its operations, to direct our attention more particularly to the simplification of such of the proceedings as might appear to us unnecessarily complicated, and the discontinuance of others altogether useless.

Business may
be simplified.

The result of our inquiries satisfies us that while the business of this office is conducted with method and accuracy, some of its processes might, with perfect safety, be simplified and shortened, if not altogether omitted.

In bringing a few of such instances under notice we abstain from entering into details which we could hardly hope to render intelligible without personal acquaintance with the working of the system; neither will it be necessary that we should elaborate the suggestions we have to offer on this subject; but we have laid before the Postmaster General such suggestions for the amendment of the system as we think will be useful to him.

The principal defect, as it appears to us, is in the manner in which the postmasters' daily returns of orders issued and paid are dealt with after examination.

According to the present practice these returns are abstracted under the days of the year, a form which is not only inconvenient in itself, but which necessitates a

variety of other books, all more or less involving repetition before the matter finds its resting place in the general quarterly statement.

There is also a tendency to set up separate books for the purpose of establishing checks on the different operations performed in the chief office, which, although satisfactory enough in themselves, have yet, in our opinion, been carried to an unnecessary and burdensome extent.

The abstract book which we have proposed is intended to collect each day's transactions under the head of the Post Town, thus showing at one view the personal transactions of every postmaster from day to day. It also provides a ready means of watching the remittances and daily balances, and affords an easy comparison with the monthly account of the postmaster, which is not the case in the present process. In fine, it facilitates every subsequent operation from the abstract book to the ledger.

One other book for the purpose of recording sundry particulars, which could not conveniently be included in the abstract book, would be all that would be required to complete the process of abstracting, instead of the numerous books now used for that purpose.

We would also suggest that the minor offices should send up their accounts in the same form as the major offices, instead of the skeleton form now in use, which necessitates the particulars being entered in a book called the "Minor Office Ledger," from the letters of advice.

Certain books designated as "Previous Issue Registers," we consider unnecessary, as also the "Credit Registers" of the international accounts, and the "Register of the Amount of Paid Orders" in the chief office.

Having thus suggested, generally, the means by which the proceedings of the Money Order Office might safely, in our opinion, be simplified and rendered less laborious, we leave the subject in the hands of the Postmaster-General, in the full confidence that the practical knowledge of the officers of this branch of the Post Office will find it no difficult task to carry out this simplifying process in all its details.

The extent to which the alterations we recommend may affect the numerical strength of the office, will of course depend on the manner in which our suggestions are carried out. We are not therefore in a position to form any very precise estimate on this point. Nevertheless, we think that it would not be too much to expect that the duties of

Establishment
may be reduced.

the Money Order Office might, when simplified, and consequently shortened, be carried on with the number of persons at this moment employed (1 president and 137 clerks), without the necessity of filling up the twenty-three vacancies before adverted to, or of employing clerks at extra hours. We propose that the title of President should be exchanged for that of Controller; that his salary should commence at 500*l.* and rise by 25*l.* a year to 700*l.*; that the salary of the Chief Clerk should commence at 350*l.* and rise by 20*l.* a year to 450*l.*; and that the other clerks should receive the salaries already proposed. (See p. 7.)

Having thus gone through the various departments of the Post Office in London, we come next to its establishments in the provinces.

The surveyors.

Their importance.

We have already noticed that the connexion between the central and provincial offices is maintained through the agency of a body of surveyors. The importance of these officers can hardly be over estimated. They are sometimes called the eyes of the department; and the well working of the complicated and extensive machinery of the Post Office undoubtedly depends in great measure upon their intelligence and vigilance.

Mode of remuneration.

The mode in which they are at present remunerated is by moderate salaries, and by an allowance of 26*s.* for every day on which they are absent from home, and 8*d.* for every mile they travel. We think the principle of making a daily allowance, for the purpose of covering the expenses attending absence from home, a fair one; but we consider a mileage allowance to be objectionable. We, therefore, propose that mileage pay should be discontinued, and that the actual cost of all journeys should be reported to the secretary, and defrayed by his orders, as is usual in the case of other persons who travel on the service of the public. The travelling allowance, in addition to the actual cost of locomotion, should be 1*l.* a day. The salary should commence at a minimum of 500*l.*, increasing by 25*l.* a year to a maximum of 700*l.*

Surveyor's Clerks.

