



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

### Usage guidelines

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

### About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>

**EIGHTEENTH REPORT**  
**OF**  
**THE POSTMASTER GENERAL,**  
**ON**  
**THE POST OFFICE.**

---

---

**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.**  
**1872.**

**[C. 645.] Price 3d.**

# CONTENTS.

	Page
<b>Inland Service :—</b>	
Post Offices - - - - -	5
Free Deliveries - - - - -	6
Door Letter-boxes - - - - -	6
Delivery on Sunday - - - - -	6
Rural Posts - - - - -	6
Day Mails - - - - -	6
Additional Night Mails - - - - -	6
Early Morning Collections - - - - -	7
Increased Frequency of Mails - - - - -	7
Accelerations - - - - -	7
Railway Contracts - - - - -	7
Exchanging Apparatus - - - - -	7
<b>Letters, Post Cards, Newspapers, and Book Packets :—</b>	
Reduction of Postage - - - - -	7
Number of Letters - - - - -	7
Number of Post Cards - - - - -	8
Small Parcels - - - - -	8
Strange Enclosures - - - - -	8
Registered Letters - - - - -	8
Compulsory Registration - - - - -	8
Security afforded by Registration - - - - -	9
Carelessness in despatch of valuable Packets - - - - -	9
Complaints regarding missing Letters - - - - -	9
Number of Newspapers and Book Packets - - - - -	10
Letters sent to Returned Letter Office - - - - -	10
Letters without any Address - - - - -	10
Undelivered Newspapers - - - - -	10
Thanks from Public - - - - -	10
<b>Telegraphs :—</b>	
Development of Service - - - - -	11
Number of Telegraph Offices - - - - -	11
Number of Messages - - - - -	11
Increase in average Number of Messages from each Office - - - - -	11
Messages sent from 12 Towns - - - - -	12
Gross earnings of Telegraphs - - - - -	12
Mixed Staff of Officers - - - - -	12
Parliamentary Elections, &c. - - - - -	13
Travelling Telegraph Office - - - - -	13
<b>Money Orders :—</b>	
Number of Money Order Offices - - - - -	14
Money Order Conventions - - - - -	14
Money Order System with Colonies - - - - -	14
Number of Inland Money Orders - - - - -	14
Reduction in Commission - - - - -	14
Loss of Revenue - - - - -	14
Money Order business with Canada and with United States - - - - -	15
Payments to Militia-men - - - - -	15
Retirement of Messrs. Jackson and Farmer - - - - -	15
<b>Post Office Savings Banks :—</b>	
Progress of Savings Banks - - - - -	15
Number of Offices - - - - -	15
Amount of Deposits and Number of Depositors - - - - -	15
Proportion of Depositors to population - - - - -	16
Amount of Interest - - - - -	16
Married Women's Deposits - - - - -	16
Cost of Savings Bank business - - - - -	16
Information supplied to Foreign Countries - - - - -	16
Report of Controller - - - - -	16

	Page
<b>Post Office Annuities and Life Insurances :—</b>	
Payment of Premiums by small Instalments	16
Number of Annuities	17
Average Amount of each Annuity	17
Number of Life Insurances	17
Average amount of each	17
Discontinuance of aid to Officers of the Department in insuring their Lives	17
<b>Licenses :—</b>	
Number of Licenses	17
<b>Foreign and Colonial Posts :—</b>	
Termination of Franco-German War	17
Mont Cenis Tunnel	17
Wreck of a Mail Packet	18
Australian Packet Service	18
<b>Staff of Officers :—</b>	
Number of Officers	18
Medical Report	18
Gratuitous Medical Attendance and Medicines	18
Rate of Mortality	19
Employment of Boys	19
Small-pox and Scarlet Fever	19
Complaints concerning Salaries and Wages	19
General Conduct of Officers	20
<b>Revenue and Expenditure :—</b>	
Gross Revenue	20
Expenditure	20
Chief items of Expenditure	21
Net Revenue	21
Postal Service performed for other Government Departments	21
Work performed by Contract	21

## CONTENTS OF APPENDIX.

### APPENDIX A. :—

Estimated Number of Chargeable Letters delivered in the United Kingdom in the Year immediately preceding the first general Reduction of Postage on the 5th day of December 1839, and in the Years subsequent thereto ; also (in the First Year) the Number of Franks	24
--	----

### APPENDIX B. :—

Number and Amount of Money Orders issued in the United Kingdom since 1838	25
---	----

### APPENDIX C. :—

Gross and Net Revenue of the last Ten Years	26
---	----

### APPENDIX D. :—

Force and Expenditure in the last Ten Years	27
---	----

### APPENDIX E. :—

Gross Revenue, Cost of Management, and Net Revenue of the Post Office of the United Kingdom since the Year 1837	28
---	----

### APPENDIX F. :—

Post Office Savings Banks	29
---------------------------	----

### APPENDIX G. :—

Government Insurances and Annuities	32
-------------------------------------	----

### APPENDIX H. :—

Staff of Officers	37
-------------------	----

### APPENDIX I. :—

Number of Letters delivered in the United Kingdom during the last Year, and the Proportion of Letters to Population	37
---	----

### APPENDIX J. :—

Money Order Business during the Years 1870 and 1871	38
---	----

	Page
<b>APPENDIX K. :—</b>	
Number and Description of Licenses issued by the Post Office during the Years 1869, 1870, and 1871	38
<b>APPENDIX L. :—</b>	
Regulation concerning Payment of Premiums by small Instalments	39
<b>APPENDIX M. :—</b>	
Number of Mails daily between London and other Post Towns in England and Wales	39
<b>APPENDIX N. :—</b>	
Number of Letters, Books, Patterns, and Newspapers received in the Returned Letter Offices of London, Edinburgh, and Dublin respectively in the Years 1870 and 1871 ; also, the Number of Letters returned there- from to the Senders, and Mode in which the remainder have been disposed of	40
<b>APPENDIX O. :—</b>	
Estimate of the Weight of Correspondence carried, and the Value of Postal Service performed for other Government Offices in the Year 1871	41
<b>APPENDIX P. :—</b>	
Number of Telegraphic Messages	42
<b>APPENDIX Q. :—</b>	
Extracts from the Report of the Controller of the Post Office Savings Bank	43
<b>APPENDIX R. :—</b>	
Extracts from the Medical Report upon the London Offices for the Year 1871	44

---

# EIGHTEENTH REPORT.

---

TO THE RIGHT HONOURABLE THE LORDS COMMISSIONERS OF HER MAJESTY'S TREASURY.

MY LORDS,

I HAVE the honour to present to your Lordships the Eighteenth Annual Report on the Post Office ; being that for the year 1871.

## INLAND SERVICE.

The number of Post Offices in the United Kingdom was increased last year by about 160 ; making the present number nearly 12,000, of which about 850 are Head Offices. Post Offices.

The number of Road and Pillar Letter Boxes was increased by about 600 ; making a total of nearly 8,000.

Thus, the whole number of public receptacles is now nearly 20,000; as compared with rather more than 14,000 ten years ago, and with little more than 4,500 before the establishment of Penny Postage in 1840.

In London alone there are now nearly 1,500 such receptacles.

New Post Offices have been completed and opened at Sheffield, Maidstone, Yarmouth, and Northampton, while much progress has been made in the new building in St. Martin's-le-Grand, and in the new Offices at Sunderland and Wolverhampton.

Measures also have been taken for providing new offices at Aberdeen, Carlisle, Colchester, Rochdale, Shrewsbury, and Bury ; while substantial improvements have been made in the Post Offices at Glasgow, Leeds, Liverpool, and several other places.

The plan of Branch Offices, serving as minor centres for postal duty, which, while benefiting the districts wherein they are placed, afford much relief to the Chief Office (a plan first brought into use in London, and subsequently extended to several large towns), has now been introduced at Newcastle-on-Tyne, Cardiff, and Portsmouth.

Wherever the Department continues to carry on telegraph business in any offices which were occupied by the Telegraph Companies, and wherever it has opened an additional Office for telegraph purposes, it has also arranged to transact postal business, to issue and pay money orders, and to receive and pay monies on savings bank account. A very large amount of additional accommodation for the latter purposes has thus been

afforded to the public. Brighton, Hastings, Southampton, Grimsby, Hull, Liverpool, and Newcastle are among the many towns in which this additional accommodation has been given.

**Free deliveries.** At more than 400 places free deliveries have been established for the first time, and at nearly 700 other places the deliveries have been extended in their area, increased in number, or otherwise improved.

The number of letters for which a free delivery is not provided is now but a small portion of the whole ; and I hope the time is not distant when a free delivery, at least two or three times a week, will be provided for every house in the country, however remote.

**Door letter-boxes.**

From time to time the Postmaster General has appealed to the public to facilitate the delivery of letters by fixing letter-boxes to the house doors. Very many persons, as is well known, have responded to this appeal ; but there is still a large number of houses which are not so provided, thus needlessly detaining the Letter Carriers, and thereby delaying delivery at houses further on in the Letter Carrier's walk. To the appeals of my predecessors, I desire to add a strong one from myself.

**Delivery on Sunday.**

With reference to the delivery of letters on Sunday, a committee, as your Lordships are aware, was appointed, consisting of the Earl of Dalhousie, Sir George Grey, and myself, to consider whether, in addition to the large reductions in Sunday labour, made about twenty years ago, something more (with due regard to public convenience and necessities) might not now be done in the same direction. Our recommendations, with a slight modification on one point, having met with your approval, I am enabled to take measures for relieving many Rural Messengers of part of their Sunday duty by engaging substitutes to perform this duty on alternate Sundays ; as also for reducing still further, in certain cases, the Sunday labour of Town Letter Carriers. Further, it has been ordered that no new Rural Post shall be established on Sunday, unless the receivers of two-thirds of the letters for the district desire it ; and that any existing Rural Post shall be discontinued on Sunday if, by the receivers of, the same portion of letters, such discontinuance should be requested.

**Rural Posts.**

Rural Posts have been established in many parts of the north of Scotland which previously did not enjoy this accommodation ; and in other districts these posts have been improved and extended.

**Day Mails.**

During the last year many additional towns were provided with Day Mail communication with London, Dublin, or Edinburgh.

**Additional Night Mails.**

Besides this communication very many towns have now additional Night Mails ; an arrangement which, while attended with little cost, inasmuch as ordinary and even goods trains are used for the purpose, admits of the delivery, early in the morning, of a large number of letters which, from lateness in posting, could not otherwise be delivered so soon. Counting these additional

mails, many places have at present as many as four postal communications with the Metropolis, in both directions, every day.

By the additional Night Mails about 175,000 letters and other postal packets are now forwarded every week; being an increase of about one-fifth upon the number in the previous year.

The arrangement, first begun in London, under which a very early morning collection is made from Road Letter Boxes, so as to admit of the letters being sent out by the first delivery, or forwarded by the earliest morning mails, having been found very acceptable to the public, as shown by the large number of letters now posted late at night, has been extended to many other towns.

Early morning collections.

Postal communication between provincial towns has also, in many instances, been made more frequent; while in some cases, including those of the south-west and north of England, part of the north of Ireland, and portions of Scotland, the mails have been accelerated.

Increased frequency of mails.  
Accelerations.

Contracts with railway companies for the use of their ordinary trains, in addition to those appointed by the Post Office to run at particular hours and at a given speed (the first of which was with the London and North-western Railway Company), have gradually been increased in number; and, by the recent conclusion of such a contract with the Great Eastern Railway Company, have now been extended to every railway in relation to which it is important that a contract of this kind should exist.

Railway contracts.

The Mail Bag Exchanging Apparatus is now used at more than 100 railway stations.

Exchanging apparatus.

#### LETTERS, POST CARDS, NEWSPAPERS, AND BOOK PACKETS.

On the 5th of October last the reduction in the rates of postage announced in the last Annual Report was carried into effect; the Inland Pattern and Sample Post, as distinguished from the Letter Post, being at the same time discontinued. To arrive, therefore, at the number of ordinary letters last year, as compared with the number in previous years, the estimated number of Sample and Pattern Packets posted as letters during the last quarter of the year (amounting to about 2½ millions) has been subtracted.

Reduction of postage.

