

REPORT

THE POSTMASTER GENERAL.

POST OFFICE DEPARTMENT,
December 1, 1835.

To the PRESIDENT of the United States :

SIR: During the year ending 30th June, 1835, the post routes of the United States covered about one hundred and twelve thousand seven hundred and seventy-four miles.

In daily and less frequent trips, the mails were carried on these routes about 25,869,486 miles, viz.

16,874,050 miles in four horse post coaches and two horse stages.

7,817,973 do. on horses and in sulkies.

906,959 do. in steam-boats.

270,504 do. in rail-road cars.

The number of post offices on the 30th June last, was ten thousand seven hundred and seventy, being an increase of fifty-four within the preceding year.

The system upon which the books of the Department have always been kept, precludes an exact statement of the revenue and expenditure which have accrued within any given period. The following is believed to approximate nearly to the actual income and accruing responsibilities, for the two last fiscal years, viz.

Gross revenue for the year ending 30th June, 1834	-	\$2,823,749 34
Compensation to postmasters	-	\$897,317 29
Incidental expenses	-	87,744 27
Transportation of the mails	-	1,925,543 52
Total expenditure	-	2,910,605 06
Balance against the Department	-	\$86,855 74
Gross revenue for the year ending 30th June, 1835	-	\$2,993,556 66
Compensation to postmasters	-	\$945,417 84
Incidental expenses	-	92,924 92
Transportation of the mails	-	1,719,007 32
Total expenditure	-	2,757,350 06
Balance in favor of the Department	-	\$236,206 59

In the first part of the year 1835, additional allowances were authorized, as is alleged, amounting, on the first of May last, to about \$157,000, which have since been suspended, and do not enter into the foregoing statement. If finally admitted, they will reduce the balance in favor of the Department that year to about \$79,000.

The old books will be closed, when all the pecuniary transactions of the department, prior to 1st July last, are brought upon them. Statements made out from those books, and other data, show the condition of the Department on that day to have been about as follows, viz.

Due to contractors and others	-	-	-	-	5792,381	92
Due to banks	-	-	-	-	272,000	00
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Whole debt of the Department	-	-	-	-	1,061,381	92
Amount due to Department	-	-	\$1,128,319	29		
Deduct for bad and doubtful debts	-	-	131,327	36		
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Debt esteemed to be good	-	-	996,991	93		
Cash on hand	-	-	43,689	40		
Whole available means	-	-	-	-	1,040,681	33
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Balance of debt over available means on 1st July last	-	-	-	-	23,700	59
If the suspended allowances be added	-	-	-	-	157,000	00
It will make the debt exceed the available means on the first July last	-	-	-	-	\$180,700	59
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The accounts of the postmasters for the quarter ending 30th September last, have been so far examined as to show satisfactorily, that the increase of gross revenue over that of the corresponding quarter of last year, is about twelve per cent. The annual saving, in the recent letting of contracts, was about \$30,000. Predicated on an average increase of revenue throughout the current fiscal year of *ten* per cent, and on a saving of \$25,000 when the contracts recently let shall be executed with necessary alterations, an estimate of the gross revenue and accruing responsibilities for the year ending 30th June, 1836, indicates the following results, viz.

Gross revenue for the year ending 30th June, 1836	-	-	\$3,292,692	00	
Compensation to postmasters	-	\$1,039,958	00		
Incidental expenses	-	70,000	00		
Transportation of the mails	-	1,706,507	00		
Total expenditure	-	-	-	2,816,465	00
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Balance in favor of the Department	-	-	-	\$476,227	00
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Although the whole of this sum may not be available, on account of the usual losses and defalcations, it is not doubted, that, aided by collections of outstanding balances, it will be sufficient to pay off the debts of the Department, and leave a considerable amount applicable to an extension of mail accommodations.

When the undersigned took charge of this Department, his attention was immediately called to the condition of its finances; but it was soon found that no satisfactory account of its debts or its means could, within any short period, be obtained from its books. It was only perceived from current incidents and detached accounts, that the unsatisfied demands of contractors from every quarter of the country were daily accumulating; that there was a debt of near \$300,000 due to banks; that the outstanding acceptances of the treasurer exceeded \$300,000; that a considerable portion of the revenue of some of the large offices for the present calendar year had

been anticipated by drafts discounted in banks, which they had been instructed to pay at maturity; that additional allowances had been recently authorized to a considerable amount; that to provide the means to meet the demands on the Department at Washington, created by the system of acceptances, upwards of two thousand of the most considerable post offices had been directed to deposit their income in banks; and that these means proving insufficient, the Department was subjected to continual embarrassment in devising ways and means to meet its engagements. At the same time, it was believed on all hands that the current revenue of the Department considerably exceeded its current expenditure, and that the aggregate of debt was in progress of diminution. In this state of things, it was deemed expedient to make an effort to extricate the Department from its embarrassments. The measures resorted to for that purpose were as follows, viz.

1. A suspension of all recent allowances from the credit of the contractors.
2. A refusal to accept or pay any drafts drawn on the Department, except by special arrangement.
3. The application of the income of the current quarter, to the payment of that quarter's expenses, the surplus only to be applied to the payment of pre-existing claims.

1. The introduction of a system which should effect a more prompt collection and application of the current income of the Department.

The allowances suspended amounted to about \$157,000. Without reference to their merits, it was believed that a preference ought to be given to other claims in making payment.

The discontinuance of acceptances was essential to enable the Department to command its means. A revenue arises wherever the mails are carried; and it would seem obviously appropriate, as well as convenient, that the services of contractors should be paid for in the sections of country where they are rendered, and, as far as practicable, out of the income which they produce. But the practice of suffering the contractors to draw for their pay, subjected the Department to the inconvenience of collecting its funds from the post offices throughout the Union, and transferring them to Washington to meet the drafts. The slowness and uncertainty of this operation made it an insufficient reliance to meet its acceptances, produced the necessity of looking elsewhere for the means, and rendered it difficult to manage its finances with any convenience or regularity.

By paying the expenses of the current quarter at its close, and announcing a determination to pay in like manner at the close of each succeeding one, applying only the surplus to the discharge of former debts, it was believed that the credit of the Department would immediately be elevated, and thenceforward sustained.

Orders to deposit in banks, and drafts on postmasters in favor of contractors, constituted the system of collection found in operation. Upwards of two thousand post offices had orders to deposit, and upwards of eight thousand were instructed to retain their postages till drawn upon. Many of the deposit offices were dilatory, and defalcation among them was not uncommon. Many of the other offices were not drawn upon for several quarters, on account of the smallness of their income or other circumstances. The necessities of the Department compelled it to draw on the more productive offices at the end of each quarter, before their accounts could be adjusted; and its drafts being predicated on estimates, could not be for the exact sum in hand. To avoid the danger of a protest, in consequence of

drawing for too much, the treasurer generally drew for too little, thereby leaving small balances in all the draft offices also. There were, consequently, balances remaining in the hands of more than eight thousand postmasters, which, though generally small, amounted, in the aggregate, to a large sum.

For the purpose of promptly bringing into action the means of the Department, at the end of each quarter, the undersigned divided the offices into three classes. The first class, called "collection offices," are upwards of nine thousand in number. The postmasters of this class have been instructed to pay on demand, at the close of each quarter, the whole amount due to the Department of the postages of that quarter, to the contractors who carry the mails along their respective routes, and forward their receipts to the Department. The contractors are instructed to forward acknowledgements, setting forth the whole amount received from each and all the postmasters, and to report forthwith every postmaster who fails to pay, and his reasons therefor, if known to them. To secure promptness and fidelity on the part of the contractors, they are permitted to collect only from so many postmasters as may pay them about seventy-five per cent. of their quarterly compensation, and they are informed that the balance will not be paid them until they have collected from every office on their list, or shown, by reporting the delinquent postmasters, that they have used due diligence to do so, and are not in fault for the failure.

The second class, called "depositing offices," about five hundred and fifty in number, are instructed to deposit their income in banks, quarterly, monthly, or weekly, according to its amount. This class embraces all the large offices, and most others which can as easily deposit as pay to contractors, together with the most considerable offices on interior routes, which yield a surplus revenue, and whose proceeds cannot be used in paying the contractors who supply them.

The third class, called "draft offices," about two hundred and fifty in number, embrace those not convenient to banks, whose proceeds cannot be paid over to contractors at the close of the quarter, without danger of their being overpaid, but may generally be drawn for, in whole or in part, to pay the balances due after giving the contractors credit for all their collections.