The surveyors' clerks are at present allowed salaries rising from 100*l.* to 150*l.* a year, with 15*s.* a day for subsistence, and a mileage allowance of 6*d.* for travelling. Their emoluments are calculated, on the whole, at about 350*l.* a year, the amount which a clerk receives for mileage being estimated at 195*l.* per annum, from which must be deducted, of course, the actual expenses to which

he is put in finding conveyances. Their services are of importance, and the experience which they acquire renders many of them peculiarly eligible to succeed to the appointment of surveyor.

We are of opinion that in the case of these officers, as well as in that of the surveyors, the mileage pay should be discontinued, and the actual travelling expenses paid, together with an allowance of 15s. a day for subsistence. The salary should, we consider, begin at 100*l.* a year, and rise by 10*l.* a year to 190*l.*, after which it should rise by 20*l.* a year to a maximum of 350*l.* This change will reduce the value of the clerkship for the first years, and increase it in the later years of service. The surveyor of the London district should receive a salary commencing at 250*l.* and rising to 400*l.* a year, by an annual progression of 15*l.*, and should be repaid the actual expenses of travelling; but, as he will not have to sleep away from his home, we do not think that he should have any allowance for subsistence.

Surveyor of
the London
District.

We have had our attention called to the salary of the private secretary of the Postmaster General. We consider that this should be 300*l.* a year, and that if the private secretary be a clerk in the office, his salary as clerk should be paid to him as is usual in other public offices.

Private Sec-
retary to the
Postmaster
General.

With regard to the Metropolitan offices at Dublin and Edinburgh, we have particularly turned our attention to the possibility of effecting an economical arrangement by discontinuing them, and placing the Scotch and Irish business immediately under the direction of the central office. We found, however, after a careful inquiry, that there were some portions of the business in which the agency of the branch Establishments could not conveniently, or even safely, be dispensed with.

Offices of Dub-
lin and Edin-
burgh; ques-
tion as to their
maintenance.

The management of the accounts in particular requires that receivers should be stationed, and accounts kept, at the capitals of Scotland and Ireland. Remittances to and from England would be both costly and tedious. Country postmasters, requiring sums of money to meet sudden demands, would be much embarrassed if, instead of sending to Dublin or Edinburgh for them, they had to send to London; and the inconvenience would probably be found such as to require that larger sums should be left in their hands than is now thought desirable. Upon the whole it appeared to us that the account business, at

Account busi-
ness.

all events, could not advantageously be concentrated in London.

Dead Letter Office.

Another difficulty appeared to arise in respect of the Dead Letter Offices. Letters posted in Scotland or Ireland, with imperfect addresses, or with insufficient prepayment in cases where prepayment is required, are opened at the Metropolitan office for the purpose of being returned to the writers. Were it necessary to send all such letters to the Dead Letter Office in London, not only would two days at least be lost in the course of transmission to and fro, but much difficulty would be experienced, from want of local knowledge, in deciphering a considerable number of the addresses of the persons to whom the letters have to be returned. The loss of time and the annoyance to the public would probably be such as to render it practically impossible to remove this portion of the establishment to London.

Inexpediency of centralizing the offices.

If, however, an Accountant's branch and a Dead Letter branch are to be separately kept up, there is little to be gained in the way of centralization. The mere abolition of the local secretaries would be scarcely any gain in point of expense, for it would be absolutely necessary to appoint two highly paid clerks in the London office to attend to the Scotch and Irish business, and the local establishments would be less well regulated, and probably more expensive, if the controlling authority of the Secretary were removed. On the other hand, the removal of these officers would give rise to much inconvenience in the two kingdoms. A good deal of correspondence takes place between them and the Surveyors, as well as between them and the public, which is not transmitted to London; and although, in the more important cases, reference is ultimately made to headquarters, there are many in which the local Secretary is able to decide the matter more expeditiously, and therefore more satisfactorily, than could be done in London. Some advantage is also derived from the personal interviews which an officer of the rank of a Secretary is enabled to hold with persons of consequence in Scotland and Ireland, who visit the capitals of their own countries on business.

Footing on which the Scotch and Irish offices should be placed.