With this correction, the total number of letters last year was nearly 915 millions; which, as compared with 1870, shows an increase of 52 millions, or with the number ten years ago, of 322 millions, or with the year previous to the introduction of Penny Postage (1839) an increase (omitting franks) of 839 millions; making the present number of letters twelve-fold the number in 1839.

Number of letters.

The great increase last year, attributable chiefly, no doubt, to the prosperous state of the country, was equal to rather more than 6 per cent.; as compared with 4 per cent., the average of the previous five years.



Post cards.

The number of post cards was rather more than 75 millions.

Small parcels.

In computing the number of little parcels now sent under the reduced rates of charge as letters, compared with the number of packets formerly sent under the Pattern and Sample Post, it was found that the two numbers were about equal. Thus the check on the transmission of patterns and samples, owing to the circumstance of even the reduced letter rate being higher than the former pattern and sample rate, is apparently about counterbalanced by the increased facilities now given for the conveyance, by post, of small parcels containing other things than patterns or samples.

Strange enclosures.

Packets continue to be posted, from time to time, containing strange articles for postal transmission ; such as live silkworms, mice, lizards, and tortoises ; but one of the most extraordinary received last year was from an eccentric gentleman, much devoted to Natural History, who was greatly surprised and troubled at the Department declining to carry for him a live snake ! Ultimately, indeed, as an exceptional case, and no longer to wound the Naturalist's feelings, it having been ascertained that the snake was a pet who had been out on a visit, the animal was delivered by a special messenger.

Registered letters.

About 3,300,000 of the letters last year (equal to about one in 300) were registered ; being an increase of about 11 per cent. on the number in the previous year.

Notwithstanding this increase, however, the number of registered letters falls far short of what it ought to be ; for although the public have been repeatedly warned on the subject, both on their own account and on account of the large body of Sorters and Letter Carriers who, owing to the neglect of such warnings, are exposed to great temptation, letters containing valuable enclosures are constantly posted unregistered ; and this not by the lower or more ignorant class only, but by many of the well-educated, including not a few mercantile firms.

Compulsory registration.

About ten years ago, as your Lordships are aware, an important step was taken towards rendering the registration of letters with valuable contents compulsory ; such rule being made applicable to all letters unquestionably containing coin ; and this measure was followed by very beneficial results ; as fully stated in the Ninth Annual Report. Even at first the regulation gave rise to only few complaints, and for some years complaints have practically ceased. Profiting by this experience, I intend to apply for your authority to extend the compulsory regulation. Nevertheless, as a preliminary step, I have issued a public notice calling special attention to the necessity of carefully folding, sealing, and registering all packets containing bank notes or jewellery, and of either registering all letters enclosing postage stamps or of keeping down their number, by the use, when requisite, of stamps of considerable value ; and of so folding the letters as to make it impossible for any one to discover the nature of their contents. I am not sanguine of the success of this notice, but the result will at any rate settle,

beyond doubt, the necessity of resorting to compulsory registration.

Of course, as in the case of letters containing coin, the packets would not be opened; and whenever it might appear that a mistake had been made, the charge for registration would at once be withdrawn. Moreover, when by proper sealing, and the use of proper foldings the nature of the contents would be duly concealed, registration would not be enforced; since the Postmaster would have no ground for such action, while the packet would present little or no temptation to the Sorter or Letter Carrier.

The security from registration consists in the arrangement by which packets can be traced from hand to hand from the moment of posting to that of delivery; and how great this security is may be inferred from the fact that last year it was only as regards one registered letter out of about 1,400 that any complaint or even inquiry was made; while in nearly all such exceptional cases the result of the application was successful.

Security  
afforded by  
registration.

Moreover, as regards the small residue, the inquiries showed that, often, the articles enclosed had escaped, owing to the insecure manner in which the letters had been packed; while in many instances it was found that the enclosures had been abstracted after the letters had been delivered, and in many others that, from inadvertence, no enclosures had really been sent.

Carelessness  
in despatch  
of valuable  
packets.

As instances of carelessness in the despatch of valuable packets, I may mention that on one occasion last year a packet containing a watch and two sovereigns was posted not only without being registered but unsealed, and even untied; while, in another instance (given, like the foregoing, in the report of the Postmaster of Belfast), a gold watch and locket, loosely packed up and addressed to America, were posted without anything either outside or inside the packet to show for whom these articles were intended or by whom they had been sent.

Complaints regarding registered letters are, as might be expected, greatly outnumbered by complaints concerning letters unregistered; and although the inquiries consequent on these latter complaints (when a clue can be found to render an inquiry effective) show, not unfrequently, that some officer of the Department has been in fault, at least as frequently the fault is found to rest either with the sender of the letter or with the person to whom it is addressed. The following is a gross case of the kind:—In October last a complaint was received that a number of postage stamps had been stolen from an unregistered letter, and the assistant at a sub-office was plainly referred to as the criminal. On investigation, however, it was found that the stamps were in the complainant's own pocket, and that, although she had become aware of this fact soon after making her complaint, she had not had honesty enough to make the fact known at the Post Office, and to withdraw her unfounded charge.

Complaints  
regarding  
missing letters.

Newspapers  
and book  
packets.

The numbers of newspapers and of packets containing matter entitled to pass under the Book Post transmitted last year were 99 millions and 103 millions respectively; showing an increase of 72 millions on the joint numbers in the previous year; an increase attributable chiefly, no doubt, to the reduction in the rates of postage; which, while in operation during only one quarter of 1870, applied to the whole of 1871.

Letters sent  
to Returned  
Letter Office.

There were about  $3\frac{1}{2}$  millions of letters last year which, owing to wrong addresses and other causes, found their way to the Returned Letter Office. Of these about 170,000 were sent back to Foreign Countries, and of the remainder it was found practicable to reissue to corrected addresses or to return to the senders more than nine-tenths.\*

The number of letters passing through the Returned Letter Office was less than in the previous year; but the difference was more than counterbalanced by post cards which could not be delivered, amounting to nearly 300,000.

About 80,000 of the undelivered letters contained property of different kinds; and of these 340 had no address, although in not a few instances the latter enclosed coins or bank notes.

Besides the property thus posted, nearly 11,000 articles of sufficient value to be described and recorded were found loose in different Post Offices, and this in addition to nearly 50,000 postage stamps.

Letters without  
any address.

The total number of letters last year posted without any address was nearly 15,000.

Undelivered  
newspapers.

A large portion of the undelivered newspapers (about a million in all) were intended for transmission abroad, but were stopped in their progress owing to insufficient payment of postage; notwithstanding the care taken by the Department, by insertion in the Postal Guide and by the exhibition of notices at the Post Offices, to prevent misconception. Further efforts to the same end have now been made, and with considerable effect, by calling the attention of the newspaper press to the subject and by the wide distribution of notices by means of the Letter Carriers.

Thanks from  
public.

Although the non-delivery of letters and other postal packets gives rise, as may be supposed, to many complaints, in some of which, as I have frankly admitted, the Department is found to be in fault, we have occasionally the pleasure of receiving testimony of a very different kind; as shown by the subjoined extract from a letter, last September, from an American gentleman:—  
“Having recently arrived in England, and not knowing the present whereabouts of a sister, I addressed a letter to her late residence thus:

“ ‘Upper Norwood,  
“ ‘Or elsewhere.’

“ I received a reply, in ordinary course of mail, saying it had been delivered to her on the top of a stage-coach in Wales. I

---

\* See Table at page 40 in Appendix, giving details.

“ venture to say that no other country can show the parallel  
 “ or would take the trouble at any price.”

### TELEGRAPHS.

The development of the Telegraph Department has proceeded steadily and rapidly.

More than 1,300 new telegraph offices were opened during the year ; making the whole number at the end of 1871 upwards of 5,000 ; while the messages transmitted increased by about 25 per cent. ; the whole number during the year having been nearly 12,000,000.\* Besides these messages there were about 700,000 sent on behalf of the newspaper press.

Not only has there been a large increase in the number of offices, but concurrently with this, and contrary to what might perhaps have been expected, there has been a considerable increase in the average number sent from each office.

Although more than 2,000 of the offices which were open in the week ending 10th February 1872 had been opened since the transfer, and although nearly 800 had been opened in the last six months of 1871, although, also, as a matter of course, each fresh extension since the transfer has been in districts less remunerative than those which were served prior to the transfer, and although, equally as a matter of course, offices newly opened in small towns and villages do not quickly acquire business, the number of messages per office, instead of falling as we might have expected, has been more than maintained. To explain this, it is necessary to look a little below the surface. Extensions of the system tend in two ways to increase the business. They increase the number of forwarded messages because they shorten the distances over which the senders of messages have to carry them between their homes and the telegraph stations ; but they also increase the number of forwarded messages by shortening the distances over which the messages sent from old-established stations have to be carried between the delivering stations and the homes of the addressees. Nominally, the tariff of charge for messages was the same in the week to which I have referred as in the corresponding week two years before ; but in reality the average charge for transmission, which of course includes portorage, falls with every extension of the system, and is very much lower now than it was at the time of the transfer.

Extensions of the system have another effect. They familiarise the public with telegraphy. They accustom them to receive telegraph messages without fear, and thence lead them on to send messages on occasions which in former days would not have been deemed worthy of any such outlay. Formerly most people received a telegram with alarm, and hesitated ere they opened it. Hence they were reluctant to send what, as

---

\* See Table at page 42 in the Appendix.

it would have alarmed themselves, might be expected to alarm their friends. Now they do not hesitate to congratulate their friends by telegraph on birthdays and wedding days, and on the many other occasions of life which seem to call for friendly notice.

Other circumstances have helped to enlarge the business. London and the great towns of the kingdom have more abundant means of direct intercommunication than they formerly possessed. Direct communications have been opened between many second and third class towns which are bound together by local ties, and yield a plentiful crop of messages on matters of local interest. Efforts have been made to provide with ample telegraphic accommodation such places (fishing stations, for example) as seem likely to require it but seldom, but to need it urgently whenever they do require it. Pains have been taken in every way to expedite the transmission and delivery, to watch and ascertain the cause of delays, and to detect errors without waiting for complaints from the public. The result is that the work is done better and quicker as well as more cheaply; and hence, as a matter of course, has come an increase of business.

Messages sent  
from 12 towns.

Of the messages sent, nearly one half were forwarded from twelve towns, viz., London, Liverpool, Manchester, Glasgow, Edinburgh, Dublin, Newcastle, Birmingham, Bristol, Hull, Belfast, and Leeds. With respect to these messages it may be observed, that, exclusive of portorage, the charge is less, by sixpence a message, on the average of the whole kingdom, than the charge of the companies would have been; so that the money gain to the senders of messages in the twelve towns named, without taking portorage into account, is at least 135,000*l.* per annum. From a careful examination of nearly 7,000 messages which were forwarded to all parts of the kingdom, on one day in February 1872, from the principal telegraph offices in London and the other large towns of the kingdom, it appears that whereas the average charge to the public on each of these messages was, *inclusive of portorage*, little more than 1*s.* 1½*d.*, it would have been, at the rates of the companies, nearly 2*s.* 2*d.* If this holds good with regard to the whole number of messages, the public have gained sixpence per message by reduction of tariff, and sixpence per message by reduction of portorage.

Gross earnings  
of telegraphs.

The gross earnings of the telegraphs for the financial year ending 31st March last were estimated at nearly 800,000*l.*; and I am informed that this estimate has been realised.

Subjoined are other interesting matters relating to the Telegraph Department.

Mixed staff  
of officers.

From the first day of the transfer, the Department entered on the experiment of employing a mixed staff of male and female officers; and there has been no reason to regret the experiment. On the contrary it has afforded much ground for believing that where large numbers of persons are employed,

with full work and fair supervision, the admixture of the sexes involves no risk, but is highly beneficial. It raises the tone of the male staff by confining them during many hours of the day to a decency of conversation and demeanour which is not always to be found where men alone are employed. Further, it is matter of experience that the male clerks are more willing to help the female clerks with their work than to help each other; and that on many occasions pressure of business is met and difficulty overcome through this willingness and cordial co-operation.