The interest of the contractors induces them promptly, after the quarter ends, to push their collections, and report all delinquents. During the same time, the depositing offices are placing their funds in the banks. When the contractor's acknowledgement for moneys collected comes in, his account is examined. If the balance due, or any part of it, can be paid by draft on one or more of the draft offices, it is done, and that which cannot be so discharged, is paid by check on some convenient bank.

The results anticipated from these measures have been fully realized. On the 1st of July last, payments on claims accruing prior to the preceding quarter, were suspended, and all the energies of the pay clerks were devoted to paying the debts of that quarter. These payments were completed on the 19th day of August, leaving a considerable amount of funds in bank.

The payment of the old debts was then resumed. From that moment the Department was disembarrassed. In no instance since, has the payment of any claim been refused for the want of funds.

On the first of October last, the new system of collection came into action. Encouraged by its favorable operation, and finding the funds of the Department in bank to exceed \$140,000, the undersigned, on the 18th of

the last month, directed the payment of the bank debts in Baltimore and Boston, amounting to \$67,304 38.

The entire debt on the first of July, as above stated, was \$1,064,381 92

Of this debt there has been paid out of post-ages accruing before 1st July, about the sum of - - - - \$409,991 34

Out of postages accruing since first July, the sum of - - - - 187,086 11 597,077 48

Old debt remaining unpaid on this day, about - - - - \$167,304 44

Of this debt, about \$205,000 is due to banks, and the balance to contractors and others.

The statements of the amount of debt, and the amount paid out of post-ages accruing prior to the 1st of July, are not supposed to be exact, but they do not vary materially from the actual amounts.

The result of these operations is :

That the claims of contractors and others against the Department, arising within the quarter ending 30th June last, have been paid, with the exception of a few suspensions.

That the claims arising within the quarter ending 30th September last, have been paid as far as they were ready for adjustment.

That one hundred and eighty-seven thousand and eighty-six dollars of the pre-existing debt have been paid out of postages accruing since 30th June last.

That the funds in bank on this day, are seventy-three thousand seven hundred and thirty-seven dollars.

The payment of an amount of the old debt so far beyond the available surplus of the last quarter, leaving a large sum on hand, will create no surprise, when it is recollected, that in addition to that surplus, the Department has been able to avail itself of a considerable amount stopped from contractors, on account of overpayments, and a still larger sum, arising from the deposits of the weekly and monthly depositing offices, on account of the current quarter.

The debt of the Department, except that portion of it which is due to banks, and the suspended allowances, is now perfectly manageable, and cannot hereafter embarrass its operations. The bank debt is reduced to about \$205,000.

The following statement of the quarterly income and expenditure of the Department for the last two years, which, though not accurate, may be relied upon for all practical purposes, will more fully show the progress of its financial concerns, and its prospect of speedy redemption from debt :

	Gross revenue.	Expenditure.	Excess of revenue.	Excess of expenditure.
1833. Sept. 30	\$655,242 88	\$746,098 15	-	\$90,855 27
Dec. 31	720,209 27	747,415 52	-	27,206 25
1834. Mar. 31	729,600 51	699,205 86	\$30,394 65	
June 30	718,696 00	717,885 00	811 00	
Sept. 30	725,273 03	703,494 75	21,778 28	
Dec. 31	721,542 31	701,497 08	23,045 26	
1835. Mar. 31	763,494 47	680,652 66	82,841 81	
June 30	780,016 82	671,705 59	108,311 23	

As it has already been ascertained, from examinations of the returns, that the revenue of the last quarter exceeds that of the corresponding quarter of the last year about twelve per cent. it may be safely stated that the surplus of revenue over expenditure for that quarter will be about 120,000 dollars; and that there was on the 30th September last a surplus of available means over the whole debt of the Department amounting to about 100,000 dollars. It is confidently expected that this surplus will be increased at the end of the current quarter to about 220,000 dollars, and at the end of the next quarter to about 340,000 dollars. The old debts, due to contractors and others, are now paid as fast as they are presented, and can be adjusted; and the accumulation of funds, notwithstanding these payments, is so considerable, as to justify a belief, that 100,000 of the remaining bank debt may be paid in January next, and the balance in April.

The undersigned takes pleasure in presenting you with the data which justify this anticipation. He is happy to say that, so far from needing any pecuniary aid from the Treasury, the Department may be presented to Congress before the termination of their approaching session substantially free from debt, with a clear annual surplus exceeding \$400,000, applicable to the establishment of new mail routes and the improvement of old ones. Even should the suspended allowances be finally paid, the anticipated result cannot be delayed beyond the month of July, 1836.

A balance of the books of this Department has not been effected for about twenty years. After full consideration of the subject, it was deemed expedient to close them, and open a new set from the 1st of July, 1835. The balances of accounts are not carried forward from the old books to the new, but all collections made of moneys due before that day are credited to an account headed "Arrearages," on the new books; and all payments made on debts contracted prior to that day, are charged to the same account. That account, when closed, will show the exact amount of debt and of available means at the commencement of the present fiscal year: facts, which cannot be sooner ascertained with exactitude.

In keeping the new books, an attempt is making, through the agency of general accounts, to show, specifically, from what sources the revenue of the Department is derived, and to what purposes it is applied. The accruing revenue is credited to general accounts, headed "*Letter Postages*," "*Newspapers and Pamphlets and Fines*." The expenditures are charged to general accounts, headed "*Compensation of Postmasters*," "*Transportation of the Mails*," "*Ship, Steam-boat, and Way Letters*," "*Wrapping Paper*," "*Office Furniture*," "*Advertising*," "*Mail Bags*," "*Blanks*," "*Mail Locks and Keys, and Stamps*," "*Mail Depredations, and Special Agents*," "*Clerks, &c. for Offices*," and "*Miscellaneous*." When the entire business of a quarter is brought upon the books, the credit general accounts will be balanced by transfer to the credit of a general account, headed "Post Office Department," which will thus exhibit, at a glance, the entire income of the Post Office Department for the quarter, and the sources whence it is derived. In like manner, the debit general accounts will be closed by transfer to debit of "Post Office Department," which will thus show, on a single page, the whole expenditures of the quarter, with the objects of expenditure. The balance of this account, thus made up, will exhibit the condition of the Department at the end of each quarter.

It has long appeared to the undersigned that, by a system of this kind, the application of the public moneys may be shown more specifically than by any other system of specific appropriation.

The efficiency of a Department, with so many thousand agents in its employment, essentially depends on the vigilance and energy of the directing and supervising power. Impressed with this conviction, it is the policy and the effort of the Department to make the supervision so complete, that every individual in its service, shall feel that he acts directly under the eye of some of its officers or clerks.

To secure promptitude in the rendition of accounts, the postmasters, with the exception of a few at the large offices, have been required to forward their accounts within two days, or by the first mail, after the close of each quarter. As a means of enforcing this requisition, the post offices are divided into four classes, in reference to their distance from Washington, and other circumstances. For the arrival of the accounts of the first class, ten days are allowed; for the second, twenty; for the third, thirty; and for the fourth, forty. It is made the special duty of a clerk to note the day on which each quarterly return arrives, and promptly call all delinquents to account, when the allotted time shall have expired. This plan of supervision was put in operation at the commencement of the present quarter.

To produce an ever active supervision over contractors, it is made the duty of postmasters at the ends of all post routes to keep, and return to the Department, weekly or monthly, according to the importance of the route, registers, showing the exact time of arrival and departure of every mail, with such remarks as the occasion may require. It is made the duty of a clerk in each division to see that the postmasters keep and return these registers, to examine them when returned, and note all delinquencies of contractors. This plan is not yet in full operation.

It is intended to apply the same principle of strict supervision to the return of receipts by postmasters, to the making of deposits by the depositing offices, and the forwarding of certificates of deposit; to the printing and furnishing of blanks; and, as far as practicable, to all services required by law and the regulations of the Department.

Sufficient attention has been given, by the undersigned, to the manner in which newspapers and other printed matter are conveyed by mail, to satisfy him that it is radically defective. No supervision or power of punishment, exercised or possessed by the Postmaster General, is adequate to prevent, on some occasions, the canvass bags, in which printed papers are stowed, from being left behind, so long as they are carried separately from the letter mails, or on the outside of coaches and stages. To prevent the evil, in some degree, it has been provided in the contracts lately awarded on the main routes to the west, that, on the outward trip, no passengers shall be carried in the inside of the mail coach, but that it shall be devoted exclusively to the mails; and on similar routes along the sea-board, the same restriction will be applied in both directions. It is believed that the enforcement of the contracts, in this respect, will ensure the safe conveyance of the newspapers as far as they travel on these routes.