For these reasons we are of opinion that the Scotch and Irish offices should not be discontinued. As we have not had an opportunity of personally inspecting them, we cannot give a detailed scheme for their arrangement, but

we recommend that the Postmaster General should direct such a scheme (including also the arrangements for the Scotch and Irish surveyors), to be prepared by some competent person practically acquainted with them. The general outlines of such scheme would probably be in conformity with the recommendations of this report, subject to such modifications as might appear necessary. The forms of account which we have proposed for the London office, the consolidation of the departments of the Accountant and Receiver-General, the improvements which we suggest in the Money Order Office, and other measures set forth in this report, will be applicable to the Edinburgh and Dublin offices also. The scales of salary should be in proportion to those which we have suggested, but the rate of pay should be lower, as the expenses of living in the provincial capitals are also lower. We may add that we see no reason for the difference which exists between the salaries of the Scotch and the Irish secretary. We think that they should be placed on the footing of the English Assistant Secretaries, beginning at 700*l.* and rising by 50*l.* a-year to 1,000*l.*

We abstain from entering into any inquiry into the constitution and salaries of the country Post offices. These will no doubt furnish ample subject for a separate inquiry, which we think the Postmaster General may very advantageously institute.

The only recommendation which we have to make with respect to their discipline is one which has been strongly pressed upon our notice by the complaints which we have heard from some of the country postmasters respecting the clerks who are appointed to their offices. We suggest that country postmasters should appoint their own clerks, subject to the special approval of the Postmaster General in every case, and subject also to such general rules as he may prescribe with regard to age, certificates of character, examination, and other matters. The power of dismissal should, of course, rest with the Postmaster General.

Having thus gone through the various branches of the Post Office establishment, we have now to call attention to some points which are of general interest to them all.

It is impossible to look at this great department without being struck by the large field for promotion which it contains within itself, and the opportunities which it consequently affords for at once encouraging merit in the lower ranks and filling the higher offices with men of tried

Country Post Offices.

Postmasters to appoint their Clerks.

Manner in which promotions should be regulated.

character and abilities. We consider it of great importance that the service should not be discouraged by the appointment of strangers to the higher and more lucrative situations, if there are officers already engaged in the department who are well qualified to take them.

All promotion should be strictly regulated according to qualification and merit. No annual increase should be allowed within any class without a certificate from the chief clerk, or senior officer of the division, that the officer claiming the increase has been regular in his attendance, and has given satisfaction by his conduct during the preceding year. In the case of promotions from class to class, the vacancy in the higher class should be reported to the Postmaster-General by the secretary, together with a list of the names of the gentlemen in the class below, showing the dates of their several appointments, and any particulars respecting their characters or services which may from time to time have been recorded by the direction of the Postmaster-General or the secretary. From this list the Postmaster-General should, with the advice of any practical officers whom he may think fit to consult, select the fittest man for promotion, and should direct a note to be made of the circumstance, and of the place which such person held in the class previously to promotion. He should also cause notes to be made respecting any other gentleman in the class whom it may appear to him desirable to distinguish; and all such notes, and any notes either of approbation or censure which he may at any time desire to make, should be entered in a book, which should be preserved in the office.

Superior or staff appointments should be filled by the appointment of men already in the service of the Post Office, provided persons thoroughly well qualified for them are to be found. Of course, in the event of the Postmaster-General not being able to find a proper person in the service for any appointment that may become vacant, it must be filled from without.

There is one class of appointments to which we wish to call particular attention, in connexion with this subject. We allude to the postmasterships in the country offices. These appointments are at present made by the Lords of the Treasury. It appears to us, however, that it is a matter of importance that they should be placed at the disposal of the Postmaster General, both because he is in a position which gives him a greater interest in making

good appointments, and greater facilities for doing so, and also because the power which he would possess of rewarding meritorious officers in his own department, by promoting them to the charge of the important provincial offices, would materially conduce to the general efficiency of the whole body. The public would thus be doubly benefited by having the important provincial offices filled with men who thoroughly understand their business, and by the improvement in the General Department which might be expected as an indirect consequence of the measure. We accordingly recommend that the appointments to the country postmasterships should in all cases be made by the Postmaster General.

Some questions have arisen as to the hours of office work, and the remuneration of clerks employed out of the prescribed hours. Hours of office-work.

