

# SECOND REPORT.

THE SPECIAL COMMITTEE appointed to enquire into the present condition of the Post Office Department, with a view to the application of an efficient remedy to the defects in its Organization and Management, have agreed to the following REPORT:—

YOUR Committee have directed their attention, at an early period of the Session, to the Financial Affairs of the Department, its Receipts and Expenditure, and the manner in which the surplus Revenue was disposed of.

Your Committee have examined, at great length, the Deputy Post Master General, and called for various Statements, Returns, Documents, and Correspondence, which, with the Evidence taken by Your Committee, will be found appended to this Report.

The great number, and still incomplete state, of these Accounts, have, as yet, prevented Your Committee coming to a satisfactory conclusion on the voluminous papers connected with the Finances of the Department which have been laid before them. Sufficient data have, however, been obtained to convince them that the Post Office Department in the Canadas has been made a source of Revenue to Great Britain, large sums having been annually remitted by the Deputy Post Master General to the General Post Office, London. For the thirteen years ending in 1834 inclusive, the enormous sum of £91,685 8s. 8d. sterling, has been transmitted to England by the Post Office of this Province; the average remittance of the last four years being £10,041 13s. 4d. sterling, per annum.

Your Committee would be wanting in their duty to Your Honorable House, and to the People of this Province, did they not take the first opportunity loudly to protest against this illegal violation of the plainest principles of constitutional law, and the fundamental rights of the good People of this Colony. However the circumstances of the case may have originally necessitated the levying of this tax, previous to the establishment of a Representative form of Government in this Province, from the moment such form of Government was established therein, the surplus derived from this source of Revenue ought to have been immediately placed at the disposal and under the control of the Representatives of the People, in conformity with one of the important and indisputable birth-rights of British subjects, which were more peculiarly acknowledged and confirmed to Colonies having local Legislatures, by the faith and honor of the British Parliament pledged by the Declaratory Act of one thousand seven hundred and seventy eight, the violation of which principle has already cost Great Britain so dear, in the dismemberment of the Empire, and the loss of the former British Colonies, now the flourishing and happy United States of America.

By the Act passed in the fourth year of His present Majesty's Reign, chapter twenty seven, His Majesty's Government virtually admit the making of such remittances to be unconstitutional, and a violation of the rights of the subject.—Your Committee were, therefore, induced to hope that such practice would, at least, have been discontinued by the Deputy Post Master General, after he had become cognizant of the views of His Majesty's Government, as evinced in that Act. So far, however, from respecting the rights of Your Honorable House and of the People of this Province, Your Committee perceive that that Officer still continues to make these remittances.

At an early date, when Your Committee learnt that the Deputy Post Master General had already made a large remittance on account of the last year, 1835, they gave that Officer to understand that very probably Your Honorable House would hold him personally responsible for any further remittances he might make to the General Post Office in England, out of the Post Office Revenues collected in this Province. So far from respecting that warning, that Officer immediately after, as Your Committee learn by Statements furnished within the last few days, paid into the Commissariat Office, at Quebec, to be forwarded to England, twenty thousand dollars.

REMITTANCES.	
1835, 17th August.....	\$13,000
3th December.....	12,000
20th February, 1836.....	5,000
For three quarters.....	\$30,000

The sums thus remitted by that Officer to England, for the three quarters ending 5th October, 1835, from the Post Office revenue collected by him in both Canadas, amount as per minute in the margin, to the large sum of *Thirty three thousand dollars* equal to *Eight thousand two hundred and fifty pounds* currency.

The People of both the Canadas, have, even by the admission of the Deputy Post Master General, been "clamorous" in their demands for new Post Offices and increased Post Office accommodation. That Officer, although informed of these demands, has hitherto on various pretexts neglected to comply with them. On the contrary he appears to consider one of the principal duties of his office to be to render the Department in these Provinces as profitable a source of revenue as possible to the Parent State, and to consider the accommodation of their inhabitants a matter of secondary consideration. Under all the circumstances of the case, then, Your Committee respectfully suggest to Your Honorable House, the necessity of taking immediate steps to put a stop to this unconstitutional and illegal practice, and recommend that the Deputy Post Master General be held personally responsible for any further remittances which he might make to England from the Post Office revenue of this Province.

By the Statements laid before Your Committee, the gross receipts of the Department in the Canadas appear to have been for the three last years as follows:—

<i>In Upper Canada.</i>	1832.	1833.	1834.
Postage on Letters,	£14008 10 5	16509 13 6	17679 14 11
on Newspapers and Pamphlets,	1335 19 11	1433 9 7	1230 11 7
	£15344 10 4	17943 3 1	18910 6 6
<i>In Lower Canada.</i>			
Postage on Letters,	£13735 15 3	13427 13 2	13333 9 5
on Newspapers and Pamphlets,	737 19 11	833 6 2	852 16 6
	£14473 15 2	14260 19 4	1418 19 11
Total gross receipts for both the Canadas, currency,	£29818 5 6	32204 2 5	33096 6 5