A further improvement in this respect, is anticipated from arrangements now in progress to run steam-boat mails on the western rivers during the season of steam-boat navigation, and on a portion of the Mississippi during the whole year.

It is well known that an immense correspondence is carried on during the business season in steam-boats upon these waters. So long as the Department has no mails upon the rivers, it is difficult, if not impracticable,

to enforce the Post Office laws, and bring the letters so transmitted into the post offices. Regular lines of boats are now formed and forming on the Ohio and Mississippi rivers. A contract has been made with the owners of one of these lines to carry a mail three times a week between Pittsburg and Cincinnati, during the season of navigation, for \$1,800 a year. A proposition has been received and accepted to convey a mail, except when prevented by ice, on the Ohio and Mississippi rivers, between Louisville and St. Louis, three times a week, and between Louisville and New Orleans three times a week during the business season, and twice a week during the rest of the year, touching at all the considerable intermediate points, for \$30,000 a year for the whole service. It is in contemplation to put this mail into operation early in the coming year. From giving regular river mails to the business of the west, it is expected that they will convey almost the entire correspondence upon these waters, and increase the revenues of the Department in a sum at least equal to their cost. This facility being furnished to the community, the post-office laws can, with more propriety, be enforced in relation to letters conveyed in other boats. Nor is it one of the least advantages anticipated from these mails, that they will relieve the land mails in the west and southwest of an immense mass of mail-matter, and render its conveyance more safe at the seasons when the roads are most difficult, and in the Mississippi country, during the whole year.

The multiplication of rail-roads will form a new era in the mail establishment. They must soon become the means by which the mails will be transported on most of the great lines of intercommunication, and the undersigned has devoted some attention to the devising of a system which shall render the change most useful to the country.

The cities and large towns on the great lines constitute centres from which the mails diverge, to pervade and supply the surrounding country. At these points, generally, are the distributing post offices. The great whole will evidently be most speedily and effectually served, by causing the mails to pass, with all possible expedition, by night and by day, along the main lines through these numerous centres, stopping for no local object, and pausing at the distributing offices only long enough to exchange mails. The distribution through the country around must be made after the great mail has passed on, by means of coaches, stages, or other vehicles, and horses, as the interest of the Department and the country may mutually require. Or if any intermediate offices be supplied by the rail-roads, it should be those only where the cars stop, unless a mode of exchanging mail bags without stopping, can be introduced for the accommodation of others.

The means of transportation between Washington and Boston are now so complete, that this system might be advantageously introduced, at least during the season of steam-boat navigation. The time occupied in passing from Washington to Baltimore, by the rail-road, is but two and a half hours. To pass from Baltimore to Philadelphia by steam-boats, and the Newcastle and Frenchtown rail-road, requires about nine hours. From Philadelphia to New York by the Camden and Amboy rail-road and steam-boats, occupies about eight hours; from New York to Providence about fifteen hours; and from Providence to Boston, two and a half hours. The travelling hours from Washington to Boston are but about thirty-seven. Allowing half an hour at Baltimore, Philadelphia, New York, and Providence, each,

for exchange of mails, the time occupied in transmitting a mail from Washington to Boston would be thirty-nine hours.

This is the speed of present conveyances. In the course of next year, it is expected that Baltimore and Philadelphia will be connected by rail-road, when the time occupied in passing from city to city, will not exceed six hours. New York will soon be connected with Boston by similar roads, when the time occupied between them will not exceed fifteen hours. So that when a rail-road line from Washington to Boston shall be completed, a mail may pass from the one to the other, in thirty-four hours at most; and probably, in a few years, from the progressive improvements of locomotives, in less than thirty hours.

Within the quarter of the Union embraced in the recent letting of contracts, there are several rail-roads. Some of them made no offers, and the rest demanded prices far beyond the usual cost of transporting the mails on the same routes heretofore, and beyond what was asked by individual citizens. Anxious to give the mails the greatest possible expedition between Washington and New York, the undersigned made an effort to bring the companies, in whose hands are the means of conveyance on that great line, to act in concert with each other and with the Department, by which means two daily mails might be run through that line, performing the trip each way, and conveying passengers from city to city in about twenty-three hours. The effort failed in consequence of the very heavy compensation asked by them.

Not despairing of being able to induce the companies to take a more enlarged view of their own and the public interest, and to abate materially in the amount of their demands, the undersigned sent his chief clerk to confer with the managers of all the rail-roads on the line, whether finished or not, with a view to ascertain whether any reasonable arrangements could be made with them, present or prospective, for the conveyance of this important mail. Although the agent performed the service with distinguished zeal and ability, his efforts were almost wholly fruitless.

The company owning the rail-road between Washington and Baltimore, demanded \$10,000, or about \$250 per mile, merely to haul one daily mail from depot to depot, without other responsibility; and \$14,000 for two daily mails.

The companies owning the several rail-roads now constructing from Baltimore to Philadelphia, demanded \$30,000, or upwards of \$320 per mile, to haul one daily mail from city to city.

The company owning the Camden and Amboy road, demanded \$26,000, or near \$300 per mile for one daily mail, and \$3,000 for a second.

The companies composing the upper line through New Jersey, demanded \$23,000, or about \$250 per mile for the conveyance of one daily mail, and \$8,000 for a second.

Aware that the Committee on the Post Office and Post Roads of the House of Representatives had had the subject of the transportation of the mails on rail-roads under consideration at the last session, and had unanimously proposed to restrict the Department to seventy-five dollars per mile for the service; and, moreover, considering the sums demanded disproportionate to the service, and wholly unreasonable, the undersigned determined not to accept any of the propositions.

To leave no means untried, however, to form a satisfactory arrangement, he offered a contract for merely hauling a box, containing the mail

from depot to depot daily, to the Baltimore and Washington Rail-road Company at \$100 per mile, which they promptly declined.

The undersigned does not intend to pay the prices demanded by these companies, unless directed to do so, by those who have a right to control him. He will sooner put post coaches or mail wagons on the old roads, and run them there until public opinion, or the voice of superior authority, induces the associations, which have been permitted to monopolize the means of speedy conveyance on these routes, to abate in their terms. To enable you to present the whole subject to the Legislative body, a copy of the instructions to the agent, and his correspondence with the companies, and the subsequent correspondence of the Department with them, is herewith submitted.

The undersigned is happy to state, that indications of a spirit more in accordance with the great object of public accommodation which has induced the Legislatures of the States to sanction the construction of these improvements by private companies, have manifested themselves in other quarters. The Boston and Providence Rail-road Company have intimated a willingness to carry two daily mails between those cities, embracing the New York steam-boat mail, for \$2,000 a year, being at the rate of about \$25 per mile for a single mail, and a contract has been authorized.

The New Jersey Rail-road Company, whose road, when completed, will extend from Jersey City to New Brunswick, have offered to carry the great mail from New York along their road one year, at \$100 per mile, or four years at \$150, and to carry two mails for \$200.

The company owning the Portsmouth and Roanoke road, have contracted to convey the mail, three times a week, from Norfolk to Halifax, N. C. a distance of ninety miles, for the compensation paid the former contractor, which is equal to about \$26 per mile, the mail to be conveyed on their rail-road as far as completed.

The Tusculum, Courtland and Decatur Rail-road Company have offered to carry the mail, three times a week on their road, at the lowest rate of post coach transportation in the southern States, which amounts to about \$26 per mile.

It is conceded that the mails carried on all these roads, except the New Jersey road, are much less than the great mail between Washington and New York, but they probably bear a greater proportion to that mail than the compensation asked for the former service does to that offered by the Department for the latter.

Referring to the instructions given to his agent, for his further views in relation to the rail-road companies, the undersigned submits the question to your disposition, and will await the instructions of Congress as to the course hereafter to be pursued with these companies and other monopolies of like character; in contracting with which, the Department is unable to avail itself of the spirit of moderation superinduced by an active competition. Indeed, the Post Office law, so far as it relates to the advertising and making of contracts, is predicated on the expectation that there would be a general competition for them, and does not provide for cases where the Department has to deal with monopolies; no such state of things having then been anticipated.