As a general rule, we consider that every man employed in a Government office should be prepared to devote to his duties, not only the ordinary time which it is calculated that they will occupy, but as much more as may be necessary to meet any special emergencies. Thus, if the ordinary hours in a particular department be six, and a pressure of work arises requiring the attendance of the clerks for seven, eight, or even more hours, such attendance should be given without any extra remuneration. The same rule will apply if the ordinary hours of work are more than six, as the salaries will have been calculated accordingly.

A practice prevails in some offices of limiting the hours of work, and of allowing the clerks to perform extra work out of hours, and to receive extra pay for the same. This practice we consider objectionable. Extra work objectionable. It has the effect of inducing the clerks to exert themselves unduly in the hours of extra work, the necessary consequence of which in many cases is, that they are exhausted and unfit for their duties during the ordinary office hours. It may at first sight appear hard to debar an industrious man from eking out a small salary by labour out of office hours; but we are decidedly of opinion that a just consideration of the interests of the clerks themselves, as well as of those of the public will dictate the conclusion that the Government ought to engage the whole time of its servants, pay them properly for it, and place them under such regulations as may husband their strength and render them capable of the largest and most efficient term of service.

And should be discontinued.

Extra work prevails in several departments of the Post Office; but we consider, for the reasons we have just assigned, that it should be discontinued. We find, for instance, that in the Money Order Office the ordinary hours of work are considered to be six, but that it being necessary that certain books should be entered up after the closing of the Accountant General's Office, clerks are allowed to volunteer to remain after office hours for the performance of this duty, and are remunerated with extra pay. In place of this arrangement, we consider that a scheme should be prepared for requiring each clerk in the second and third classes to take his turn at this duty without any extra remuneration. The same rule should be observed in other departments, subject to the exceptions to which we shall presently advert.

Certain cases in which extra pay may be retained.

In speaking of the propriety of discontinuing extra work, it is not our intention to express an opinion against awarding a higher rate of payment to those who are, as a matter of ordinary duty, employed upon services which require peculiar attention, or which have to be performed at unseasonable hours. Such, for instance, are the cases of the clerks in the Money Order Office, who are employed as windowmen, or in conveying money to and from the office of the Receiver General. The allowances made for these services may, we think, be properly continued. With regard to work at unseasonable hours, we consider that an extra allowance may be made to all persons employed at the Post Office between 9 P.M. and 7 A.M.

Holidays and absence on leave.

We recommend that provision should be made for giving every person employed in the Post Office some relaxation in the form of annual holidays, without deduction from his pay. We consider that a short periodical remission of business has a tendency to render the services of public officers more valuable, by the effect it has upon their health and spirits; and we therefore recommend it as a measure of public economy. We are of opinion that the annual holiday should be one month for those of the clerks, who have not hitherto had any holidays allowed to them, and a fortnight for the sorters, letter carriers, and inferior officers. Any days of absence, beyond these periods, from whatever cause, must continue to be deducted from the pay of the officer, according to the present regulations.

Bonds to be discontinued in certain cases.

It is the practice to take security from all persons employed in the Post Office, and this is felt to be a heavy

burden by many, who are not in positions which give them access to public money. We consider that in future no person should be required to give a bond or find sureties unless he is in such a position.

In connexion with the question of the security of the revenue, we have to call attention to an officer whose appointment we consider to be an unnecessary one. We mean the Inspector General, at a salary of 700*l.*, who is employed in the investigation of cases of fraud. We recommend that this office should be abolished and the duty transferred to the Solicitor's Office, where an additional clerk may be appointed in consideration of the increased business. The Inspector General is at present allowed the services of a clerk, whose office would cease with that of his principal.

Inspector General to be discontinued.

We understand that a gentleman holding a clerkship in the London District Office is also employed upon investigations in cases of suspected fraud, and is paid according to the time spent upon them. We do not recommend any interference with this arrangement.

With regard to the three clerks in the Solicitor's Department, we recommend that their salaries be fixed respectively at the amounts proposed for the three classes of clerks in the Secretary's Office, viz. :—from 400*l.* to 500*l.* for the first, from 260*l.* to 380*l.* for the second, and from 120*l.* to 240*l.* for the third; it being understood that the gentleman now acting as third clerk will not be deprived of his right of rising to a maximum of 300*l.* The travelling allowance of the Solicitor should be 1*l.*, and that of the clerks, 15*s.* a day.

Solicitor's Office Salaries.