For some purposes a special staff is required. An election of Parliamentary members of Parliament, whether for a county or borough, elections, &c. invariably throws a great increase of work, both public and press work, upon the telegraph offices which are contiguous to the polling places, and at which the ordinary force can but seldom meet the increase of business. Agricultural shows, cricket matches, and reviews give rise to a large increase of telegraph work; and when they take place in the neighbourhood of small telegraph offices the force of those offices must for the time be supplemented. During the autumn manœuvres of last year it was necessary to strengthen all the offices in the vicinity of the operations. The visit of the Princess Louise and the Marquis of Lorne to Inverary gave rise to so vast an increase of local work that if it had not been foreseen and provided for by the despatch of the special staff to Inverary not a tenth part of the work could have been done. It was even thought right to send special assistance to Dublin on the occasion of the visit of the Prince to Ireland, and the result proved that the assistance thus sent was required.

During the illness of the Prince of Wales two members of the special staff were night and day in Sandringham House, and additional strength had to be given to the neighbouring office at Lynn. On the Thanksgiving Day these same officers were stationed in St. Paul's Cathedral, whence they transmitted, as the ceremony went on, an account of the proceedings.

Again, when leading members of Parliament address their constituents, the Department is required to send long reports of their speeches to the principal papers in town or country; and, as leading members do not always sit for leading places, it often becomes necessary for the Department to strengthen the force of the office in the borough which the member who is to speak may happen to represent.

There are many events, too, such as the strike of the Warwickshire labourers, which occur suddenly in some small place, and compel the Department to send off, at a very short notice, a highly skilled force capable of meeting the public demand for news.

One means of meeting a sudden increase of business at a small place has been the introduction of a travelling telegraph office; which has been used with great success, as at the Oxford and Cambridge boat race. Travelling Telegraph Office.

## MONEY ORDERS.

**Money Order  
Offices.**

During the last year nearly 250 additional Money Order Offices were opened, as compared with 37 in the previous year; the comparatively small number in 1870 being attributable, chiefly, to the establishment, in that year, of the Postal Telegraphs, and to consequent delays in adding Money Order business to any Post Office until it could be determined whether to the same office the telegraph might not be extended; the two provisions generally, though not always, being united.

The whole number of Money Order Offices in the United Kingdom is now upwards of 4,300.

**Money Order  
Conventions.**

In addition to previous Money Order conventions with France, Belgium, and Switzerland, similar conventions were entered into last year with Germany, Denmark, the Netherlands, and the United States; and another, which came into operation on the 1st instant has been concluded with Italy. The French convention, however, I am sorry to say is still in abeyance.

**Money Order  
system with  
the Colonies.**

The Money Order system has now been extended to British Columbia; and I am in constant expectation of receiving the consent of the Governments both of India and Ceylon to its establishment between the Mother Country and those dependencies; a measure, the long delay of which I regret. With these exceptions, and a few others of minor importance, Money Orders are now exchanged between this country and all her colonies and possessions; and in most instances the exchange has existed for many years.

**Number of  
Inland Money  
Orders.**

By a Table in the Appendix,\* it will be seen that the number of Inland Money Orders increased from upwards of 10,200,000 in 1870 to more than 12,100,000 in 1871, or by more than 18 per cent.; an increase now extending to more than 24 per cent. This increase is owing chiefly to the large reduction in the commission; a concession which, however beneficial to remitters of small sums of money, is attended with a great loss in revenue; since for Money Orders under the value of one pound, and much more so for those under ten shillings, the payment is insufficient even to cover expenses.

**Reduction in  
commission.****Loss of  
Revenue.**

As respects Colonial and Foreign Money Orders, it will be remarked that the increase of profit has kept pace with the increase of number; but this number is comparatively small.

The general result of the late concession is, that whereas, before, the profit of the Money Order Department had gradually risen to nearly 50,000*l.* per annum, it has now fallen to a rate of but little more than 10,000*l.* per annum; fully half of which is obtained from foreign and colonial orders.

My hope that this change would be followed by reduction in the number of thefts in the Post Office has not been fulfilled.

---

\* See Appendix, page 38.

The greatest amount of Colonial Money Order business is with Canada; and the greatest amount of foreign business is with the United States, from whence, during the first quarter after the Money Order convention came into operation, that is from the 1st October last, nearly 14,000 orders were received, amounting to nearly 48,000*l.*; and to which about 2,600 orders, amounting to nearly 11,000*l.*, were sent.

Money Order  
business with  
Canada, and  
with United  
States.

The excess of Money Orders received from the United States over those sent is no doubt owing to there being in that country a large body of emigrants from the United Kingdom, and to the fact that very many of these emigrants send over money to their relatives at home to enable them to pay their passage across the Atlantic.

Some time ago an experiment was made of paying money due to militia-men, at the end of their time for drill, in Money Orders, payable near their respective places of abode, instead of in cash on the spot. The arrangement has not as yet been made general, but as far as it has been carried out it has been successful, as shown by a recent letter on the subject from Mr. Secretary Cardwell, stating that it is found to avert the evils which attended the former system of payment, and to conduce to the welfare of militia-men and their families.

Payments to  
militia-men.

In the course of the last year, the gentleman who had for many years been the Controller of the Money Order Office, Mr. Jackson, who, besides originating important improvements, had through his whole term of office shown unwearied zeal, was compelled through failing health to retire; and it is a remarkable and lamentable fact that in the very same year, Mr. Farmer, the successor to the office, who is equally deserving of praise for his long and valuable services, was from the same cause also obliged to withdraw.

Retirement of  
Messrs. Jack-  
son and  
Farmer.

### POST OFFICE SAVINGS BANKS.

The rapid progress of the Post Office Savings Banks has been fully maintained.

Progress of  
Savings Banks.

The number of Post Offices in the United Kingdom serving as Savings Banks was increased last year by 253; making the whole number at the end of the year upwards of 4,000. On the other hand, 8 of the Trustee Savings Banks were closed; about 170,000*l.*, the larger portion of the amount deposited in them, being transferred to the Post Office; and in computing the progress of Savings Bank operation, this sum must be deducted from the total of deposits in the Post Office Savings Banks.

Number of  
Offices.

The depositors increased by 120,000, and the amount of deposits by nearly 2,000,000*l.*

Increase of  
depositors and  
deposits.

On the 31st of December last the total sum standing to the credit of the depositors, and bearing interest, was rather more

Amount of  
deposits and  
number of  
depositors.



than 17,000,000*l.*, and the number of depositors upwards of 1,300,000; the average amount to the credit of each depositor (including interest) being rather more than 13*l.*\*

In England the number of depositors was upwards of 1,200,000, and the average per depositor (including interest) about 13*l.*; in Scotland the number was nearly 42,000, and the average per depositor about 8*l.*; and in Ireland the number was 44,000, and the average per depositor nearly 17*l.*

It will be observed that the average amounts standing to the credit of depositors in the three different portions of the kingdom greatly vary; the amount in Ireland being larger by about one-quarter than in England, and more than double that in Scotland. I am disposed to think that the difference is partly owing to the rate of interest often given for deposits as small as 10*l.* by the Chartered Banks of Scotland; and by the greater facilities, in both England and Scotland, than are as yet to be generally found in Ireland, for investing moderate sums of money in various commercial enterprises.

Proportion of  
depositors to  
population.

The proportion of depositors (including those in the old Savings Banks) to population was in England and Wales 1 to about 9; in Scotland 1 to about 13, and in Ireland 1 to about 50.

Amount of  
interest.

The sum accruing to the depositors last year for interest was more than 370,000*l.*

Married  
women's  
deposits.

In some instances a wife's right to deposits, under the Married Women's Property Act, has been disputed by the husband; but the whole number of such cases during the year was only six, three of which were decided in favour of the wife.

Cost of  
Savings Bank  
business.

The cost to the Post Office of each transaction in Savings Bank business—that is of each separate deposit or withdrawal—a cost which has been steadily in course of reduction, is now, including postage, about 6*d.*; as compared with a similar cost of about 1*s.* 1*d.* in the old Savings Banks.

Information  
concerning  
Savings Banks  
supplied to  
foreign  
countries.  
Report of  
Controller.

During the last year information concerning the establishment of our Post Office Savings Bank was, at their request, furnished to the Governments of Austria, the Netherlands, and the United States.

Some portions of the report of Mr. Thomson, the Controller of the Post Office Savings Banks, will be found in the Appendix.

#### POST OFFICE ANNUITIES AND LIFE INSURANCES.

Payment of  
premiums by  
small instal-  
ments.

In framing the regulations for carrying into effect the Act under which the Post Office was empowered to grant annuities and life insurances, a provision was made for enabling persons, whether in the employment of the Post Office or not, to pay their premiums by means of small periodical deductions from their wages or salaries, instead of having to lay by money with a view to an annual payment of comparatively large

\* For full details respecting Savings Bank business, see Appendix, page 29.

amount; a course suggested by the success of a similar arrangement made some years previously.\*

Till lately no employers, except those connected with the Government, availed themselves of this privilege; but in the course of the last year the arrangement was adopted by the Benefit Society of the Midland Great Western Railway of Ireland; and negotiations are pending for extending it to the officers and workmen belonging to the East and West India Dock Company.

The number of persons now paying premiums to the Post Office with a view to an annuity, either immediate or deferred, is rather more than 2,000; being an increase of nearly 400 in the course of the year.

The average amount of each annuity is 20*l.* 10*s.*

The number of persons who have insured their lives in the Post Office is rather more than 3,000; being an increase in the year of 358.

The average amount of each life insurance is nearly 77*l.*

Further particulars are given in the Appendix.

In obedience to your Lordships' orders, the practice, which had been in existence for many years, of encouraging the officers of the Department to insure their lives by paying part of their premiums, chiefly out of the fund arising from unclaimed money orders, has, with respect to all new applicants, been discontinued.

#### LICENSES.

Last year the Post Office, on behalf of the Board of Inland Revenue, issued upwards of 1,000,000 licenses of different kinds; more than half of which were for keeping dogs.†

#### FOREIGN AND COLONIAL POSTS.

The most important event last year in relation to our Foreign Posts was the termination of the war between France and Germany; a contest which, in addition to the other and far greater calamities which it entailed, caused much disturbance to our Continental Mails, not only as respects Anglo-French letters, but in regard to letters passing through France; France being one of the chief European countries for the transit of letters.

The Indian and Australian Mails, which, during the late war, were sent through Belgium and Germany, have now resumed their former and shorter route through France; coupled as that route now is with the advantage of access to Italy through the Mont Cenis Tunnel. As illustrative of the saving in time in the latter route, I may mention that whereas the last mail despatched on

\* For the full text of this regulation see Appendix, page 39.

† For details see Appendix, page 38.

its road to India through Belgium and Germany took 81 hours from London to Brindisi, the first journey, on the resumption of the route through France, was performed in rather more than 55 hours ; showing a saving of nearly 26 hours.

At the end of the year  
the Australian Mail Packet

One advantage of the acceleration caused by the opening of the Mont Cenis Tunnel is the means it has afforded of deferring the departure of the Australian Mail Packets from Sydney, and the additional time for replies to letters thus given to the inhabitants of New South Wales and Queensland, whose period for replying, before this change, was inconveniently short. Besides which, the acceleration has enabled me to comply with the often and strongly expressed wish of the Indian Postal Authorities to despatch the Mail Packet from Bombay to Suez two days later than formerly.

Wreck of a  
mail packet.

The wreck of a Mail Packet is happily a rare event, but last year there was such an occurrence in the loss of the "Rangoon," off Ceylon, on her way to Australia. The passengers and crew were indeed saved, but the mails sank with the ship. By the employment of divers, however, many of the Mail Bags were recovered, and by a careful process of drying it was found practicable to forward most of the letters which they contained, in tolerably good condition, to their destination.

Australian  
packet service.

The only other matter of much importance during the year has been the receipt of a notice from several of the Australian Colonies of their intention to withdraw, at the earliest time open to them, that is in two years, from the arrangement under which, at the joint expense of the Mother Country and of the Colonies, the Australian Mails are now forwarded *via* Suez.

I fully hope, however, that before the end of this notice the questions both of route and of frequency of mails will be adjusted to our mutual satisfaction.

#### STAFF OF OFFICERS.

Number of  
officers.