A new question has arisen in the administration of this Department. A number of individuals have established an association in the northern and

eastern States, and raised a large sum of money for the purpose of effecting the immediate abolition of slavery in the southern States. One of the means resorted to, has been the printing of a large mass of newspapers, pamphlets, tracts and almanacs, containing exaggerated, and in some instances, false accounts of the treatment of slaves; illustrated with cuts, calculated to operate on the passions of the colored men, and produce discontent, assassination, and servile war. These they attempted to disseminate throughout the slave-holding States by the agency of the public mails.

As soon as it was ascertained that the mails contained these productions, great excitement arose, particularly in Charleston, S. C. and to ensure the safety of the mail in its progress southward, the postmaster at that place agreed to retain them in his office, until he could obtain instructions from the Postmaster General. In reply to his appeal, he was informed that it was a subject upon which the Postmaster General had no legal authority to instruct him. The question again came up from the Postmaster at New York, who had refused to send the papers by the steam-boat mail to Charleston, S. C. He was also answered that the Postmaster General possessed no legal authority to give instructions on the subject; but as the undersigned had no doubt that the circumstances of the case justified the detention of the papers, he did not hesitate to say so. Important principles are involved in this question, and it merits the grave consideration of all departments of the Government.

It is universally conceded that our States are united only for certain purposes. There are interests in relation to which they are believed to be as independent of each other as they were before the constitution was formed. The interest which the people of some of the States have in slaves, is one of them. No State obtained, by the Union, any right whatsoever over slavery in any other State; nor did any State lose any of its power over it within its own borders. On this subject, therefore, if this view be correct, the States are still independent, and may fence round and protect their interest in slaves, by such laws and regulations as, in their sovereign will, they may deem expedient.

Nor have the people of one State any more right to interfere with this subject in another State, than they have to interfere with the internal regulations, rights of property, or domestic police, of a foreign nation. If they were to combine and send papers among the laboring population of another nation, calculated to produce discontent and rebellion, their conduct would be good ground of complaint on the part of that nation: and in case it were not repressed by the United States, might be, if perseveringly persisted in, just cause of war. The mutual obligations of our several States to suppress attacks by their citizens on each other's reserved rights and interests, would seem to be greater, because, by entering into the Union, they have lost the right of redress which belongs to nations wholly independent. Whatever claim may be set up or maintained, to a right of free discussion, within their own borders, of the institutions and laws of other communities over which they have no rightful control, few will maintain that they have a right, unless it be obtained by compact or treaty, to carry on such discussions within those communities, either orally or by the distribution of printed papers, particularly if it be in violation of their peculiar laws, and at the hazard of their peace and existence. The constitution of the United States provides that "the citizens of each State shall be entitled to all privileges

and immunities of citizens in the several States;" but this clause cannot confer on the citizens of one State, higher privileges and immunities in another, than the citizens of the latter themselves possess. It is not easy, therefore, to perceive how the citizens of the northern States can possess, or claim, the privilege of carrying on discussions within the southern States, by the distribution of printed papers, which the citizens of the latter are forbidden to circulate by their own laws.

Neither does it appear that the United States acquired by the constitution any power whatsoever over this subject, except the right to prohibit the importation of slaves after a certain date. On the contrary, that instrument contains evidences that one object of the southern States in adopting it, was to secure to themselves a more perfect control over this interest, and cause it to be respected by the sister States. In the exercise of their reserved rights, and for the purpose of protecting this interest, and ensuring the safety of their people, some of the States have passed laws prohibiting, under heavy penalties, the printing or circulation of papers like those in question, within their respective territories. It has never been alleged that these laws are incompatible with the constitution and laws of the United States. Nor does it seem possible that they can be so, because they relate to a subject over which the United States cannot rightfully assume any control under that constitution, either by law or otherwise.

If these principles be sound, it will follow that the State laws on this subject are within the scope of their jurisdiction, the supreme laws of the land, obligatory alike on all persons, whether private citizens, officers of the State, or functionaries of the General Government.

The constitution makes it the duty of the United States "to protect each of the States against invasion, and on application of the Legislature, or of the Executive, (when the Legislature cannot be convened,) against domestic violence." There is no quarter whence domestic violence is so much to be apprehended in some of the States, as from the servile population operated upon by mistaken or designing men. It is to obviate danger from this quarter, that many of the State laws, in relation to the circulation of incendiary papers, have been enacted. Without claiming for the General Government the power to pass laws prohibiting discussions of any sort, as a means of protecting States from domestic violence, it may safely be assumed that the United States have no right, through their officers or departments, knowingly to be instrumental in producing, within the several States, the very mischief which the constitution commands them to repress. It would be an extraordinary construction of the powers of the General Government, to maintain that they are bound to afford the agency of their mails and post offices, to counteract the laws of the States, in the circulation of papers calculated to produce domestic violence, when it would, at the same time, be one of their most important constitutional duties to protect the States against the natural, if not necessary, consequences, produced by that very agency.

The position assumed by this Department, is believed to have produced the effect of withholding its agency, generally, in giving circulation to the obnoxious papers in the southern States. Whether it be necessary, more effectually to prevent, by legislative enactments, the use of the mails, as a means of evading or violating the constitutional laws of the States, in reference to this portion of their reserved rights, is a question which, it appears to the undersigned, may be submitted to Congress, upon a statement of the facts, and their own knowledge of the public necessity.

The experience of the undersigned has confirmed his prior impressions, that the Post Office Department requires reorganization. The arrangement of the administrative branch of the Department, is not particularly objectionable; but the organization of its financial branch is neither convenient nor safe, and it may be doubted whether it be constitutional.

It is not convenient, because it imposes on the Postmaster General, whose administrative duties are sufficient for any one man, the responsibility of settling near fifty thousand accounts annually, and disbursing upwards of two millions of dollars.

It is not safe, because the entire net revenue of the Department, which now exceeds \$2,000,000 annually, is by law, put at the disposition of the Postmaster General, subject to be paid over to his check, draft, or order, without other safeguards than those he chooses to impose on himself.

It is of doubtful constitutionality, because the constitution requires that "no money shall be drawn from the Treasury, but in consequence of appropriations made by law," thereby presupposing that the revenues of the Government are first paid into the Treasury, whereas no part of the tax collected from the people in postages, amounting now to more than \$3,000,000 annually, ever appears upon the Treasury books, and it is all expended without appropriation. If so large a revenue may be properly raised and expended, without going into the Treasury, by one department of the Government, it is not perceived why the other departments may not be authorized to sustain themselves in a similar way, thus evading entirely the constitutional provision. The more safe construction would seem to be, that all moneys collected by the Government, whatever may be the mode, shall, in the legal acceptance of the phrase, be paid into the Treasury, to be expended in conformity with appropriations made by Congress.

There would be nothing impracticable, or seriously inconvenient, in the application of this principle to the revenues of the Post Office Department. To effect this object it is not necessary that the moneys be collected and deposited in banks or any other designated place, or that the existing system of collection should be deranged. Almost a third of the gross revenue is absorbed in commissions to postmasters, and the expenses of their offices. Upon settlement of the postmasters' accounts, the sums thus expended may be carried to the debit and credit of the Post Office appropriation at the same time. The amounts received by contractors from postmasters may be disposed of in a similar way. The result would be, that although the treasurer would have open accounts only with the deposit banks of the Post Office, his books would exhibit the whole amount received from the people, and expended by the Government, on account of the mail establishment.

There is another feature in which the present organization of the Post Office Department is defective and unsafe. It is believed to be a sound principle, that public officers who have an agency in originating accounts, should have none in their settlement. The War and Navy Departments are in general organized upon this principle. In the orders, contracts and regulations of the heads of those departments, or their ministerial subordinates, issued and made in conformity with law, accounts originate; the moneys are generally paid by another set of agents but partially dependent on the heads of the departments; and the accounts are finally settled by a third set who are wholly independent of them. If from any cause, an illegal expenditure be directed by the head of a department, it is the duty of the disbursing agent not to pay the money; and if he does pay it, it is the duty

of the Auditors and Comptrollers to reject the item in the settlement of his account. But the Postmaster General practically unites these three functions in his own person. He issues orders and makes contracts and regulations producing the expenditure of money, settles the accounts and pays the money. Although he is required to render a quarterly account to the Treasury, to be settled as other public accounts are, this requisition has long ceased to constitute any practical check upon him, nor can it ever be otherwise under the existing system.

