The fixed salary system would greatly simplify the accounts and remove a fertile source of difficulty and disagreement, resulting in a multiplicity of corrections for small amounts leading to equally small balances, very difficult to collect satisfactorily.

Moreover it is very desirable that there should be an assimilation of Post Office practice and system on all main points throughout the Dominion, and judging the fixed salary mode of paying Postmasters to be the best, it would be better to extend the application of that principle to Ontario and Quebec, rather than alter the usages in this particular of the Post offices of the Maritime Provinces.

Power to make this change in Ontario and Quebec was taken in both the last and present Post Office Acts, and provision was even made for the probable additional cost in the appropriation of the current year, but as yet it has been impossible to undertake the business, and indeed the basis of collections and present commissions has been so disturbed by the reductions and alterations of postage rates which took effect last April, that the Department could not safely embark on such a measure until matters had somewhat settled down.

In alluding to additional cost, in connexion with the change from commission to salary, what is meant is this, that a Postmasters' compensation should be compounded, partly of an equivalent for a commission on amount of collections, and partly of something as a consideration for the incidents of duty which are not fairly represented by the comparative amount of those collections. The result need not materially alter the amount of payment to any other Offices than those in the newly settled and thinly inhabited parts of the country where Offices are established and maintained under the influence of considerations, in which the question of the amount of revenue to be collected holds but a subordinate place. With these Offices it is, that the commission principle operates unjustly, and it would probably be right to have a minimum salary of perhaps \$12 a year. At a very recent date it was found that there were upwards of 500 Postmasters in Ontario and Quebec whose income from commission did not exceed ten dollars per annum, and nearly as many more whose yearly commission ranged between \$10 and \$20. These are the men whose cases are not equitably met now by a Commission allowance, and it is in applying a salary scale to them that the increased cost would arise.

CITY POST OFFICES.

The Postmasters and 176 Clerks, Letter Carriers, &c., compose the staff of the City Post Offices at Halifax, St. John, Fredericton, Quebec, Montreal, Ottawa, Kingston, Toronto, Hamilton and London.

City Postmasters.

These Officers are to be appointed by the Governor, and all are paid by fixed salaries. In Ontario and Quebec the salaries to City Postmasters were regulated by the Civil Service Act of 1857, on the following scale:—

Where Postage Exceeds \$24,000 per annum Postmaster's Salary \$2,000

Where Postage Exceeds \$12,000 and is below \$24,000 \$1,600.

In Nova Scotia and New Brunswick there appears to have been no scale.