At the end of last year the staff of officers, including many employed partly in ordinary postal duties and partly in telegraph work, amounted to more than 29,000, to which must be added about 9,000 officers engaged exclusively in telegraph work ; making a total of 38,000.\*

Medical  
Report.

Dr. Waller Lewis, the Chief Medical Officer of the Department, whose labours, however, are principally confined to the London district, has presented an interesting report on the health of the London officers ; the principal part of which will be found in the Appendix.

Gratuitous  
medical at-  
tendance and  
medicines.

The provision of gratuitous medical attendance and medicines, which, before the beginning of last year, had been extended to

---

\* For a detailed statement of the staff of officers, see Appendix, page 37.

large portions of the suburbs, now applies to nearly the whole, and embraces a body of more than 8,000 persons, about 3,000 of whom are engaged wholly on Telegraph duties. Exclusive of deaths amongst these officers (the medical records concerning whom will render such an exception in future years unnecessary), the deaths among the officers in active service in the London District amounted last year to 40; or, including deaths amongst officers who have been pensioned, to 65. Even this larger number would give an average mortality of but little more than one per cent., which, notwithstanding the fact that the general health of the officers is undoubtedly very good, is so exceedingly small as perhaps to require some explanation. The only one that occurs to me is that officers who quit the service to enter upon other duties must, I presume, as a body, die at an earlier age than those who remain in it through life.

Rate of mortality.

Dr. Lewis remarks that the number of applications for medical relief last year was greater than usual; but this he attributes to the recent regulation under which, for many of the easier duties, young boys are employed.

Employment of boys.

Not only, as a general fact, was the mortality among our officers in London and its neighbourhood smaller than among the bulk of the population, but it was strikingly less in relation to the two epidemics of the period, small-pox and scarlet fever; for whereas in the general population there were from small-pox nearly 8,000 deaths, and by the same proportion the deaths in the staff should have been 13, the actual number was only 1; an exemption attributed, in great degree, to the rule under which any candidate for admission to the service who is not looked upon as fully guarded against the disease is required to be re-vaccinated.

Small-pox and scarlet fever.

With regard to scarlet fever, there was not, among the London officers, a single death.

Complaints are often made concerning the salaries and wages paid to the officers of the Department, especially to the letter carriers, and the Post Office is frequently charged with parsimony. Such charges, however, will not bear examination; and, as regards the persons making them, would, I believe, in most cases at least, be completely refuted by a comparison between the remuneration given by the Post Office and that which they themselves grant to persons in their own employment.

Complaints concerning salaries and wages.

One cause of public misconception on this subject is the fact that, in the Post Office, the money payment does not, as in most other employments, indicate the whole remuneration. Indeed it is far from doing so; though I believe that the officers and their families are in a better condition than they would be if the contingent benefits were exchanged for higher pay.

The beneficial effects as regards health, resulting in no slight degree from the arrangement under which gratuitous medical advice and attendance are provided, have already, to some

extent, been noticed. In addition, I would point to the annual holiday, without any stoppage of pay, which the officers enjoy; the substantial articles of clothing afforded to the letter carriers and other officers of a like position; to the gratuities which those among this class who perform their services well and in an obliging spirit are sure to receive from the public, and which I see no reason to forbid (even if such an order could really be enforced); and to the pensions to which all good officers become entitled in their old age.

Again, so moderate are the hours of labour in the Post Office, that a "nine hours movement" would, with us, be a movement, not for a decrease of work, but for an increase.

So long as applications for increase of pay or any other benefit are expressed in proper terms, and are attended by proceedings free from wilful misrepresentations and from all spirit of insubordination (which in the great majority of instances is the case) they receive from me careful consideration.

Of the conduct of the great majority of the officers I am able again to speak very favourably.

General  
conduct of  
officers.

## REVENUE AND EXPENDITURE\*

### *Gross Revenue.*

**Gross revenue.** Exclusive of that yielded by the Telegraphs, and exclusive also of about 21,000*l.* mentioned under the head "Life Insurances," in relation to void Money Orders, the gross revenue of the Post Office last year was, in round numbers, 4,880,000*l.*; namely, 4,698,000*l.* from postage, and 182,000*l.* from Money Orders. In 1870 the total was 4,929,000*l.*; namely, 4,745,000*l.* from postage, and 184,000*l.* from Money Orders.

Thus, notwithstanding a great increase in the number of letters, there was a decrease in the ordinary gross revenue of the Post Office of nearly 50,000*l.* Considering the large reduction, shortly before the beginning of the year, in the charge for newspapers and book-packets, and, still more, the large reductions in the course of the year in the rates of letter postage and of Money Order commission, this decrease if it stood alone would seem very moderate; but, as will be seen, it is on the net revenue that the alterations have told most heavily, owing to the large increase which these alterations have entailed in the Department's expenses.

### *Expenditure.*

**Expenditure** Again excluding the Telegraph Service, the expenditure last year was, in round numbers, 3,611,000*l.*, as compared with 3,435,000*l.* in 1870; showing an increase of 175,000*l.*

---

\* For full details see Appendix, pages 26 and 27.

The chief items of expense, last year, were 1,550,000*l.* for Chief items. salaries, wages, pensions, &c.; 1,047,000*l.* for conveyance by Mail Packets and by private ships; nearly 600,000*l.* for conveyance by railways; 140,000*l.* for conveyance by coaches, carts, and omnibuses; 136,000*l.* for building; nearly 50,000*l.* for the manufacture of postage stamps; and 45,000*l.* for stationery.

Disregarding minor differences, these items, as compared with those in 1870, show an increase of about 53,000*l.* for salaries, wages, pensions, &c.; of about 80,000*l.* for conveyance by Mail Packets and by private ships; and of about 26,000*l.* for building.

The increase in the charge for Mail Packets, &c. is owing to a balance having remained due at the end of 1870.

### *Net Revenue.*

The net revenue last year was about 1,269,000*l.*, as compared Net revenue. with 1,494,000*l.* in 1870; showing a decrease of 225,000*l.*

If, as was formerly the case, the Post Office had been credited Postal service for other Government departments. with the postage due on letters conveyed on behalf of other departments of Government, amounting last year to about 135,000*l.*,\* the gross revenue of the year, including about 10,000*l.* for postage in relation to the Savings Banks (the accounts of which do not enter into the ordinary accounts of the Post Office) would have been considerably over 5,000,000*l.*, and the net revenue upwards of 1,400,000*l.*

From the beginning of last year an important experiment has Work performed by contract. been in operation, the result of which, so far, has been very satisfactory.

The experiment to which I refer is an application, to a small branch of routine duty, of the contract system; which has been found to work so economically as to reduce an expense which if continued, would, at the present time, have been at the rate of about 3,700*l.* per annum to little more than 2,000*l.*, or to not much above one half; and this without any sacrifice in the quality of the work.

The mode of proceeding was to invite tenders from such of the clerks as were conversant with the duty, specifying at what rate of payment they would undertake the work; an arrangement under which, of course, the amount of remuneration would rise or fall with the quantity of work; the clerk whose tender might be accepted being at liberty to appoint his own assistants and fix their salaries, with the reservation to the Postmaster General of a power to dismiss any assistant with whom he might be dissatisfied; a power which I have not had cause to exercise; the only two cases in which removal was required having been promptly acted upon by the contractor without any interference on my part.

---

\* See Table in the Appendix, page 41.

The appointment of the contractor's assistants was not attended by the displacement of a single regular officer (to which, indeed, I could not for a moment have consented) ; the case having been met by merely omitting to fill up the corresponding number of vacancies.

Indeed, as far as the system affects any of the officers, its tendency instead of being injurious must be beneficial ; inasmuch as the strong motive thereby presented to economy of time and to acceleration of action must, by consequent reduction of expense, augment the fund at the command of the department for the payment of its officers ; and must render it just and wise to allow the contracting officer a larger emolument than could otherwise have been granted ; an advantage actually enjoyed by Mr. Wight, the meritorious clerk in that position.

I have the honour to be,

My Lords,

Your obedient humble Servant,

W. MONSELL.

General Post Office,  
29th July 1872.

---

## APPENDIX.

---



## APPENDIX (A.)

**ESTIMATED NUMBER of Chargeable Letters delivered in the United Kingdom in the year immediately preceding the first General Reduction of Postage on the 5th day of December 1839, and in the years subsequent thereto ; also (in the first year) the number of Franks.**

Year ending 31st December.	Delivered in England and Wales.				Total in England and Wales.	Increase per cent. per annum.	Average number to each person.	Total in Scotland.	Increase per cent. per annum.	Average number to each person.	Total in Ireland.	Increase per cent. per annum.	Average number to each person.	Total in United Kingdom.	Increase per cent. per annum.	Average number to each person.
	By Country Offices.	Increase per cent. per annum.	In London District including Local Letters.	Increase per cent. per annum.												
Estimated No. of Letters, 1839 .	—	—	—	—	59,983,000	—	4	7,623,000	—	3	8,303,000	—	1	75,908,000	—	3
Estimated No. of Franks, 1839 .	—	—	—	—	5,172,000	—	—	836,000	—	—	1,053,000	—	—	6,563,000	—	—
Estimated No. of Letters, 1840 .	89,071,000	—	45,632,000	—	132,003,000	120	8	18,554,000	143	7	19,311,000	111	2	165,798,000	122	7
Average of 5 years, 1841-45 .	121,705,000	10	57,425,000	9	179,133,000	10	11	24,419,000	9	9	24,236,000	9	3	227,777,000	10	8
“ 1846-50 .	179,631,000	5	78,972,000	5	258,622,000	5	15	33,627,000	4	13	34,757,000	5	4	327,004,000	5	13
“ 1851-55 .	232,539,000	6	97,211,000	5	329,753,000	6	18	40,999,000	5	14	39,364,000	3	6	410,166,000	5	15
“ 1856-60 .	301,319,000	4	125,006,000	5	426,325,000	4	23	51,291,000	3	16	44,782,000	3	7	532,898,000	4	18
“ 1861-65 .	372,592,000	5	161,535,000	5	534,127,000	5	29	61,323,000	5	20	52,662,000	3	9	646,117,000	5	23
“ 1866-70 .	475,767,000	4	191,425,000	3	667,192,000	4	31	77,531,000	4	24	60,774,000	3	11	805,517,000	4	26
Year 1871 . . . . .	538,906,000	6	220,421,000	7	759,326,000	6	33	86,994,000	3	25	72,164,000	10	13	917,191,000	6	29