Herewith is submitted a printed pamphlet, exhibiting the interior organization of the Post Office Department as it now exists. The most important improvement required, is to separate the settlement of accounts entirely from the Post Office Department, and vest it in an auditor, appointed by the President with the advice and consent of the Senate, whose duties shall in general correspond with those assigned to the accountant under the present organization.

The Postmaster General would then be placed on a similar footing with the other heads of departments. His power over the funds of the Department should extend only to a superintendence over the rendition of accounts, to prescribing the manner in which postmasters shall pay over their balances, to making drafts for the collection and transfer of post office funds, to issuing warrants on the Treasury for the purpose of paying balances reported to be due by the auditor, and making advances in special cases. The remaining portion of his duties would be those of a ministerial character, now performed upon his responsibility, modified by salutary restrictions upon his discretion.

To enable him to exercise an effectual supervision over postmasters and contractors, a third assistant should be given to the Department. These services have almost doubled since a second assistant was added, and have been recently extended, making them too onerous to be performed by two assistants, however distinguished for their industry and devotion to the service. Moreover, these duties are constantly increasing, and will be greatly enlarged by the extension of mail service which is anticipated within the coming year. If the United States were, for this purpose, divided into three divisions, and an assistant assigned to each, the stations would still be among the most laborious and responsible in the Government.

Three assistants, on the footing of auditors as to salaries, with eight clerks each, a chief clerk on the footing of chief clerks in the other departments, twelve clerks for other miscellaneous duties, including the dead letter service, an agent to superintend the Post Office building and property, and attend to purchases of stationery, furniture, &c. a messenger, an assistant messenger, a laborer, and two watchmen, would constitute a force with which the ministerial duties of the Department could be performed with comfort, promptitude and efficiency. The auditor's office would be the most extensive and laborious accounting office in the Government, meriting correspondent provision in clerks and salaries. Like other auditors, he should have a chief clerk for general duties. The examination of postmaster's accounts, amounting to about 42,000 annually, sending out errors, and other attendant services, constitute a severe duty, and requires eighteen clerks. The registration of postmaster's accounts after examination, and keeping the ledgers of the Department, require eight clerks. To keep the pay books, see that postmasters pay over their balances and return the receipts, and prepare contractor's accounts for settlement, requires nine clerks. To collect balances from former postmasters and others, make out statements of the accounts, and super-

intend suits and prosecutions, requires at present seven clerks. Over each of these considerable branches of duty, there must be, as at present, a principal clerk, for whom liberal provision should be made. It is but just to the gentlemen employed in this arduous portion of the public service to say, that their compensation, in general, compared with that given in other departments of the Government has hitherto been disproportioned to the labor required of them, and as to married men, inadequate to the support of their families and the education of their children. To complete the organization of that office, there must be also a messenger and one assistant messenger.

The proposed reorganization would somewhat reduce the number of persons employed in the business of the post office, by rendering useless the clerks now occupied in making out the Postmaster General's accounts for the Treasury, as also the clerks employed in examining them in the Fifth Auditor's office, if not also those in the Comptroller's office assigned to the same duty. The utility of requiring all the Post Office accounts to be reported to the Comptroller is not perceived. It would, perhaps, promote the ends of justice, and operate as a salutary check upon the Auditor, if an appeal were allowed to the Comptroller, at the instance of the claimant or Postmaster General, should either in any case be dissatisfied with his decision.

If the business of the Post Office Department were thus organized, it might be required of the Postmaster General to furnish to Congress, annually, specific estimates, setting forth the sums expected to be required under each head of general account now appearing on the books, and any others that Congress might require to be opened, and after obtaining an appropriation of the aggregate for the support of the Post Office establishment, not to exceed the current revenue, to render an account at the next session, of the amount expended for each purpose specified in his estimates. It would be a further improvement, if all allowances were prohibited, other than for services rendered in pursuance of some pre-existing law, contract, or lawful regulation, and a small contingent appropriation were assigned to the Postmaster General, like those made to the service of the other departments, to meet necessary expenditures which cannot be foreseen or provided for by contract or regulation.

Essential improvement might be made, as is believed, in some portions of the law regulating the details of duty assigned to the Postmaster General, particularly as to the making of contracts. Additional precautions are necessary against irresponsible bidding, and to prevent combinations injurious to the Department. If bidders were required in all cases to furnish the names of responsible securities with their bids, who should be bound from the date of acceptance, it would prevent the bids of worthless men, and mere speculators, which now produce great inconvenience to the Department, and sometimes serious loss. And if, on the other hand, combinations to prevent competition were punishable by perpetual exclusion from the service of the Department, it would, it is believed, have an excellent effect on its interests, as well as on the character of its contractors.

It is worthy of consideration whether it would not be expedient to change the rates of letter postage, making them conform to the national currency in gradations of 5, 10, 15, 20, 25, and 30 cents. Such a provision would save almost half the labor now required in the examination of accounts in the Department, and prevent numberless errors. It would also much im-

plify the system, if the number of miles to which these rates should apply, were doubled at each increase of rate from the lowest to the highest.

There have been so many changes in mail routes since their original establishment, that it is now difficult, if not impracticable, to trace them from their origin in the law, through all mutations, down to their present condition. It would contribute greatly to the convenience of the Department, if they were all re-established in one act, with such alterations and additions as the accommodation of the public may require, and the interest of the Department admit. A portion of the surplus revenue will be required to make improvements on existing routes; but, it is believed, the Department can, without inconvenience, put into operation new routes not exceeding in cost \$300,000 a year, as soon as they can be established, and the necessary arrangements made.

The aid of legislation is required to close equitably some of the old claims against the Department. Various demands exist for services rendered by authority of the Department, in a measure sanctioned by usage, which, though to some extent just, cannot, in the opinion of the undersigned, be adjusted and paid without the sanction of Congress. It is hoped that power may be vested in the auditor, if one be created, with the sanction of the Comptroller, to settle these claims upon principles of justice and equity; or, if this course be not deemed expedient, that Congress will provide some other means for their speedy adjustment.

The undersigned cannot close this communication without paying a humble tribute to the worth of a patriot and friend, the late Postmaster General. It may be said of him, as the head of this Department, that the reason he had not a better fortune was, that he was too good a man. In other positions and under other circumstances, he would have been one of the greatest and most useful, as he was one of the best and most highly endowed, of our public men. Having for more than twenty years been acquainted with Mr. Barry, and been honored with his friendship, knowing his private worth, his love of country, and his disinterestedness, and having always had an abiding confidence in his integrity and honor; it would be to the undersigned a source of lasting regret, if any thing said or done by him in the administration of this Department, should be understood as intended or calculated to depreciate his virtues, or cast a stain upon his memory.

I have the honor to be

Your obedient servant,

AMOS KENDALL.

RAIL-ROAD DOCUMENTS.

POST OFFICE DEPARTMENT,

October 31, 1835.

P. S. LOUGHBOROUGH, Esq:

SIR: It is important to the business of the country, and essential to the interests of the Post Office Department, that the public mails should be transported by the most speedy means of conveyance which modern improvements afford. To give them the utmost practicable degree of usefulness, they should travel on all the main routes by night and by day, stopping only at the most important offices, and there only long enough to be exchanged, leaving it to the ordinary mails to supply other offices on the main as well as the diverging and less important routes.

By liberal arrangements with the rail-road companies, these objects may, within a short period, be accomplished on the great line running from Washington through Baltimore and Philadelphia to New York, and probably to Boston.

That the rail-road companies have an interest in carrying travellers through with all possible expedition, is abundantly evident to every man who has witnessed the increase of travel within the last few years, and contemplated its causes.

No people appreciate more highly economy in time than the people of the United States.

In general, when they start on a journey, they hurry to its end in the shortest possible time, without regard to the dangers and discomforts which may await them in travelling. By existing arrangements between Washington and the north, travellers are obliged to stop in the large cities, where their tavern bills bear a large proportion to the entire expense of transportation. If they had the means of passing onward, and saving these heavy bills, as well as the time lost while incurring them, multitudes would travel who now are not able to afford it, and the receipts of the rail-road companies would probably be doubled.