We here take occasion to observe, that it is important to bear in mind with respect to travelling allowances, that they are intended to cover the actual cost of subsistence, and are not to be regarded as an indirect mode of giving additional remuneration. They ought not, therefore, to be reckoned as part of the emoluments of any office; and should they be altered or reduced, no claim for compensation should be allowed in respect of any difference between the subsistence allowance and the actual cost of travelling. They should be regarded as subject to revision from time to time, in case of their appearing to be too large or too small for their purpose; and the full amount should never be allowed except when the officer passes the night away from home.

Rule as to Travelling Allowances.

Alterations,
how to be car-
ried into effect.

We have now completed our suggestions, in respect of many of which we have to acknowledge our obligations to several of the practical officers of the Post Office, from whom we have received very valuable information. It only remains for us to say, that we think the alterations we have proposed should be carried into effect with as little delay as possible. In some cases where we have recommended the abolition of particular appointments, it will probably be thought better to allow the existing holders of them to continue for the present, than to place them on the retired list with compensation for the loss of their offices, though the latter course may be desirable in some cases,—such, for instance, as that of the Receiver-General. In the course of our examination we have become aware that, under the system of promotion hitherto in use, some officers have advanced to positions for which they are not properly qualified; and it will be necessary, before applying the new scale of salaries which we propose, that the Postmaster General should, by re-arrangement, correct any such anomalies. It will also be necessary that he should determine the future complement of each class, according to the nature and amount of duty to be performed in it; and where the number of officers in any existing class is different from the number in the new class, or where the number of classes is different, that he should make a re-distribution of the officers; but in none of these cases should an officer lose any portion of his present salary. The re-casting of salaries should, we think, be immediate; the principle of effecting it being to allow those persons whose salaries at present exceed the amount we have proposed to continue as they are, both actually and as respects their advance to the *maxima* of their respective classes; to raise those whose salaries are below the proposed *minimum* of the class in which they are to stand, up to that *minimum*; and with regard to persons whose salaries are at any point between the *maximum* and the *minimum*, to take them up at the point at which they are, allowing the next annual increment to begin to accrue from the date at which our suggestions are directed to take effect, which will make such increment actually payable one twelvemonth after that date.

In calculating existing salaries, it will be necessary to take into consideration the circumstance, that according to the present arrangement they advance by periods of

five years. If, therefore, two or three years have elapsed since the last advance, the salary must be estimated accordingly; that is to say, if a clerk is in the receipt of a salary of 150*l.* which is to rise to 170*l.* at the end of five years from the date of its advance to the present point, and if three years have elapsed since it reached 150*l.* then it must be reckoned as a salary of 162*l.* and dealt with accordingly.

There will, however, be some cases with which it is more difficult to deal upon a fixed principle. Such will be those in which promotion depends, not upon annual or quinquennial progression, but upon vacancies arising from death or resignation. It is impossible for us in a report of this nature to anticipate and provide for all such cases, nor do we consider it necessary to attempt to do so. The scheme we have proposed is, upon the whole, for the advantage of the department, and we do not think that the possibility of its being productive of inconvenience to a few individuals is a sufficient reason for setting it aside. It would, on the other hand, be undesirable to make provision for the indefinite discussion of cases which may arise under it; and we consider that, as a general rule, it ought, when once adopted, to be regarded as final. In order, however, to meet the most important of the difficulties which are to be expected, we recommend that should any case occur at any time, within three years after the adoption of the new scales of salary, in which it is distinctly proved to the satisfaction of the Postmaster General and the Lords of the Treasury that any person is actually a loser (by which we do not mean that merely anticipated losses shall be taken into account), in consequence of the adoption of such scales, such compensation should be made as may, in the judgment of the Postmaster General and their Lordships, be sufficient to satisfy the justice of the case

ELCHO.

STAFFORD H. NORTHCOTE.

C. E. TREVELYAN.

E. A. HOFFAY.

30th May 1854.

APPENDIX.

A WEEKLY STATEMENT OF RECEIPT AND PAYMENTS TO BE FORWARDED BY POSTMASTERS.

*** *This Account to be sent to the Accountant General by Monday's Post.*

Postmaster at _____ in Account with the Postmaster General for the Week ended the _____ day of _____ 185__.