Date.	FORCE.		COST OF COLLECTION AND DELIVERY, OF MANAGEMENT, and of MONEY ORDER BUSINESS.										COST OF CONVEYANCE OF MAILS.						TOTAL COST OF POST OFFICE SERVICE.
	Effective.	Non-Effective.	Stationery.					Buildings and Repairs, Rents, Rates, Taxes, Fuel, and Light.	Total Cost of Collection, Delivery, and Management, and of Money Order Business.	Conveyance by Coaches, Carts, and Omnibuses.	Conveyance by Railways.		Cost of Supply and Repair of Mail Bags and Boxes, Tolls, and Postage, Cost of Apparatus for Exchange of Bags conveyed by Railway, and Miscellaneous Expenses.	Conveyance of Mails by private Ships and by Packets under Contract with Admiralty or Post Office.	Conveyance of Mails over Isthmus of Suez and Isthmus of Panama and in other Foreign Ports, and Salaries of Admiralty Agents and other Officers in charge of Foreign and Colonial Mails.	Total Cost of Conveyance.			
			Salaries, Wages, Pensions, Travelling Allowances, Commission on Sale of Stamps, Cost of Uniform Clothing, Medical Expenses, and Cost of Substitutes during annual Holidays or Sickness of Officers and Men, Official Postage, Law Charges, and Incidental Expenses.	Manufacture of Postage Stamps, i.e., Printing, Paper, and Miscellaneous Charges.	Stationery.	Buildings and Repairs, Rents, Rates, Taxes, Fuel, and Light.	Total Cost of Collection, Delivery, and Management, and of Money Order Business.				Conveyance by Coaches, Carts, and Omnibuses.	Conveyance by Railways.					Cost of Supply and Repair of Mail Bags and Boxes, Tolls, and Postage, Cost of Apparatus for Exchange of Bags conveyed by Railway, and Miscellaneous Expenses.	Conveyance of Mails by private Ships and by Packets under Contract with Admiralty or Post Office.	
1862	25,285	927	1,249,268	19,261	31,365	84,795	1,384,689	152,280	526,966	23,393	821,067	24,700	1,547,406	2,933,095					
1863	25,492	1,017	1,254,605	18,465	32,132	81,548	1,386,820	149,333	538,512	20,189	837,655	29,542	1,575,231	2,962,051					
1864	25,037	1,131	1,322,945	19,750	32,561	39,730	1,414,986	145,089	565,853	21,807	900,610	29,953	1,663,311	3,073,297					
1865	25,082	1,274	1,295,153	22,064	32,396	75,331	1,424,944	140,517	528,220	22,220	796,399	28,786	1,516,142	2,941,066					
1866	25,594	1,423	1,368,157	23,274	34,989	182,627	1,609,007	139,888	566,085	21,336	817,467	27,993	1,592,674	3,201,681 (a)					
1867	25,902	1,559	1,421,854	23,684	33,033	296,692	1,715,168	140,069	559,575	22,454	783,945	25,764	1,531,487	3,246,850 (b)					
1868	26,262	1,756	1,440,144	25,000	39,014	214,522	1,718,680	139,533	578,927	18,769	777,097	33,698	1,548,044	3,266,724 (c)					
1869	26,910	1,871	1,455,251	25,000	40,783	116,123	1,686,162	139,316	585,596	17,533	1,066,798	25,822	1,623,065	3,459,227 (d)					
1870	23,078	1,983	1,497,813	47,500 (e)	42,561	110,225	1,698,097	138,763	587,296	16,295	968,494	26,290	1,797,766	3,435,865					
1871	23,969	2,084	1,550,783	46,300 (e)	45,257	136,072	1,781,422	140,922	595,231	19,911	1,047,044 (f)	26,290	1,829,278	3,610,700					

(a) Including £73,297 paid under the Post Office Extension Act, the greater portion of which has been charged to Buildings, &c.

(b) Including £188,121 ditto.

(c) Including £106,902 ditto.

(d) Including £17,544 ditto.

(e) Including the cost of Post Carts and stamped newspaper wrappers.

(f) For an explanation of this increase see Appendix, (C.), Note (f).

## APPENDIX (E.)

GROSS REVENUE, COST OF MANAGEMENT, and NET REVENUE of the  
POST OFFICE of the UNITED KINGDOM, since the Year 1837.\*

Year.	Gross Revenue.(a)	Cost of Management.	Net Revenue.	Postage charged on Government Departments.
	£	£	£	£
1838 (b) - -	2,346,278	686,768	1,659,510	45,156
1839 (c) - -	2,390,763	756,999	1,633,764	44,277
1840 (d) - -	1,359,466	858,677	500,789	90,761
Average of Five } Years, 1841-45 }	1,658,214	1,001,405	656,809	112,468
„ 1846-50	2,143,717	1,304,772	838,944	110,798
„ 1851-55	2,569,836	1,441,334	1,128,502	157,003
„ 1856-60	3,135,587	1,785,911	1,349,676	145,566
„ 1861-65	3,891,568	2,074,188	1,817,380	184,912
„ 1866-70	4,618,146(f)	2,419,926	2,198,220	92,877 (e)
1871 - - -	4,900,454 (g)	2,559,797	2,340,657	—

\* In this Table the Revenue does not include the produce of the Impressed Stamp on Newspapers, and the Expenditure does not include either the cost of the Packet Service or that of Stationery. The Finance Accounts relating to the Post Office from 1838 to 1869 inclusive having been constructed in this manner, the same arrangement (so far as this table is concerned, except that, with a view to greater accuracy the liabilities of the year have been substituted for the disbursements) has been continued subsequently, with a view to facilitate comparison. The correct revenue of the Post Office for the year 1871 will be found at page 21 of this Report.

(a) Namely, the Gross Receipts after deducting the Returns for "Refused Letters," &c.

(b) 1838 was the last complete year before the general reduction of postage.

(c) On 5th December 1839 the maximum Inland Postage for a single letter was reduced to 4d.

(d) On 10th January 1840 the postage on all inland letters weighing not more than  $\frac{1}{2}$  oz. was reduced to a uniform charge of one penny.

(e) Postage ceased to be charged on the correspondence of Government Departments early in the year 1868. The amount of Government Postage for the last complete year in which it was charged (1867) was 232,461*l*.

(f) Prior to 1st October 1870 newspapers bearing the impressed stamp of the Inland Revenue Department passed through the Post free. The impressed stamp, however, was abolished on that date, and postage was afterwards charged on all newspapers sent through the Post, but the rate was at the same time reduced from a penny on each newspaper not exceeding 4 oz. in weight, to a halfpenny on each newspaper irrespective of weight. Post Cards at one halfpenny each came into use on 1st October 1870.

(g) The minimum rate of one halfpenny for samples ceased on 5th October 1871, and letter and parcel rates were assimilated on that date, a large reduction of charge being at the same time made on all letters exceeding half an ounce in weight.

## Post Office Savings Bank.

Period.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
	Number of Post Office Savings Banks.	Number of Deposits.	Amount of Deposits.	Average Amount of Deposit.	Interest credited to Depositors.	Number of Withdrawals.	Amount of Withdrawals.	Average Amount of Withdrawal.	Charges of Management.	Average Cost of each Transaction, viz., of each Deposit or Withdrawal.	Number of Accounts opened.	Number of Accounts closed.	Number of Accounts remaining open at close of the Year.	Amount, inclusive of Interest, standing to credit of all open Accounts at close of the Year.	Average amount standing to credit of each open Account at close of the Year.	Percentage of Cost of Management to total funds in possession of the Post Office Savings Bank.	Total sum standing to credit of Post Office Savings Banks on Books of National Debt Commissioners at close of the Year.	Balance in hands of Postmaster-General, after allowing for Charges of Management, at close of the Year.	Total Balance in hand, applicable to payment of Depositors, at close of the Year.	Number of Old Savings Banks and Post Office Savings Banks combined, at close of the Year.	Number of the Depositors in Old Savings Banks and Post Office Banks combined, at close of the Year.
From 16 Sept. 1861 to 31 Dec. 1862.	2,535	639,210	2,114,689	£ s. d. 3 6 2	£ 22,189	97,294	£ 438,637	£ s. d. 4 10 2	£ 20,501	£ 9½	205,928	27,453	178,485	£ 1,698,221	£ 9 10 3	£ s. d. 1 4 3	£ 1,650,032	£ 35,698	£ 1,694,724	£ 3,157	1,752,555
Year 1863	2,991	842,948	2,631,209	£ s. d. 3 2 11	£ 55,204	197,431	£ 1,027,154	£ s. d. 5 4 0	£ 25,401	£ 15½	185,934	44,760	319,669	£ 3,377,480	£ 11 4	£ s. d. 0 15 7	£ 3,328,182	£ 44,413	£ 3,372,595	£ 3,594	1,876,389
" 1864	3,081	1,110,762	3,350,000	£ s. d. 3 0 3	£ 100,493	309,242	£ 1,834,849	£ s. d. 5 18 8	£ 45,856	£ 17½	226,153	74,984	470,838	£ 4,993,123	£ 10 12 1	£ s. d. 0 18 4	£ 4,995,663	£ 5,522	£ 5,001,185	£ 3,639	1,967,663
" 1865	3,321	1,302,309	3,719,017	£ s. d. 2 17 1	£ 132,870	407,412	£ 2,318,610	£ s. d. 5 13 10	£ 49,527	£ 6½	239,686	99,160	611,384	£ 5,520,400	£ 10 13 6	£ s. d. 0 15 2	£ 5,562,329	£ 4,327	£ 6,866,666	£ 3,822	2,078,546
Average of five Years: 1866-70	3,815	1,802,031	5,232,108	£ s. d. 2 18 1	£ 283,014	647,620	£ 3,770,581	£ s. d. 5 16 5	£ 62,903	£ 3½	295,524	181,170	967,066	£ 11,633,214	£ 0 6	£ s. d. 0 10 1½	£ 11,824,504	£ 50,351	£ 11,862,124	£ 4,358	2,352,942
Year 1871	4,335	2,362,621	6,664,629	£ s. d. 2 16 5	£ 376,738	845,279	£ 5,115,467	£ s. d. 6 1 0	£ 69,427	£ 13½	370,745	250,408	1,308,492	£ 17,722,004	£ 1 2½	£ s. d. 0 8 2½	£ 17,963,815	£ 108,468	£ 17,470,271	£ 4,895	2,707,570

\* These sums do not include the dividends accruing to the Post Office Savings Banks on the 6th January, (that is, five days after the close of the account in each year), up to the year 1868 inclusive, but after that year the Securities belonging to the Banks have been valued by the Commissioners for the Reduction of the National Debt, and the amount, including dividends due but not paid at the end of the year, has been inserted in the above return.

† The falling off in the cost per transaction and in the percentage of cost of management during 1863 and the increase in these items during 1864 are attributable to one and the same cause, viz., to the payment during 1864 of various charges properly belonging to 1863.

‡ The reduction in the cost per transaction and percentage of cost of management since 1865, is partly owing to a discontinuance in 1868 of any charge for postage; a charge amounting to about three farthings per transaction.

**APPENDIX (F).—continued.**  
**POST OFFICE SAVINGS BANK.**  
**BALANCE SHEET.**

RETURN of the BALANCE SHEETS of the POST OFFICE SAVINGS BANKS for the Year 1871, showing the Balance due to Depositors, the Amount of Expenses remaining Unpaid, the Value of Securities at the Cost Price, less Depreciation of those which are Terminable by Lapse of Time, Amount of Cash in Hand and Dividends accrued but not received at the end of the Year, and the Surplus or Deficiency of Funds to meet Liabilities.

LIABILITIES.			ASSETS.		
£	s.	d.	£	s.	d.
Balance due to Depositors on the 31st December 1871 (including interest) . . . . .			Value of Securities at the Cost Price, less depreciation of those which are terminable by lapse of time . . . . .		
Amount of expenses remaining unpaid (partly estimated) . . . . .			Amount of cash in hands of Commissioners for the Reduction of the National Debt . . . . .		
Surplus of Funds to meet Liabilities . . . . .			Dividends accrued but not received at the end of the year . . . . .		
			Total Amount in the hands of the Commissioners for the Reduction of the National Debt . . . . .		
			Cash in the hands of Her Majesty's Postmaster General Less—Amount required to meet the Payment of Warrants issued, but not cashed on 31st December 1871 . . . . .		
£			£		
17,025,003	18	2	16,234,355	8	0
23,000	0	0	401,059	7	5
445,567	11	6	657,800	14	6
			17,303,515	9	11
			163,455	19	9
			17,470,271	9	8

Total amount received from Depositors, including interest, to 31st December 1871 . . . . . £ 46,612,630 4 7  
Total amount repaid to Depositors to 31st December 1871 . . . . . £ 29,537,026 6 5

Number of Transactions.		Number of Accounts.	
Deposits.	Withdrawals.	Opened.	Closed.
14,567,911	5,094,760	2,705,066	1,402,574
			Remaining Open.
			1,303,403

The total cost of the Post Office Savings Banks from their establishment to the 31st December 1871, including the sum of 25,000*l.* charged as above, was 554,185*l.* 1*s.* 6*d.*  
The total number of transactions, i.e., Deposits and Withdrawals, in the period was 20,362,671.  
The average cost of each transaction was 6*s.* 3*d.*  
Prior to the passing of the Post Office Savings Banks Act, 1861, it was estimated (see Parliamentary Paper, No. 585, 1861) that the average cost of each transaction would be 7*d.*  
General Post Office, 26th June 1872.  
GEO. CHURCHMAN, Receiver and Accountant General.

## APPENDIX (F.)—continued.

RETURN of the BALANCE SHEETS of the POST OFFICE SAVINGS BANKS for the Year 1871; showing the Balance due to Depositors, the Amount of Expenses remaining unpaid, the Value of Securities at the Cost Price, less Depreciation of those which are Terminable by Lapse of Time, Amount of Cash in Hand, and Dividends accrued but not received at the end of the Year, and the Surplus or Deficiency of Funds to meet Liabilities. (So far as relates to the National Debt Office.)