The time now occupied in travelling from Washington to Baltimore is about two hours and a half. We are informed that by the 1st of November, 1836, a rail-road will be completed from Philadelphia to Baltimore, upon which the mails may run through in five hours. Allowing one hour for change of mails, &c. in Baltimore, and the mail may then go through to Philadelphia from Washington, in less than nine hours. When the continuous rail-road communication through New Jersey shall be completed, it may run through to New York in six hours, which, allowing an hour's delay in Philadelphia, will give a mail from Washington to New York in eighteen hours. If the means of conveyance through New Jersey shall remain as at present, it may be carried through in nineteen or at most twenty hours. Through Long Island Sound, from New York to Providence, it may now be carried with much regularity in sixteen hours, and two hours and a half more will bring it to Boston by the Boston and Providence rail-road. Allowing one hour's delay in New York, and half an hour in Provi-

dence, and we have a mail carried from Washington to Boston, a distance of five hundred and thirty-six miles, in about forty hours.

By a liberal arrangement with the several companies in possession of the means of communication upon that line, this object might now be accomplished in forty-two hours; and as soon as we have an uninterrupted chain of rail-road between the principal cities, the time may be greatly reduced.

It is unquestionably the interest of the Department to prefer contracting with those companies, which can furnish uninterrupted rail-road land transportation; for in that case the inconvenience, irregularity and expense of shifting from one line to another, upon the change of weather and seasons, would be avoided. You are, therefore, requested to wait upon the President and other managers of the Baltimore and Ohio rail-road company, and apprise them of the earnest desire of the Department to make an arrangement with them for the transportation of the principal mail between Washington and Baltimore, on terms which shall be satisfactory to all parties, and promise to be permanent. You will press upon them the idea which is undoubtedly justified by all reasoning and experience, that their own interest is deeply involved in giving to the mails and to travellers, the promptest possible conveyance between the two cities, and promise them that the stage lines run by contractors of the Department, and terminating in the two cities, shall be made to connect with their line of cars at the most convenient hours of departure.

The specific propositions to be made by you, must be left very much to your discretion. The following suggestions, however, may be found useful.

If the rail-road company will agree to run a train of cars at such hours as may accommodate and expedite the mail, it is the desire of the Department to impose as little responsibility upon them as possible. If they will enclose in a strong and substantial manner a portion of their baggage car, or some other car, to be devoted exclusively to the mails, the Department will cause them to be placed in it at one depot and taken out at the other, without requiring any thing from the company in the way of service or responsibility, but to haul it from the one to the other. In that event, it would be proposed, that a strong lock should be placed on the apartment, to which only the postmasters at Washington and Baltimore should have keys, so that the mail should not be accessible to any one between the two depots.

Or the Department will furnish a strong fire-proof box or chest, so constructed that it may be readily transferred from a wagon to a car prepared for the purpose, into which the entire mails shall be put and locked up at one post office, not to be molested or opened between the two cities, which shall be delivered and received at the depots of the road, without any service or responsibility on the part of the company, beyond the transportation from one depot to the other. Or if wheels can be constructed which can be used alike upon the rail-road and the streets of the cities, respectively, then the Department will furnish an entire car containing the mails, to be delivered at one depot and received at the other, asking nothing of the company but to haul it from the one to the other.

You will ascertain for what additional charge they will undertake themselves to transport this box or car between the Post Offices and their depots; pressing this arrangement as the one which would be most acceptable to the Department.

You will earnestly press upon them the immense importance to the entire business of the country, of having the mails, on the main routes, of

which their road constitutes a part, travel by night as well as by day, as already suggested; and if they cannot be induced, without a compensation which the Department cannot afford to pay, to run a night line, then you are instructed to solicit from them, for the Department, the privilege of putting on the road a locomotive for the sole purpose of conveying the mail, with a suitable guard. It is believed that the importance of the object will induce the public spirited men who manage this concern, to permit the Government, for a suitable consideration, to use their road for a purpose so useful to their fellow-citizens, at hours when they may not think proper to use it themselves.

It is not deemed necessary to press upon them any supposed rights which the Government may have to use rail-roads, owned by private companies, for public purposes, allowing such compensation as may be fixed in a way to be pointed out by Congress. Yet it may be useful to call their attention to that point. The constitution confers on Congress the power "to establish post offices and post roads." So far as it respects roads, this delegation of power has been construed to mean that Congress may designate the roads on which the mails shall be carried. To this construction, the practice of the Government has hitherto conformed. Congress have designated the roads on which mails shall be carried, embracing State roads, county roads, township roads, streets of cities and turnpike roads, belonging to private companies. Penalties are prescribed by law for obstructing the mails upon these roads, and a preference is given to the horses and vehicles by which they are conveyed.

None of those horses or vehicles can be stopped, not even by the law process of the States, for the debts of their owners, while actually employed in the conveyance of the mails.

These laws are based upon the unquestionably sound principle, that when a power is clearly delegated by the constitution to the General Government, it is not within the constitutional rights of any State, or company, or individual, to prevent or obstruct its execution.

Rail-roads differ from turnpikes owned by private companies, only in the fact that in the former case, the companies own the means of conveyance as well as the road. But if established under the authority of Congress, as post roads, is it possible for those companies to prevent the carrying of the mail upon them? If they attempt to do so, either directly, or by running their cars at inconvenient hours, or by asking an unreasonable price, may not the Department fulfil the law, and accomplish its object, by placing locomotives upon the road for the purpose of conveying the mail, to which every thing else must give place? If it be not so, and if these rail-road companies may refuse to carry the mails at the hours required in the execution of the laws, or may by any means, direct or indirect, prevent their transportation, then may they obstruct, if not defeat, one of the powers unquestionably delegated to Congress. For it must be apparent to the most casual observer, that if the mails are driven from the rail-roads, and obliged to depend on stage or horse transportation, on the main routes, they will soon cease to be of any considerable value, and this important and useful branch of the Government will sink into contempt.

You are not desired to assume the position indicated by this argument; but you may find it useful to present it for consideration, with all the grounds which occur to you in its support, taking care to assure the company that the Department is anxiously desirous to avoid all such questions now and

for ever, by a permanent arrangement for the transportation of the mails, which shall not be liable to any just exceptions, either on the part of the Government or the company. In discussing the amount which ought to be allowed for the transportation of the mail, you will not forget to avail yourself of the fact, that the great object of chartering the rail-road, by the State, was to cheapen transportation of every kind, and that nothing has higher claims to that advantage than the mails of the United States, in which are involved the interests of millions. You will know how to amplify this argument, and all others which have been suggested. Nor will you forget to press the fact that at the last session of Congress, the Committee on the Post Office and Post Roads, in the House of Representatives, by an unanimous vote, inserted a clause in the bill for reorganizing the Post Office establishment, restricting the Department to \$75 per mile for rail-road transportation of the mails; and represent that we cannot venture to exceed that limit to any great extent. You are requested to use the utmost frankness in your communications and discussions with the company; to make them sensible that the Department desires nothing which is unreasonable; that it seeks only that which will promote the interest of the public, and enhance the prosperity of our common country; and that in seeking after these results, it is ready to contribute liberally, but not extravagantly, to the profit of a company which has done so much towards facilitating the means of intercourse and trade between our associated communities.

You will by no means consider yourself as restricted to the propositions or arguments herein suggested; but you will propose any other arrangement which intercourse with the company may suggest to you, subject to the ratification of the Department; and you will use such arguments as may occur, consistent with reason and truth, to effect the object of your mission. Having completed your business with the Baltimore and Ohio rail-road company, you will visit the president and other managers of the rail-road from Philadelphia, through Wilmington, to Baltimore, and by urging similar propositions and views, endeavor to form a prospective contract with them, subject to the approval of the Department, for the conveyance of the great mail on their road when it shall be completed. No change occurs to me as necessary in the propositions suggested, other than that the postmaster at Wilmington should have a key to the box or car, in which the mail shall be transported, that he may there open it, and exchange mails.

If no satisfactory arrangement can be made with the managers of this road, then you will inquire into the practicability of making an arrangement with the managers of the rail-road, said to be in progress, to connect the road from Philadelphia to Columbia, with the city of Baltimore, when that road shall be completed.

Having finished your inquiries and discussions on those routes, you will proceed to New Jersey, and open similar negotiations with the managers of the road from Philadelphia to Trenton, and through by New Brunswick to New York. It is thought a preference should be given to that over the Amboy route, because, in avoiding all steam-boat or water transportation, it is likely to afford a more regular and certain means of conveyance. For the sake of uniformity, as well as safety, it is desirable that the same plan of sending the mails, in a separate box or car, should be here also adopted. If a portion of the transportation be upon the turnpike from Trenton to New Brunswick, the mail box may be readily transferred from the rail-road car to a carriage constructed to receive it, and at the end of the turnpike again

transferred to the rail-road car, so that the mail shall not be exposed or disturbed. At Trenton and New Brunswick the postmasters may have keys, and exchange mails.