RECEIPTS.						PAYMENTS.				
						£	s.	d.		
Balance brought from preceding Account, viz.:-									Balance of Errors on previous Accounts	
Cash									Dead, Mis-sent, and Re-directed Letters:-	
Postage on Letters undelivered									Dead Letters	
Postage Stamps { Labels									Mis-sent and Re-directed Letters	
{ Envelopes										
Balance of Errors on previous Accounts									Salary of Postmaster - - - (Payable Monthly)	
Amount of UNPAID Letters received, viz.:-									Allowance for Assistance - - - do.	
		LONDON.	CROSS POSTS.	RAILWAY.					Compensation for loss of Fees - - - do.	
		No. of } arrivals } daily }	No. of } arrivals } daily }	No. of } arrivals } daily }	LOCAL.				Poundage to Postmasters and Sub-Postmasters on the Sale of Postage Labels - - - (Payable Quarterly)	
Total Number of Unpaid Letter Bills which should accompany this Account according to the last Instructions.	Sunday								Salaries of Clerks - - - (Payable Monthly)	
	Monday								Wages of Letter Carriers - - - (Payable Weekly)	
	Tuesday								Ditto of Rural Post Letter Carriers do.	
	Wednesday								Ditto of Sub-sorters, Messengers, Stampers, and Porters - - - do.	
	Thursday								Salaries of Sub-Postmasters and Receivers, (including Allow- ances for Delivery) - - - (Payable Quarterly)	
	Friday								Allowance on Money Orders to do. do.	
	Saturday								Wages of Letter Carriers at Sub- Post Offices - - - (Payable Weekly)	
Totals									Incidental Payments - - - (Whenever made)	
Amount received for PAID Foreign and Colonial Letters and Newspapers, viz.:-									Wages of Mail Guards - - - (Payable Weekly)	
					No. of despatches daily.				Gratuities on Ship Letters - - - (Whenever paid)	
Total Number of Paid Letter Bills Despatched during the Week according to the last Instructions.	Sent by London								Transfer to Money Order Account - - -	
	" Cross Post								Remittance made to London (less Balance in hand*) -	
	" Railway								*Balance in hand on the of 18, viz.:-	
Amount received for Ditto for									Cash (fractional part of a Pound)	
Value of Postage Stamps received { Labels									Postage on Letters undelivered -	
{ Envelopes									Postage Stamps { Labels - - -	
Transfers from Money Order Account									{ Envelopes - - -	
Cash Remittances from London										
NOTE.—This Account must be accompanied by all the Letter Bills, } and by a Receipt for every Payment made.						£			£	

Examined by _____

Clerk to Postmaster.

(Postmaster's Signature)

To the Right Honourable the Lords Commissioners of
Her Majesty's Treasury.

MY LORDS,

I HAVE received the Report of the Commissioners appointed to inquire into the Establishment of the General Post Office, which was referred to me by direction of your Lordships on the 30th ultimo, for any observations that I might have to offer upon it.

I beg leave to express my opinion that the changes in the organization and condition of this office which have been recommended by the Commissioners will, if adopted, greatly increase its efficiency; and I think there is good reason to believe that they will be generally satisfactory to the officers and servants of the department.

The following are the only observations which I have to make upon the Report:

1st. As regards the manner in which Promotions should be regulated (page 35-7).

I cordially concur in the principles which the Commissioners have laid down upon this head, and I believe it to be in the power of the Postmaster General to give full effect to them.

But cases will arise in which, as it appears to me, it will not be necessary or desirable to follow the detailed process which the Commissioners have suggested as ensuring the selection of the person most fit for promotion. Such will be those in which a vacancy takes place in the higher offices of the department, and when the person best qualified to fill it will probably be found amongst the clerks who have worked under the immediate observation of the Postmaster General, and of whose merits and qualifications, both as regards the degree and the nature of them, he will have had the means of forming a sure judgment.

In these cases (and though not of frequent occurrence, they will be important) I think that the reports and notes to which it is proposed that the Postmaster General should refer will be in a great measure superseded by his own experience of the ability, character, and conduct of the persons from whom selection can properly be made.

2d. As regards the discontinuance of Extra Work (page 37-8).

I think that there should be a relaxation of the rule prescribed by the Commissioners in this matter.

The heavy and sudden pressure brought upon the office by Returns or Information called for in Parliament by Committees of either House, or by your Lordships, and the occasionally urgent nature of business arising out of the relations of the department with railway companies, make it desirable that some discretion should be left to the Postmaster General in this respect.