Securities standing in the Names of the Commissioners for the Reduction of the National Debt on account of the Post Office Savings Banks Fund.		Value of such Securities at the Cost Price, less Depreciation of those which are Terminable by Lapse of Time.	Dividends accrued but not received at the end of the Year. *
	£ s. d.	£ s. d.	£ s. d.
Consolidated £3 per Cents - -	1,317,908 14 6	1,210,887 6 0	19,231 8 8
Reduced £3 per Cents - -	649,000 0 0	596,333 14 0	4,634 10 7
New £3 per Cents - - -	1,405,250 15 0	1,278,648 4 0	10,021 1 0
New £2½ per Cents - - -	1,000,000 0 0	765,000 0 0	12,160 6 6
Turkish Guaranteed £4 per Cent. Bonds	111,600 0 0	111,775 0 0	1,843 16 6
Church Temporalities, Ireland, Bonds	1,200,000 0 0	1,200,000 0 0	19,446 11 5
Advanced Pensions Commutation Board during year ended 31st December 1871, per Acts 32 & 33 Vict. c. 32., and 34 & 35 Vict. c. 36. - -	405,211 4 0	405,211 4 0	6,643 16 7
Annuities for Terms of years expiring at various periods of the year 1885 - -	(a) 987,790 8 3 } per annum }	10,448,134 0 0	575,509 0 0
Red Sea and India Telegraph Annuities, expiring 4th August 1908 - -	(b) 3,100 0 0 } per annum }	59,305 0 0	1,255 3 3
Annuity, payable annually until 31st March 1880, of an amount sufficient to repay sums advanced to Pensions Commutation Board up to 31st December 1870, per Act 32 & 33 Vict. c. 32. - - - - -	(c) 22,636 15 0 } per annum }	159,661 0 0	17,055 0 0
	£ 16,234,955 8 0		667,800 14 6
Add Value of Securities - -			16,234,955 8 0
Cash Balance in Bank of England -			401,059 7 5
		£	17,303,815 9 11

NOTE.—The value on 31st December 1871 of the several Terminable Annuities (a, b, and (c) in Column 1. will be found by adding the sums in Columns 2 and 3 together.

National Debt Office,  
9 May 1872.

A. Y. SPEARMAN,  
Comptroller General.



## Government Insurances and Annuities.

ACCOUNTS of all MONIES RECEIVED and of the DISPOSAL thereof, and of all CONTRACTS for the Grant of DEFERRED LIFE ANNUITIES and for PAYMENTS on DEATH, made during the Year ended 31st December 1871.

## NATIONAL DEBT OFFICE.

## I.

AN ACCOUNT of all MONIES received by the Commissioners for the Reduction of the National Debt, and of the Disposal thereof, on account of Contracts for the Grant of Deferred Life Annuities, made between the 1st January and the 31st December 1871, under the Provisions of the Act 27 & 28 Vict. c. 46. s. 2.

## On Account of Deferred Life Annuities.

Sums received.		Sums paid.	
£ s. d.	£ s. d.	£ s. d.	£ s. d.
To Balance due 31st December 1870	615 8 3	By the purchase of 5,987 10s. 2d. New 3l. per Cents -	5,255 8 10
To purchase of Deferred Life Annuities, viz.:-		By Premiums on Deferred Annuity Contracts, Money Returnable,	
Granted through the medium of the Commissioners	2,638 3 3	repaid to Contractors	593 14 2
for the Reduction of the National Debt		Paid to Postmaster General for Management	3 15 4
Granted through the medium of the Postmaster-General	2,840 16 6	By Balance uninvested on 31st December 1871, viz.:-	
		In the hands of the Postmaster General	366 11 5
		In the Bank of England	759 4 1
Dividends on Stocks and other Securities			1,125 15 6
	£3,978 13 10		£3,978 13 10

Also, AN ACCOUNT showing the Amount of Receipts during the Year on Contracts; the Number and Amount of Payments made on account of Contracts during the Year; the Amount of Expenses during the Year; the Number and Amount of New Contracts entered into; the Total Number and Amount of all current Contracts at the End of the Year; the whole Amount of Capital, distinguishing the manner in which Invested, how much in Cash, how much in Securities, specifying their Nature; the Average Rate of Interest received upon each Class of Investments, and the Table of Mortality and the Rate of Interest used in calculating the Premiums.

Amount of Receipts during the Year on Contracts.	Number and Amount of Payments made on account of Contracts during the Year.	Amount of Expenses during the Year.	Number and Amount of New Contracts entered into.		Total Number and Amount of all Current Contracts at the End of the Year.		Capital and Average Rate of Interest upon each Class of Security.		
			No.	Amount.	No.	Amount.	Uninvested Balance.	New 3l. per Cents.	Average Rate of Interest. Reduced 3l. per Cents.
£ s. d.				£ s. d.		£ s. d.	£ s. d.	£ s. d.	£ s. d.
5,473 14 9	-	-	57	1,293 9 0	373	8,107 5 0	1,125 15 6	31,976 15 7	444 9 9
		See Return from the Postmaster General accompanying this account.							

The law of mortality which has been observed in the construction of the Deferred Annuity Tables is set forth in the Observations Nos. 13 and 29 of the Report made on the 28th March 1829 to the Lords of the Treasury by the Actuary of the Commissioners for the Reduction of the National Debt, and printed by Order of the House of Commons on 31st March 1829, in Parliamentary Paper No. 22. The rate of interest fixed by law for annuities granted under the Savings Banks Acts is 3l. per cent.; for other Deferred Annuities granted under the Acts of 1829 and 1831, 4l. per cent.; and for annuities granted under the Acts of 1832 and 1833, 5l. per cent. The rate of interest upon the public funds on the day the annuity is purchased is 3l. per cent.

A. Y. SPENCER,  
Comptroller General.

National Debt Office, 31 December 1871.

II.

AN ACCOUNT of all Moneys received by the Commissioners for the Reduction of the National Debt, and the Disposal thereof, on account of Contracts for the Grant of Payments on Death, made between the 1st January and 31st December 1871, under the Provisions of the Act 27 & 28 Vict. c. 46. s. 2.

On Account of Payments on Death.

	Sums received.		Sums paid.	
	£	s. d.	£	s. d.
To Balance due 31st December 1870	475	3. 5		
For insurances granted through the medium of the Postmaster General	6,432	2 10		
Dividends on Stock and other Securities	669	4 9		
	£7,698 10 0			
	For the purchase of 5,398l. 7s. 11d. New 3l. per Cents			
	To Postmaster General for Payments on Death			
	To Postmaster General for Management			
	Uninvested Balance at 31st December 1871, viz.:			
	In the hands of the Postmaster General			
	In the Bank of England			
			645	13 2
			£7,628	10 0

Also, AN ACCOUNT showing the Amount of Receipts during the Year on Contracts; the Number and Amount of Payments on account of Contracts during the Year; the Amount of Expenses during the Year; the Number and Amount of New Contracts entered into; the Total Number and Amount of all Current Contracts at the End of the Year; the whole Amount of Capital, distinguishing the manner in which Invested, how much in Cash, how much in Securities, specifying their Nature; the Average Rate of Interest received upon each Class of Investments; and the Table of Mortality and the Rate of Interest used in calculating the Premiums.

Amount of Receipts during the Year on Contracts.	Number and Amount of Payments made on account of Contracts during the Year.		Amount of Expenses of Contracts during the Year.	Number and Amount of New Contracts entered into.		Total Number and Amount of all Current Contracts at the End of the Year.		Capital and Average Rate of Interest upon each Class of Security.				
	No.	Amount.		No.	Amount.	No.	Amount.	Uninvested Balance.	New 3l. per Centa.	Average Rate of Interest.	Reduced 3l. per Centa.	Average Rate of Interest.
£ s. d. 6,432 2 10	59	£ s. d. 1,744 7 5	See Return from the Postmaster General accounting this account.	353	£ s. d. 27,695 6 6	2,709	£ s. d. 208,079 8 8	£ s. d. 645 13 2	£ s. d. 24,783 0 11	£ s. d. 3 5 8	£ s. d. 361 11 4	£ s. d. 3 5 6

The law of mortality which has been observed in the construction of the Tables for the insurance of lives of both sexes is that known as the "English Life Table," No. 3, "for Males," published under the authority of the Registrar General of Births, Deaths, and Marriages in England; the rate of interest being taken at 3l. per cent. per annum, as fixed by the Act 27 & 28 Vict. c. 43. s. 5.

National Debt Office, 31 December 1871.

A. Y. SPEARMAN,  
Comptroller General.

## APPENDIX (G.)—continued.

## POST OFFICE.

## (A.)

AN ACCOUNT showing the Amount received by Her Majesty's Postmaster General for the Purchase of DEFERRED ANNUITIES and MONTHLY ALLOWANCES, under Act 27 & 28 Vict. c. 43., from the 1st January to 31st December 1871, and the Disposal of the same.

Receipts.	Amount.	Payments.	Amount.
	<i>£ s. d.</i>		<i>£ s. d.</i>
Balance on 31st December 1870 brought forward - -	328 10 0	Cash paid to the Commissioners for the Reduction of the National Debt for Deferred Annuities and Monthly Allowances - -	2,902 15 1
Cash received for the purchase of Deferred Annuities and Monthly Allowances, viz. :-		Balance in the hands of Her Majesty's Postmaster General on the 31st December 1871 -	366 11 5
<i>£ s. d.</i>			
Money not returnable - 810 18 10			
Money returnable - - 2,029 17 8			
	2,840 16 6		
	<u>£3,169 6 6</u>		<u>£3,169 6 6</u>

## (B.)

AN ACCOUNT showing the Amount received by Her Majesty's Postmaster General on account of CONTRACTS for the Payment of SUMS at DEATH, under Act 27 & 28 Vict. c. 43., from the 1st January to the 31st December 1871, and the Disposal of the same.

Receipts.	Amount.	Payments.	Amount.
	<i>£ s. d.</i>		<i>£ s. d.</i>
Balance on 31st December 1870 brought forward - -	191 2 2	Cash paid to the Commissioners for the Reduction of the National Debt for Investment on account of Contracts for payment of Sums at Death -	6,243 15 9
Cash received on account of Contracts for payment of Sums at Death - -	6,482 2 10	Balance in the hands of Her Majesty's Postmaster General on 31st December 1871 -	420 9 3
	<u>£6,673 5 0</u>		<u>£6,673 5 0</u>

## (C.)

AN ACCOUNT showing the Amount received by Her Majesty's Postmaster General for the Purchase of IMMEDIATE ANNUITIES, under Act 27 & 28 Vict. c. 43., from the 1st January to the 31st December 1871, and the Disposal of the same.

Receipts.	Amount.	Payments.	Amount.
	<i>£ s. d.</i>		<i>£ s. d.</i>
Balance on 31st December 1870 brought forward - -	2,668 19 8	Cash paid to the Commissioners for the Reduction of the National Debt for the purchase of Immediate Annuities	81,416 13 8
Cash received for the purchase of Immediate Annuities -	81,839 0 4	Balance in the hands of Her Majesty's Postmaster General on the 31st December 1871 -	3,091 1 4
	<u>£84,508 0 0</u>		<u>£84,508 0 0</u>

General Post Office,  
March 1872.

GEO. CHETWYND,  
Receiver and Accountant General.

GOVERNMENT ANNUITIES AND INSURANCES GRANTED UNDER ACT 27 & 28 VICT. C. 43.

AN ACCOUNT showing the Number and Amount of Sums received and paid, and the Number and Amount of Contracts granted by Her Majesty's Postmaster General, under authority of the Act 27 & 28 Vict. c. 43, from the Commencement of Business on the 17th April 1865 to the 31st December 1871, together with the Number and Amount of Contracts in existence on the 31st December 1871, and the Amount paid for Charges of Management.

(1.) An Account showing the Number and Amount of Sums received and paid on Account of Government Annuity and Insurance Contracts from the Commencement of Business on the 17th April 1865 to the 31st December 1871.

