

justified in asserting or insinuating that the existing plan was entered into for their own benefit by postmasters.

This allegation, if correct, might indeed form a strong support to the dictum that *the postmasters have no claim to compensation*; but I do not believe that in *any instance* those communications were formed for the convenience or profit of postmasters. I opened several of them myself, at the desire of the inhabitants, and for their accommodation, and my own emoluments from United States' postage being confined to what is collected at Quebec and Montreal, it is clear that I derived no personal benefit from thus multiplying the channels of intercourse with the American territory, but, on the contrary, I subjected myself to increased responsibility and labour.

With the statement of facts in relation to our post communication with the United States, the truth of which I can substantiate, I cannot but think it extremely improper that such imputations as appear in the Report should have been made, nor can I see justice in the proposition that I or others should be deprived of a source of income such as this without compensation therefor, in some shape or degree.

It is right I should state (otherwise it will not be suspected), that under the present arrangement I have been exposed to and have sustained heavy losses; besides minor sums, the large amount of 1,300*l.* due to me by a deceased postmaster for American postage is now in extreme jeopardy, and may be lost to me altogether. This money, under my agreement, I was bound to pay over to the American post-office, though never received by me, *and although I never derived any portion of the commission accruing to the postmaster whose debt I was thus compelled to assume.*

As to the *measure* of remuneration due to the Deputy Postmaster-general and others for the loss of commission on United States' postage, I have never considered that it should be equal to the advantage that it has afforded; but *something*, I conceive, will be due to those persons, if the deprivation takes place, and I have little doubt that it will be so determined by your Excellency and Her Majesty's Government. So far as this question applies to the several postmasters concerned, I had proposed what I deemed an equitable consideration in the plan of establishments for the principal offices prepared by me, which the Commissioners have not judged it necessary to publish in the Appendix: for my individual claim, I am quite willing to leave it to the decision of the Government.

I have just alluded to the fact that the Commissioners have not judged it necessary to publish in the Appendix the estimates for the principal offices as prepared by me; I have felt considerable disappointment at this omission, because I have believed that it was an especial point of their duty to take cognizance of so material an item in the general economy of the establishment, and to pronounce a positive opinion thereon, and I know, besides, it was the expectation of his Lordship the Postmaster-general that they would do so. Impressed as I am with these convictions, I cannot hesitate to submit for your Excellency's observation, copies of the estimates alluded to, which were drawn up by me after the best consideration I could bestow upon the subject. It is the more necessary I should do this, because the existing arrangements are not satisfactory either to the postmasters or to myself, and there can be no doubt they require early consideration.

Certain remarks of mine, in my capacity as Deputy Postmaster-general, which will be found in the Appendix, Part I. originally included observations on the estimates in question, but the Commissioners have not published this portion of my observations, nor have I now the means of supplying the deficiency.

Under this head I cannot repeat too decidedly an opinion which will be found in different words in other parts of this statement, namely, that I do not concur in the belief that the adoption of the new system of rates proposed by the Commissioners will furnish means for a self-sustainment of the department, either in Canada alone or throughout British North America; on the contrary, the more I consider the matter, the more convinced am I that it would be a suicidal act to adopt the recommendation of the Report on this subject *in extenso*, without a previous provision for meeting a *probable*, I may say, indeed, a *certain* deficiency of revenue. It is, of course, impossible to demonstrate the truth of my views by figures, but with the experience I have had in the working of the post-office in British North America for so many years, I do not think it is presumptuous in