

The repeal of this Act, and the consequent abolition of local rates, while relieving the public from a vexatious impost, affected the Revenue in a far less degree than might at first have been supposed.

Administration.

In the administration of the Department, and more particularly in the framing of Rules for the guidance of the Officers, the chief objects have been the convenience of the public and the simplification of the work.

The Regulations issued under the Act have effected the principal end for which they were intended, that of regulating the internal business of the several Offices. Definite rules are therein laid down for dealing with such cases as had been left unprovided for previously, and the disposal of which had consequently been left to the discretion of the respective Postmasters.

The case of Dead or Undelivered Letters may be cited as an example.

Notwithstanding the obvious importance of providing most carefully for the proper disposal of this class of Letters, no very definite rule existed in reference to them.

Postage Rates.

With regard to the Postage Rates now in force, they have been drawn up with a view, as far as possible, of avoiding all complications or misunderstanding.

All Letters transmitted from a New Zealand Post Office are charged under two heads:—

1st. As Inland Letters. 2nd. As Foreign.

The single rate for the one is 2d. That for the other, 6d.

The latter class, however, is necessarily divided into two sub-classes, in order to provide for the case of Letters passing through the United Kingdom to some Colony or Foreign Country, on which additional rates are levied. The amount of these rates depends upon a special arrangement between Great Britain and the particular Country or Colony, and is therefore not under the control of this Department. Prepayment on Inland Letters is optional, on Foreign Letters compulsory, while Letters arriving from Foreign Parts are delivered free.

An uniform fee of 1s. for Registering Letters, whether Inland or Foreign.

Revenue.

It will be seen by a comparative return (given in Appendix A) of the Postal Revenue collected during the years 1858 and 1859, that, notwithstanding the considerable reduction which, as will be presently mentioned, has been made in the rates to be charged, and notwithstanding the total abolition of the Local Rates, the Revenue has upon the whole materially increased.

Some anxiety was expressed as to the effect likely to be produced on the Revenue by the sudden abolition of Local Rates; but, on a nearer examination of the matter, the Government did not share in that anxiety, and the result has completely confirmed them in their opinions.

A short consideration of some of the circumstances will show that there were good grounds for believing that this measure would not in any material degree, if at all, diminish the Revenue.

In the first place, it must be noticed that in certain portions of the Colony no Local Rates were levied at all; so that, so far as these portions were concerned, their abolition could make no difference in the receipts.

Auckland, Nelson, Otago, and Canterbury, had alone brought the "Local Posts' Act, 1856," into operation—the three first fixing 2d., and the last 1d., as the single Local Rate. The Revenue produced by the rates amounted throughout the Colony to only £873. 13s. 11d., for the year ending 30th June, 1858, so that the loss occasioned by their abolition, even supposing it not to be made up in any other way, would in any case only form an insignificant addition to the Revenue arising from other sources.

But this sum, comparatively small as it is, by no means represents truly the actual loss to the Revenue consequent on the abolition of Local Rates.

In order to show this, it will be necessary to consider the classes of Letters on which these rates were levied, so as to ascertain whether the rate so abolished is not still charged in some other form.

Local Rates were chargeable—

1st. On Letters from the United Kingdom and forwarded to destination by Local Post.

2nd. On Letters from Australia requiring further transmission from the Port of arrival to destination.

3rd. On Letters transmitted from one part of the same Province to another.

4th. On Letters arriving from other Provinces and requiring to be forwarded to destination.

1. It has already been pointed out that, as regards the first class, the charge was an improper one, and consequently in a calculation of this sort ought to be altogether left out of account. Whatever sums therefore, may have been received on this class of Letters, should go in reduction of the sum above given as the aggregate of the Revenue produced by the Local Rates.

2. As regards Letters from Australia the new Postage rates to Australia more than compensate for the loss accruing from the abolition of Local Rates on them, and the delivery without charge of Letters from Australia.

Letters passing between Australia, and New Zealand formerly paid 2d. both on despatch and delivery—making the expense incurred by a person despatching a Letter and receiving an answer, 4d. The rate is now levied only one way, viz., on despatch, and the charge has been raised to 6d.; this additional 2d. fully making up any loss which might accrue on such Letters as might be forwarded by Local Post.