[illegible]

## APPENDIX (G.)—continued.

(II.) AN ACCOUNT showing the Number and Amount of CONTRACTS entered into by Her Majesty's Postmaster General from the Commencement of Business on the 17th April 1865 to the 31st December 1871, and the Number and Amount of Contracts in existence on the 31st December 1871.

	CONTRACTS GRANTED.				TOTAL.	
	From 17 April 1865 to 31 December 1870.		From 1 January to 31 December 1871.			
	No.	Amount.	No.	Amount.	No.	Amount.
		£ s. d.		£ s. d.		£ s. d.
Contracts for Annuities granted from the commencement of business on 17th April 1865 to the 31st December 1871, viz. :—						
Immediate Annuities - - -	1,532	31,720 17 2	360	7,272 0 0	1,892	38,992 17 2
Deferred Annuities and Monthly Allowances, Money not returnable - - -	106	1,990 15 6	11	184 0 0	117	2,174 15 6
Deferred Annuities and Monthly Allowances, Money returnable - - -	194	3,961 13 0	25	526 9 0	219	4,488 2 0
Contracts for Sums payable at Death granted from the commencement of business on the 17th April 1865 to the 31st December 1871 - - -	2,689	205,606 8 9	358	27,695 6 6	3,047	233,301 15 3
Contracts for Annuities in existence on the 31st December 1871, viz. :—						
Immediate Annuities - - -	-	-	-	-	1,798	37,131 12 2
Deferred Annuities and Monthly Allowances, Money not returnable - - -	-	-	-	-	106	1,941 0 6
Deferred Annuities and Monthly Allowances, Money returnable - - -	-	-	-	-	152	3,073 16 0
Contracts for Sums payable at Death, in existence on the 31st December 1871 - - -	-	-	-	-	2,709	208,079 8 8

(III.) AN ACCOUNT showing the Amount paid for CHARGES of MANAGEMENT from the Commencement of Business on the 17th April 1865 to the 31st December 1871.

	From 17 April 1865 to 31 December 1870.	From 1 January to 31 December 1871.	TOTAL.
	£ s. d.	£ s. d.	£ s. d.
Salaries and Allowances - - -	1,821 16 8	405 5 11	2,227 2 7
Stationery - - -	1,431 2 4	4 15 0	1,435 17 4
Stamps on Policies - - -	135 0 0	3 2 6	138 2 6
Fees to Medical Officers - - -	377 2 6	67 18 0	445 0 6
Incidental Disbursements, including Travelling Charges - - -	241 14 1	- - -	241 14 1
Works executed and Furniture supplied - - -	250 5 10	- - -	250 5 10
TOTAL AMOUNT paid for charges of management, including furniture, books, stationery, and preliminary expenses - - -	4,257 1 5	431 1 5	4,738 2 10
Fees received on the grant of certain Annuities - - -	1,814 12 7	392 11 0	2,207 3 7

General Post Office,  
March 1872.

GEO. CHETWIND,  
Receiver and Accountant General.

## APPENDIX (H.)

## Staff of Officers.

At the end of 1871 the Staff of Officers (omitting those engaged exclusively on telegraph duties) was as follows, as compared with the Staff at the end of 1870.

On 31st of Dec. 1870.			On 31st of Dec. 1871.
		I. Officers in British Isles :—	
	1	Postmaster General - - -	1
	7	Secretary, second secretary, assistant secretary, assistant under secretaries, and secretaries for Scotland and Ireland.	7
	21	Other superior officers in the Metropolitan offices, viz. : heads of departments, chief clerks, &c.	21
	17	Surveyors - - - -	17
	11,767*	Postmasters - - - -	11,928
	2,181	Clerks, &c. - - - -	2,410
	14,263*	Counter-men, sorters, letter carriers, messengers, &c.	14,785
	97	Mail guards and porters - - -	100
	5	Marine mail officers - - -	6
28,359			29,275
	25	II. Postmasters, clerks, letter carriers, &c. in the colonies, the posts of which are under the direction of the Postmaster General.	24
25			
	45	III. Agents in foreign countries for collection of postage, &c.	45
45			45
28,429			29,344

\* In the Seventeenth Annual Report the letter-receivers in Edinburgh and Dublin were entered under the head of counter-men, &c., instead of under that of postmasters; so that the numbers appeared respectively as 11,712 and 14,318, instead of 11,767 and 14,263.

## APPENDIX (I.)

TABLE showing the Number of LETTERS delivered in the United Kingdom during the last Year (deduction being made of the Estimated Number of Sample Packets posted in the last quarter of the year as Letters), and the proportion of Letters to Population.

	Number of Letters in 1871.	Increase per cent. on Number in 1870.	Proportion of Letters to Population.
England - - -	758 millions	6·2	33 to each person
Scotland - - -	85 "	2·4	25 "
Ireland - - -	72 "	10·8	13 "
United Kingdom -	915 millions	6·0	29 to each person

## APPENDIX (J.)

TABLE showing the PROGRESS of MONEY ORDER BUSINESS during the Year 1871.

	1870.		1871.		Increase per cent. on Number.	Increase per cent. on Amount.	Proportion of Money Orders issued to Population.
	Number of Money Orders issued.	Amount.	Number of Money Orders issued.	Amount.			
England and Wales -	8,717,972	£ 17,062,015	10,310,067	18,697,474	18	9	1 to every 2 persons.
Scotland - - -	888,942	1,607,904	986,534	1,795,966	17	11	1 to every 4 persons.
Ireland - - -	674,611	1,324,008	805,793	1,455,746	19	10	1 to every 6 persons.
United Kingdom - -	10,231,525	19,993,987	12,102,394	21,949,086	18	10	2 to every 5 persons.
Colonies, and Foreign } Countries - - - }	24,674	97,765	39,508	149,503	60	53	—
TOTAL - - -	10,256,199	20,091,752	12,141,902	22,098,589	18	10	—

## APPENDIX (K.)

TABLE showing the NUMBER and DESCRIPTION of LICENSES issued by the Post OFFICE during the Years 1869, 1870, and 1871.

Description of License.	Number of Licenses issued.		
	1869.	1870.	1871.
For Dogs - - at 5s. for each license	473,218	524,032	552,229
Male Servants - 15s. „	—	74,607	70,865
Carriages - 42s. „	—	32,020	31,887
Carriages - 15s. „	—	73,171	73,111
Horse Dealers - 12l. 10s. „	—	10	10
Horses and Mules 10s. 6d. „	—	203,351	201,527
Armorial Bearings 42s. „	—	6,171	5,945
Armorial Bearings 21s. „	—	10,219	10,303
Guns - - 10s. „	—	40,742	62,161
	473,218	964,323	1,008,038

## APPENDIX (L.)

### FULL TEXT of the REGULATION concerning payment of premiums by small instalments.

“If any person under the control of the Postmaster General, or under the control of the Commissioners of Inland Revenue or the Commissioners of Customs, or any person employed in any Government department, or any person employed by the directors of a railway company, or by a manufacturer or other large employer of labour, after effecting an insurance on his life or contracting to purchase a deferred annuity or monthly allowance under these regulations, shall desire to have his premiums or instalments deducted from his salary or wages and paid over to the officers of the Postmaster General, and if the persons under whom or by whom he is employed shall be willing to undertake the deduction of such premiums or instalments, deducted from his salary, or wages, with the view of paying them over to the officers of the Postmaster General, then the Postmaster General shall, if he think fit, make arrangements with the said employers for such purpose, and shall constitute the departments, offices, or places of business of such employers ‘offices for the receipt of proposals and ‘for the receipt of premiums and instalments.’”

## APPENDIX (M.)

### NUMBER of MAILS daily between London and other Post Towns in England and Wales.

Year.	Towns having One Mail only.		Towns having Two Mails.		Towns having Three Mails.		Towns having Four Mails.		Towns having Five Mails.		Towns having Six Mails.		Towns having Seven Mails.		Towns having Eight Mails.		Towns having Nine Mails.		Mails ex- changed daily.
	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	From London.	To London.	
1870	42	108	357	258	76	94	63	82	27	43	2	7	3	2	1	—	1	—	2,926
1871	41	93	331	231	84	108	78	92	31	38	4	10	4	3	1	—	1	—	3,007



## APPENDIX (N).

COMPARATIVE RETURN showing the Number of LETTERS, BOOKS, PATTERNS, and NEWSPAPERS received in the RETURNED LETTER OFFICES of LONDON, EDINBURGH, and DUBLIN respectively in the Years 1870 and 1871; also the Number of LETTERS returned therefrom to the SENDERS, and how the remainder have been disposed of.

1870.										1871.						
	Letters received.	Letters re-issued to Ad-dressees.	Letters returned to the Senders.	Letters returned unopened to Foreign Countries.	Letters which could not be either delivered or returned to the Senders.*	Books re-ceived.	Pat-terns re-ceived.	Newspapers re-ceived.	Letters received.	Letters re-issued to Ad-dressees.	Letters returned to the Senders.	Letters returned unopened to Foreign Countries.	Letters which could not be either delivered or returned to the Senders.*	Post Cards,† Books, Circulars, &c. received.	Pat-terns re-ceived.	Newspapers received.
LONDON	3,908,494	80,990	2,889,081	120,558	117,855	776,686	20,163	681,969	3,023,797	78,246	3,053,637	143,146	149,566	1,567,510	27,987	1,023,134
EDINBURGH	280,376	13,418	240,193	7,203	19,562	34,196	914	20,643	271,408	14,098	233,321	7,798	16,751	134,336	603	18,419
DUBLIN	304,064	10,237	199,669	19,321	74,807	53,379	617	10,465	306,754	13,602	171,569	16,718	104,835	113,683	774	10,315
	3,792,894	104,696	3,328,896	147,082	212,224	864,210	21,683	613,007	3,601,959	105,946	3,053,237	167,603	276,153	1,815,507	29,364	1,056,568

\* A large portion of these letters were anonymous, and were refused, very many of them being Valentines.

† Of Post Cards, 292,230 were received during the year 1871 in the above-mentioned offices, and 96,696 of these were returned to the senders.

## APPENDIX (O.)

AN ESTIMATE of the WEIGHT of CORRESPONDENCE carried, and the VALUE of POSTAL SERVICE performed for the following Public Offices in the Year 1871. [The Charge for Postage of Official Correspondence has not been provided for in the Estimates since the 31st March 1868.]

NAMES OF OFFICES.	Great Britain.		Ireland.		Total.	
	Weight.	Amount.	Weight.	Amount.	Weight.	Amount.
Adjutant General	oz.	£	oz.	£	oz.	£
Admiralty, Lords Commissioners of	224,000	5,450	56,400	460	280,400	5,910
Army Medical Department	694,000	16,900	—	—	694,000	16,900
Board of Trade	—	—	13,200	108	13,200	108
Central Loan Fund	270,000	3,350	—	—	270,000	3,350
Chancellor, The Lord	—	—	1,330	11	1,330	11
Charity Commissioners	14,000	116	—	—	14,000	116
Chelsea Hospital	26,000	240	—	—	26,000	240
Chief Secretary, Dublin Castle	20,000	190	—	—	20,000	190
Civil Service Commissioners	—	—	229,500	1,750	229,500	1,750
Colonial Office	80,000	700	—	—	80,000	700
Colonial Office	310,000	8,800	—	—	310,000	8,800
Colonial Land and Emigration Com- missioners	8,000	140	—	—	8,000	140
Commander in Chief	116,000	2,670	—	—	116,000	2,670
Commander of the Forces	—	—	10,340	86	10,340	86
Commissariat Department	—	—	75,200	605	75,200	605
Constabulary Office	—	—	188,700	1,498	188,700	1,498
Convict Prisons, Directors of	—	—	52,000	368	52,000	368
Council Office	684,000	5,770	—	—	684,000	5,770
Court of Probate	60,000	560	—	—	60,000	560
Crown Office, House of Lords	6,000	50	—	—	6,000	50
Customs	350,000	3,120	—	7	350,000	3,127
Dublin Record Office	—	—	1,100	9	1,100	9
Education Board	—	—	337,000	1,745	337,000	1,745
Exchequer and Audit Department	34,000	770	—	—	34,000	770
Fines and Penalties Office	—	—	115,500	618	115,500	618
Foreign Office	200,000	11,300	—	—	200,000	11,300
General Valuation Office	—	—	18,000	145	18,000	145
Home Office	460,000	4,020	—	—	460,000	4,020
Inland Revenue	2,100,000*	15,100	135,500	1,122	2,235,500	16,222
Inspector of Fisheries	—	—	26,100	216	26,100	216
Inspector General of Prisons	—	—	16,900	133	16,900	133
Irish Office	46,000	380	—	—	46,000	380
Lord Lieutenant and Private Secretary	—	—	10,000	80	10,000	80
Merchant Seamen, Registrar of	300,000	2,900	—	—	300,000	2,900
Ordnance Survey	—	—	23,900	245	23,900	245
Paymaster of Civil Services	—	—	80,000	595	80,000	595
Paymaster General	65,000	730	—	—	65,000	730
Poor Law Commissioners	440,000	3,700	202,700	1,625	642,700	5,325
Quartermaster General	25,000	450	23,400	186	48,400	636
Queen's Remembrancer (Scotland)	10,000	85	—	—	10,000	85
Registrar General	990,000†	2,250	511,600	2,135	1,501,600	4,385
Ditto ditto (Scotland)	192,000	650	—	—	192,000	650
Registrar of Friendly Societies	32,000	290	—	—	32,000	290
Science and Art Department	840,000	7,000	—	—	840,000	7,000
Stationery Office	30,000	270	—	—	30,000	270
Tithe Commissioners	76,000	650	—	—	76,000	650
Treasury	320,000	2,900	—	—	320,000	2,900
War Office	2,500,000†	18,600	49,500	388	2,549,500	8,988
Woods and Forests, Commissioners of	40,000	450	—	—	40,000	450
Works and Buildings, Commissioners of	35,000	400	83,750	685	117,750	1,085
TOTALS	11,536,000	120,741	2,267,480	14,805	13,793,480	135,546