I believe that not only is this necessary for the rapid and satisfactory performance of the work thus thrown upon the Office, but that economy also will be promoted by it.

At the same time I join with the Commissioners in considering that the habitual discharge of current business by extra work, as in the instance mentioned by them, should be discontinued.

3d. As regards carrying the alterations into effect, and especially the re-casting of Salaries (page 40-1).

In several instances the proposed scales of salary will diminish the income of an officer, and it may not be possible to meet the case by placing that officer in any of the classes prescribed by the Commissioners.

It will be right that the Postmaster General should be empowered to bring such cases under the special consideration of your Lordships.

It will also be desirable that the order in which the various branches of the establishment shall be dealt with should be left to the consideration and decision of the Postmaster General; and that the new arrangement of Classes, and the new scales of salary should take effect as soon as your Lordships shall sanction the arrangements in regard to the number in each class, and as to other details which I shall have to submit for your approval.

Subject to the modifications above suggested, I shall be ready to carry out the recommendations of the Commissioners upon receiving the authority of your Lordships to that effect.

I have the honour to be,

My Lords,

Your Lordships obedient servant.

CANNING.

General Post Office,
7th June 1854.

TREASURY MINUTE, dated July 28, 1854.

My Lords have before them the Report of the Committee appointed to inquire into the Post Office establishment, together with the remarks made thereupon by the Postmaster General in his letter dated the 7th day of June, proposing certain slight modifications therein.

With regard to the Report itself, my Lords notice with great satisfaction the evidence which it exhibits of the pains which have been bestowed upon the inquiry by the Committee, and the extensive improvements which they propose as the result thereof. With those proposals my Lords are pleased, with some slight exceptions, to express their entire approval.

In the first place, my Lords approve of the modifications as suggested in Lord Canning's letter already referred to.

In the next place, my Lords are of opinion that the limit of age for admission to the service (*viz.*, 17 to 23) for Letter Carriers and Sorters is too low. My Lords advert first to the trustworthy character of the duty, requiring, at least, considerable steadiness of character and habits, which may not be easily secured at so early an age, and they also advert to the fact, that the limit of age for admission into other parts of the public service for which the officers are drawn from similar classes of society, and where the duties are not of a character requiring so much trust, extends to the age of 30. My Lords are therefore of opinion that it is desirable that a latitude should be given to the Postmaster General in the selection of this class of officers up to the age of 27.

The only other point in the report which my Lords desire to modify, is that which proposes to transfer the appointment of local Post Masters from this Board to the Postmaster General. My Lords entirely concur with the Committee that it would be beneficial to the public service and advantageous to the Post Office department, that the Postmaster General should have an opportunity of

rewarding meritorious servants by promoting Post Masters to more important towns when vacancies occur, and by appointing deserving officers in country Post Offices as well as in the chief office in London to the charge of local Post Offices. But it appears to my Lords that this principle can only be applied with advantage to a class of Post Offices where, from their importance and the amount of the emolument, the office is held as a separate and distinct appointment and apart from any other pursuit or employment; and that it would be inapplicable in all cases where the Post Office is held in conjunction with a private business or profession, in which case it is obviously necessary that the appointment must be conferred upon a local person. In the latter cases, my Lords are of opinion that it is for the public interest that the appointments should continue to be made as at present, by my Lords, after consulting, through the recommendation of the members for the county or town, the convenience and wishes of the population. My Lords are therefore pleased, in order to carry out these distinctions, to decide that in future all appointments of Postmasters to provincial offices, where the net income shall exceed 175*l.* a year, shall lie with the Postmaster General, and in all other cases, that the appointments shall continue to be made as at present.

With these exceptions, my Lords are pleased to authorize the Postmaster General to take steps to give effect to the recommendations of the Report.

LONDON :
Printed by **GEORGE E. EYRE** and **WILLIAM SPOTTISWOODE**,
Printers to the Queen's most Excellent Majesty.
For Her Majesty's Stationery Office.

FIRST REPORT
OF
THE POSTMASTER GENERAL,
ON
THE POST OFFICE.

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



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FOR HER MAJESTY'S STATIONERY OFFICE.

1855.

THE POST OFFICE

THE POSTMASTER GENERAL,

THE POST OFFICE

1860



WASHINGTON

1860