If no satisfactory arrangement can be made on this route, then you will confer with the managers of the Amboy road, and, if practicable, make an arrangement with them. If these companies cannot be induced to run a night line, then you will ascertain for what compensation they will transport the great mail by day, and also for what they will carry a second mail between the two cities. But in all your negotiations with these companies, as well as those already adverted to, you are particularly instructed to ascertain whether they will carry a mail by night, and on what terms, and what difference they will make between carrying the great mail by night and by day, and also what difference they will make for carrying a second, or small mail, in the same manner.

Having finished your negotiations in New Jersey, you will proceed to New York, and confer freely with the president and managers of the Boston and Providence rail-road company, with a view to a contract with that company during steam-boat navigation, to carry from New York the entire eastern mail, distributed at Providence and Boston. Here, also, let the same secure mode of conveyance be suggested.

You are further instructed to inquire of each of the rail-road companies with which you may confer, for what sum of money, paid in hand, they will undertake to convey the mails once per day, and for what sum twice per day, at such hours as may from time to time be prescribed by the Department during the continuance of their respective charters. You will apprise them that this inquiry is made with a view, if their terms be reasonable, to ask Congress for an appropriation to purchase the freedom of their roads for the United States mails. If it be found impracticable or inconvenient for you to finish your negotiations with any company on your outward trip, then you can put them in train and complete them on your return.

It is desirable that this service be concluded with all practicable expedition: you will, from time to time, report progress.

Very respectfully,
AMOS KENDALL.

POST OFFICE DEPARTMENT, Nov. 18, 1835.

SIR: Having concluded the agency devolved upon me by your appointment of the 31st ultimo, I have the honor to report that, pursuant to your letter of instructions, I passed over the route from this city to New York, and communicated fully the views of the Department, in regard to the transportation of the mail, to P. E. Thomas, Esq. President of the Baltimore and Ohio Rail-road Company, to M. Newkirk, President of the Delaware and Maryland Rail-road Company, General R. Patterson, President of the Philadelphia and Delaware county Rail-road Company, and James Canby, Esq. President of the Wilmington and Susquehannah Rail-road Company, (these companies, together with the Baltimore and Port Deposit Rail-road Company, being now engaged in constructing a complete rail-road from Baltimore, by way of Wilmington, to Philadelphia,) to E. Curtis, Esq. Director and Agent of the Philadelphia and Trenton Rail-road Company, and to E. A. Stevens, Esq. Director and Agent of the Camden and Amboy Rail-road Company.

To the presidents of the companies constructing the rail-road from Baltimore to Philadelphia, I addressed, on the 5th instant, notes, of which copies are herewith submitted, marked A and B. The same communications, substantially, were made in New York to E. A. Stevens, Esq. acting in behalf of the Camden and Amboy company; and similar notes, of which copies are annexed, marked C and D, were, on the 7th instant, addressed to E. Curtis, Esq. acting for the Philadelphia and Trenton Rail-road Company; and, on the 10th instant, others, of which copies are annexed, marked E and F, were addressed to P. E. Thomas, Esq. President of the Baltimore and Ohio Rail-road Company.

The answers to these communications, together with one made on the 16th instant at Baltimore, to Mr. Thomas, of which a copy, marked C, is appended hereto, are submitted, marked H, I, K, L, M, N, O, P.

Not deeming any of the offers, which these answers exhibit, such as the Department should accept, I declined making a provisional contract with either of the companies; and have now the honor to submit the correspondence, with the remark that the propositions on the part of the Department were such as would have imposed upon the companies, in the performance of the contracts, the least practicable labor and responsibility consistent with the safety and expedition of the mail.

I have the honor to be

Your obedient servant,

P. S. LOUGHBOROUGH.

To the Hon. AMOS KENDALL,
Postmaster General.

A.

PHILADELPHIA, *November 5, 1835.*

GENTLEMEN: After the conversation had with Mr. Newkirk, in which I have fully expressed the views of the Department, and its wish to give the public the benefit of the transportation of the mail upon the rail-road between this city and Baltimore, it is not necessary that the suggestions of mutual advantage to the rail-road companies and the public should now be repeated. Asking your consideration of them, I have to say, that the Department is desirous of effecting an arrangement with the companies controlling the road from this city to Baltimore, which shall diminish, as much as is practicable, their trouble and responsibility in transporting the mail.

I am, therefore, instructed to ask for what yearly compensation you will undertake, so soon as your road shall be finished, to carry the mail of the United States, daily each way, between Baltimore and Philadelphia, connecting at each city with the mails upon the great route to Washington and New York. The Department agreeing that its agents shall deliver and receive the mails at and from the car, at the extremities of the road—the train never to be bound to wait for the mail beyond the time fixed for its departure, and the obligation of the company to be only to haul the mail safely from depot to depot.

The Department prefers that the mail be carried in a strong chest or box, of such a structure as to be easily transferred from a car to a wagon, to be locked and unlocked only by the postmasters at the ends of the road. Or,

if the companies prefer it, the contract may be for the exclusive use of a car, constructed for the purpose of containing the mail, or of a strong room in a passenger or baggage car; the car or room to be locked in like manner, and the mails to be placed in and taken out of it at the depots by the agents of the Department, and without responsibility on the part of the companies.

The Department will, to facilitate arrangements, agree to deliver and receive the mail at the depots of the companies; but it would prefer a contract by which the companies will undertake to receive and deliver them at and from the post offices in the two cities; and it is desired to know the difference in the cost, if any, which such a stipulation would make.

I am instructed, also, to ask for what yearly compensation the company will agree to transport a second daily or small mail, for the accommodation of the two cities, and such points along the road as the train may stop at, without increasing its delays, under the limited responsibilities on the part of the companies, and with the same performances on the part of the Department specified in regard to the first mail. The second mail to run at such hours as the companies may start their trains for the conveyance of passengers; and, if desired, exclusively in the day time.

As the Department earnestly wishes to have the mail transported on the rail-road, I am instructed that it is not disposed to adhere pertinaciously to any of the modes of transportation above suggested, if they shall be found inconvenient, or less eligible than some other mode, which the companies may choose to suggest, compatible with the entire security of the mail.

Without adhering to any of the modes above proposed, the Department will make a contract for the safe carriage of the mail from city to city, to be delivered by its agents to those of the companies, either at the post offices or at the depots, if the companies shall prefer it; they stipulating merely to haul it from depot to depot, without further trouble or labor.

I am instructed to ask what, if any, difference the companies will make between a contract for a period not exceeding four years, and one of an indefinite duration, which may continue as long as the charters of the companies.

I am, respectfully,

Your obedient servant,

P. S. LOUGHBOROUGH.

M. NEWKIRK, Esq.

R. PATTERSON, Esq.

J. CANBY, Esq.

R. L. COLT, Esq.

B.

PHILADELPHIA, November 5, 1835.

GENTLEMEN: I am instructed to ask, whether an arrangement can be made with the companies owning the rail-road between this city and Baltimore, by which the Post Office Department shall acquire the right of running its own car upon the road, for the conveyance of the mail and guard only, as often and at such hours as it shall prescribe, with the use of the depots, water stands, &c.; and if so, for what consideration the

companies will grant the right to the Department during the existence of their charters.

I am, respectfully,

Your obedient servant,

P. S. LOUGHBOROUGH,

Agent P. O. Department.

M. NEWKIRK, Esq.

R. PATTERSON, Esq.

J. CANBY, Esq.

R. L. COLT, Esq.

C.

CITY OF NEW YORK, *November 9, 1835.*

SIR: After the conversations we have had, in which I have fully expressed the views of the Department, and its wish to give the public the benefit of the transportation of the mail upon the rail-road, it is not necessary that these suggestions of mutual advantage to the company and the public should now be repeated. Asking your consideration of them, I have to say, that the Department is desirous of effecting an arrangement with the company, which should diminish, as much as practicable, its trouble and responsibility in carrying the mail.

I am therefore instructed to ask, for what yearly compensation the company will undertake to carry the mail, daily each way, between Philadelphia and New York, connecting, at each city, with the great mails south and north. The Department agreeing that its agents shall deliver and receive the mails at and from the cars and wagons at the end of the road at Philadelphia and Jersey City. The train never to be bound to wait for the mail beyond the time fixed for its departure; the obligation of the company to be only to haul the mail safely from one end of the route to the other.