\* Including about 300,000 oz. charged with Book Postage.

† " 640,000 " "

" 1,550,000 " "

Note.—The Estimate of Official Postage up to the 31st March 1868 was framed on the principle of charging Inward Letters at the unpaid rate. The present Estimate is framed on the principle of charging Inland and Colonial Letters, inwards and outwards, at the prepaid rate.

## APPENDIX (P.)

## Telegraphic Messages.

TABLE showing to the nearest Thousand the Number of Messages (exclusive of Press and News Messages) forwarded from Postal Telegraph Stations in the United Kingdom during each Month of 1870 and 1871.

Month.	Number of Messages, 1870.	Number of Messages, 1871.	Increase.
January - - -	—	741,000	—
February* - -	419,000	682,000	263,000
March - - -	734,000	994,000	260,000
April - - -	726,000	866,000	140,000
May - - -	706,000	868,000	162,000
June - - -	888,000	1,105,000	217,000
July - - -	918,000	988,000	70,000
August - -	896,000	1,195,000	299,000
September - -	836,000	1,141,000	305,000
October - - -	838,000	1,056,000	218,000
November - - -	868,000	1,146,000	278,000
December - -	777,000	978,000	201,000
Total - -	8,606,000	11,760,000	2,413,000†

\* The transfer of the Telegraphs to the State took place on the 5th February 1870, so that the first complete month during which the Telegraphs were worked by the Post Office was the following month of March; a fact which must be borne in mind in comparing the number of messages in February 1870 with the number in February 1871.

† For the purposes of comparison, the number of messages sent in January 1871 have to be omitted.

## APPENDIX (Q)

## EXTRACTS from the REPORT of the CONTROLLER of the POST OFFICE SAVINGS BANK.

\* \* \* \* \*

" In the Report for the year 1862 it was stated that the average amount of each deposit in the Post Office Savings Bank was *3*l.* 6*s.* 2*d.** as against *4*l.* 6*s.* 5*d.** in the old Savings Banks ; showing that the Post Office Savings Banks had attracted a larger proportion of small depositors than the old banks had been able to attract. It is remarkable that while the business of the Post Office Savings Banks has increased, the average amount of each deposit has declined ; until in 1871 it has fallen to *2*l.* 16*s.* 5*d.** ; and it seems, therefore, that the facilities afforded still powerfully operate in increasing the number of small depositors throughout the Kingdom. There also appears good ground for supposing that there are many persons whose savings might be considerable, and who would be induced to deposit in the Post Office Savings Bank, but who are precluded from doing so by the limitation of deposits to *30*l.** in one year ; and the large and constantly increasing number of communications received from persons who are desirous of depositing in excess of the prescribed amount shows a growing desire, throughout the saving portion of the community, that the statutory limit should be extended. The applications, as a rule, give no evidence of being made by persons who are likely to invest their money in public securities, or to whom the amount of interest to be obtained is not so much an object, as that they may have a ready means of making deposits and withdrawals, and the absolute certainty of being able to withdraw the precise amount paid in. In some cases the applicants sought to deposit small legacies ; in others hoarded money which had become an increasing source of anxiety (as in one case where a person had secreted *100*l.** in the thatch of his house) ; and another application was on behalf of seamen generally, a class of persons to whom, it was alleged, an extension of the limit would be of special service. As a proof that many persons prefer the Post Office Savings Bank to any other investment, it may be stated that in numerous instances where the amount they wish to deposit is over the limit, they, in a measure, evade the restriction by depositing portions in trust for other persons ; and it further appears that some depositors whose balances have reached the final limit of *200*l.**, although warned that no further interest will accrue until the balance is reduced below that sum, yet fail to make a withdrawal. From these facts it may safely be inferred that, as the Post Office Savings Banks have induced many persons of small means to become depositors ; so, if the limit were extended, others would be attracted whose savings would be comparatively large and whose requirements could not be so fully met in any other way.

\* \* \* \* \*

" Under the Naval Savings Banks Acts, Savings Banks are established on board many of Her Majesty's ships ; and, on the ships being put out of commission, the depositors are enabled, under a special provision, to have the whole or part of their deposits transferred to the Post Office Savings Bank ; and as it was stated that several officers had from time to time inquired whether, whilst serving abroad, they could deposit in the Post Office Savings Bank, a communication on the subject was forwarded to the Admiralty ; and in December last arrangements were made by which

officers can remit any portion of their pay, by means of the quarterly remittance list sent to the Admiralty from the ships in which they are serving; and the amounts, on being transferred to the credit of the Postmaster General, are deposited in the Post Office Savings Bank."

\* \* \* \* \*

## APPENDIX (R.)

*Extracts from the Medical Report upon the London Offices for the year 1871.*

\* \* \* \* \*

"Among the entire postal staff, wholly or partially entitled to official medical care, employed in the Metropolis, there were 40 deaths.

TABLE of Causes of Deaths.

Diseases.	No. of Deaths.
Consumption - - - -	12
Other Lung Diseases - - - -	7
Small-pox - - - -	1
Acute Rheumatism - - - -	1
Ague - - - -	1
Dysentery - - - -	1
Epilepsy - - - -	1
Diseases of Stomach - - - -	2
Apoplexy - - - -	2
Disease of Heart - - - -	3
Drowning and other Accidents - - - -	3
Unknown - - - -	6
Total - - - -	40

"This gives a mortality of 40 among 5,302 persons between 14 and 70 years of age; showing an average of 7·5 per 1,000;\* a mortality supporting my previous experience that the occupations of the employés of the department are not prejudicial to health. Although I have not complete statistics of illness to refer to, I know enough to state that there has been, during the last year or two, a larger proportional number of applications for medical attendance than formerly. I attribute this to the fact that the department now employs a great number of young persons under puberty. This was not the case previous to the last two or three years. They act as boy clerks, boy writers, boy sorters, boy messengers and telegraph messengers, and in the Telegraph Offices as female telegraph clerks; and are more subject to occasional attacks of illness than full grown individuals.

\* These statistics refer to the officers in the actual active employment of the department. But there were in addition to the above 695 pensioners, among whom there were 25 deaths in the course of the year.

If we add these two bodies together we have a total of 5,997 persons and 65 deaths, averaging for the entire staff a mortality of only 10·8 per 1,000.

## EPIDEMICS.

"The medical interest of this Report will consist principally in a description of the effects of the two epidemics that have overrun the Metropolis, on the force employed in the department; embracing between 5,000 and 6,000 persons of both sexes and all ages above 14.

"The epidemic, zymotic, or spreading diseases that have more particularly scourged London, as well as many parts of the country in 1871, are small-pox and scarlet fever.

"Dr. W. Farr, of the Registrar General's Office, informs me, in a special communication, that there were 7,876 deaths from small-pox in 1871, among a population estimated at 3,263,872 in the middle of the year.

"This gives a mortality from this scourge alone of 2·42 per 1,000.

"Now in the Metropolitan staff, numbering 5,302, there died from small-pox only one person, giving a death-rate of less than '2 per 1,000, that is less than one-tenth of the mortality from this disease that obtained in London generally.

"Again, among this staff of 5,302 persons there were 68 persons attacked with the disease in question, resulting in the death of only one. Almost every attack was of the most modified description, none of the sufferers, as far as has come to my knowledge, being likely to be permanently affected by it.

"As the legislature has not yet passed a law to have a national system of registering cases of sickness—unless these result in death—a system which would be of great benefit to the country at large, I have no means of comparing the proportion of small-pox cases that have occurred among our employes with that of the Metropolis generally.

"From nearly the commencement of my having had the honour of holding my present appointment to the present time, it has been a rule that every candidate, seeking employment in the department, should undergo vaccination by a competent surgeon, unless he has already had small-pox or has been recently vaccinated.

"To the fact that this regulation has been strictly and rigidly enforced, I make no doubt the department owes the comparative immunity from fatal cases from this disease that has been and still is afflicting the capital and many of the provinces.

"As we have not the power, however, to enforce this salutary and harmless mode of protection among the families of the employes, I am sorry to have to state that I am informed that a great many of the children and other near relatives of the employes, more particularly in the minor establishment, have fallen victims to this cruel disease, one which might, in my opinion, be completely eradicated from the Kingdom by wise and efficient regulations.

"I have just said that the present regulations as to the admission of candidates for appointment provide for their being vaccinated previous to their admission unless they have already taken small-pox. But the experience I have derived from the present epidemic has brought to my knowledge many cases of persons being seized with this complaint even after having undoubtedly had it previously.

"I also find that many persons with marks of an old attack of small-pox still upon them, take the vaccine disease upon being vaccinated as perfectly as if they had not had that complaint.

"I have therefore come to the conclusion that it will be safer for the individual, and better for the department as regards the spread of the disease among the staff and the public, that in future each candidate shall be vaccinated even if he has had small-pox in his infancy.

"In common with the medical officer of the Privy Council, and all the authorities who have given their best attention and study to the subject of public health and the prevention of disease, I can have no doubt of the value and necessity of the practice of secondary or re-vaccination at or about the period of adult age ; partly because, especially in some parts of the country, the operation of vaccination is not always performed with all the care required or with the *punctilious* fulfilment of all the regulations laid down by the discoverer of this mode of prevention, and partly because in some constitutions the protective power of the vaccine fluid appears to die away after a time, as well as from other causes that I do not enter upon in this place.

"I have therefore thought it my duty to recommend quite recently that it shall be imperative on all new employés to undergo vaccination, even if they have taken small-pox in infancy, and this is to be done for the future.

"I urged this strongly, as there can be no doubt that every possible precaution should be taken by government departments for diminishing a preventible complaint that has destroyed 22,907 lives in England and Wales during the past year. Throughout the year more than one in every thousand persons living in England and Wales died from small-pox.

"The other epidemic in the Metropolis during the year (scarlet fever) attacked 11 of our officers, but was, happily, unattended with any fatal result. It raged extensively among their families.

"In conclusion, I think there is considerable cause for congratulation on the health of the employés of this department. There has been considerable absence from duty from illnesses of a passing character of the nature of bronchitis, rheumatism, neuralgia, and severe colds, caused mainly by exposure to draughts of cold air, while at work in the chief office. These were caused mostly by repairs and alterations necessitated by the great increase of the duties, and will, I doubt not, cease or at any rate be much diminished when the new office, now nearly completed, is ready for occupation."

I have, &c.  
(Signed) WALLER LEWIS, L.R.C.P.,  
Medical Officer.

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