

REPORT

OF THE

COMMITTEE ON THE POSTAL SERVICE OF NEW ZEALAND.

THE Select Committee appointed to inquire into the Postal Services of New Zealand, and to report on the best mode of adapting them more completely to the existing circumstances and necessities of the Colony, have carefully considered the subject referred to them, and having taken evidence on the various points connected therewith now report as follows:—

The first question to which the Committee directed their attention was that of the cost to the Colony of the existing Postal Services. On reference to the Postal estimates for the present financial year, it appeared to the Committee that it was proposed to expend a very large sum of money, much out of proportion to the resources and revenue of the country, in subsidies to mail steamers, and the Committee went earnestly to work to attempt to reduce this expenditure within narrower limits. They regret, however, to have to state that they have not been successful in carrying out their views. It appears that at present postal subsidies are granted—to the Panama line, the Suez line, to two Inter-colonial lines, and six Inter-provincial Services. Any interference with the Panama line is not now possible, even if it were desirable, consistently with contract engagements. Neither is this Committee prepared to recommend the discontinuance of the Colony's contributions to the Suez line, nor of the two Inter-colonial services which it necessarily entails. The Committee have come to this conclusion, on the ground that the time, at all events at present, has not arrived when it would be safe to trust altogether to the Panama Service. They strongly recommend, however, that negotiations should be pressed with the other Australian Colonies to join New South Wales and New Zealand in defraying the cost of the Panama Service, and that New South Wales and Victoria should be asked to contribute to the Inter-colonial lines.

The Committee do not consider that fewer Inter-provincial Mail Services than four monthly are sufficient to satisfy the wants of the Colony; indeed they would have preferred a more frequent communication, but they are strongly of opinion that the additional expense should not be incurred.

The attention of the Committee has been directed to two short lines—one to Taranaki, and the other to Hawke's Bay. Those services appear to the Committee to be proportionally excessive in cost, and not altogether necessary. They think that the regular mail steamers should be made available for delivery of the mails in those Provinces.

The Committee, then, being unable to suggest any material diminution of cost, devoted their attention to the question of increasing the revenue derived from the Postal Service, and on this point they have been able, after mature deliberation, to come to a more satisfactory conclusion. They unanimously recommend that the following charges should be made forthwith:—

1. That a postage should be paid on newspapers after the following rates:—On all newspapers posted within the Colony for transmission *via* Panama or Marseilles, 3d. each; on all other newspapers posted within the Colony a charge of 1d. each, together with an approximate charge equal to the actual amount paid by the Government to any other Government, or to any company for their transmission.
2. That the following charges be made upon letters posted for delivery within the Colony, viz.:—On letters posted at any Post Office for delivery by the same office, 1d. per half ounce; on letters posted within any Province for delivery within the same, but not at the same office, 2d. per half ounce; on letters posted within any Province, for delivery beyond such Province, but within the Colony, 3d. per half ounce, and so on in each instance proportionally, according to the present scale.
3. That, with the exception of correspondence on Imperial Government Service, the system of franking should be abolished; that all official letters should be prepaid by Postage Stamps, and the amount of Postage accruing carried to the credit of the Postal revenue.
4. That the attention of the Government should be called to the necessity for a rigid economy in the Service by a diminution where practicable in the Postal establishments, and by a reduction in particular cases of the frequency of inland communication.

The Committee would further suggest that the proposed alteration in the charges for postage upon letters and newspapers should be imposed by an Act of the Legislature.

Careful inquiry and consideration of the evidence they have been able to obtain, induce your Committee to believe that the changes proposed by the Committee will bring an additional revenue of about £15,000 per annum, and will not in any way prejudice the public interest. Indeed, as regards the alterations of the postage on letters, they are assured that the reduction to a penny stamp will afford a great convenience to the public, especially the mercantile part of it, and will add materially to