The Department prefers that the mail be carried in a strong chest or box, of such a structure as to be easily transferred from a car to a wagon, to be locked and unlocked only by the postmasters at the ends of the route. Or, the contract may be for the exclusive use of the body of a car, constructed for the purpose, to be locked in like manner, and the mails to be placed in and taken out of it by the agents of the Department, without responsibility on the part of the company.

The Department would, however, prefer a contract by which the company will undertake to deliver and receive the mails at and from the post offices in the two cities: and it is desired to know what difference such a stipulation will make.

I am instructed also to ask, for what compensation the company will agree to transport a second daily or small mail, for the accommodation of the two cities and the principal points along the route, under the limited responsibilities on the part of the company, and with the same performances on the part of the Department, specified in regard to the first mail. The second mail to run at such hours as the company may start their trains for the conveyance of passengers, and if desired, exclusively by day-light.

The Department is not disposed to adhere pertinaciously to any of the modes of transportation above suggested, if they shall be found inconve-

nient or less eligible than some other mode compatible with the entire security of the mail, which the company may suggest.

I am instructed to ask, what difference will be made between a contract for a period not exceeding four years, and one of indefinite duration, which may continue as long as the charter of the company.

As it is thought not improbable that a complete rail-road communication will, at no distant period, be established between this city and Philadelphia, by way of New Brunswick and Trenton, the Department would prefer that the mail pass on that road when finished. Please say, in your response to this letter, for what you will undertake, in case the rail-road shall be completed through New Jersey, to transport each of the daily mails upon it from the depot in Jersey City to that in Philadelphia.

I am, respectfully,

Your obedient servant,

P. S. LOUGHBOROUGH,

Agent P. O. Department.

E. CURTIS, Esq. *Agent, &c.*

D.

NEW YORK CITY, *November 9, 1835.*

SIR: I am instructed to ask, whether an arrangement can be made with the rail-road company, of which you are the agent, by which the Post Office Department shall acquire the right of running its own cars upon the road, for the conveyance of the mail and guard only, as often and at such hours as it shall prescribe; and if so, for what consideration the company will grant the right to the Department, during the existence of its charter.

I am, respectfully,

Your obedient servant,

P. S. LOUGHBOROUGH,

Agent P. O. Department.

E. CURTIS, Esq. *Agent, &c.*

E.

NEW YORK, *November 10, 1835.*

SIR: In accordance with your suggestion, I make you this communication in advance of my return to Baltimore, as I will not leave this city until to-morrow, and will be detained at least one day at Bordentown and Philadelphia.

Asking your consideration of the suggestions I made to you when in Baltimore, I will now say that the Department is desirous of effecting an arrangement with your company, which shall diminish, as much as is practicable, its labor and responsibility in transporting the mail from Washington to Baltimore. With this view, I am instructed to ask, for what compensation the company will undertake to carry the mail of the United States daily between Baltimore and Washington, connecting at each city with the mails upon the great route to the north and south—the Depart-

ment agreeing that its agents shall deliver and receive the mails at and from the cars of the company at the extremities of the road ; the train never to be bound to wait for the mail beyond the time fixed for its departure ; and the obligation of the company to be only to haul the mail safely from depot to depot.

The Department prefers that the mail be carried in a strong chest or box, of such a structure as to be easily transferred from a car to a wagon, to be locked and unlocked only at the post offices in the two cities. Or, if the company prefer it, the contract may be for the exclusive use of a car built for the purpose of containing the mail, or of a strong room in a passenger or baggage car ; the car or room to be locked and unlocked only at the ends of the road, and the mail to be placed in, and taken out of it, by the agents of the Department, without responsibility on the part of the company.

Though the Department will, to facilitate an arrangement, agree to deliver and receive the mails at the depots of the company, yet it would prefer a contract by which the company will undertake to take them to and from the offices ; and it is desired to know the difference in cost which such a stipulation would make.

I am also instructed to ask, for what compensation the company will agree to carry a second daily mail for the accommodation chiefly of the two cities, under the limited responsibilities on the part of the company, and with the same performances on the part of the Department, specified in regard to the first mail. This second mail to run at such hours as the company may start their trains for the conveyance of passengers, and if desired, exclusively by day-light.

The principal mail will run in strict connection with the great southern and northern mails arriving at the cities of Washington and Baltimore ; and the arrangement of all the mails arriving at these cities will be such as to make them tributary in the supply of passengers to the rail-road. It is desired to know for what the company will contract to carry this mail alone, and to have also an indication of the difference, if any, which the running of this mail at various hours will make.

As the Department wishes to have the mail transported on the rail-road, I am instructed that it is not disposed to adhere pertinaciously to any of the modes of transportation above suggested, if they shall be found inconvenient, or less eligible than some other mode which may be proposed, compatible with the entire security of the mail.

I am instructed to ask what, if any, difference will be made between a contract for a period not exceeding four years, and one of indefinite duration, which may continue as long as the charter of the company.

I am, respectfully,

Your obedient servant,

P. S. LOUGHBOROUGH.

P. E. THOMAS, Esq. *President.*

F.

CITY OF NEW YORK,
November 10, 1835.

SIR: I am instructed to ask, whether an arrangement can be made with the Baltimore and Ohio Rail-road Company, by which the Post Office

Department shall acquire the right of running its own car upon the road from Baltimore to Washington, for the conveyance of the mail and guard only, as often and at such hours as the Department may prescribe; and if so, for what consideration the company will grant the right to the Department during the existence of its charter.

I am, respectfully,

Your obedient servant,

P. S. LOUGHBOROUGH,

Agent P. O. Dep't.

P. E. THOMAS, Esq. *President, &c.*

G.

BALTIMORE, *November 16, 1835.*

SIR: I have received yours of the 13th instant, containing the propositions of the company for the carriage of two daily mails between this city and Washington.

Permit me to ask, for what compensation the company will undertake to carry *one* mail, daily, between these cities?

I am, respectfully,

Your obedient servant,

P. S. LOUGHBOROUGH.

Agent P. O. Department.

P. E. THOMAS, Esq.

President Baltimore and Ohio Rail-road Company.

H.

PHILADELPHIA, *Nov. 13, 1835.*

The Baltimore and Port Deposit, the Delaware and Maryland, the Wilmington and Susquehannah, and the Philadelphia and Delaware county Rail-road Companies, offer, on the following terms, for the transportation of the mails between the cities of Baltimore and Philadelphia with the Post Office Department, viz:

The above named companies, on behalf of the stockholders of the whole line of rail-road, agree to carry the fast mail once per diem each way from Philadelphia to Baltimore, for one year, from and after the 1st day of January, 1837, in the time of seven hours between the two cities, for which purpose they also agree to provide suitable accommodation in a car, to be denominated the United States Mail Car, from which car the mail will be delivered to the postmasters at each of the above mentioned cities, that is, at the depots established at the commencement of the rail-road at each city, for the sum of 30,000 dollars. On the two succeeding years, after the year 1837, the above mentioned companies agree to carry the same mail for the sum of 25,000 dollars per annum, at the same rate of seven hours, or to perform the same service in six hours for the sum of 30,000 dollars per annum.

JAS. CANBY,

President Wilmington and Susquehannah Rail-road Co.

M. NEWKIRK,

President Delaware and Maryland Rail-road Co.

N. B. The Postmaster General is referred to General Patterson's letter, for the Philadelphia and Delaware county rail-road, and to the communica-

tion of the President of the Baltimore and Port Deposit Rail-road, which will be made on Wednesday next, from Baltimore.

I.

TRENTON, November 11, 1835.

SIR: Your letter of the 7th instant, addressed to the Camden and Amboy Rail-road and Transportation, and the Delaware and Raritan Canal Companies, was received and submitted to the joint boards of said companies; and we have the honor of submitting to you the enclosed resolutions of said boards in reference thereto.

As the committee, thus appointed, we think proper to state, that the joint board of said company do not conceive that it will be within their competency to surrender to the Post Office Department the absolute control of the Camden and Amboy Rail-road, but they are willing to carry the mail of the United States. The details of any arrangement to carry the said mail, are to be the subject of future negotiation, in reference to the powers of the said companies and the General Government in relation thereto. At the same time it is to be understood that we are willing, and are authorized by the said companies, to negotiate upon such terms as may be found mutually advantageous, and, at the same time, most eligible to the Post Office Department, within the legal powers of the said companies.

Your obedient servants,

GARRET D. WALLL,
JAS. S. GREEN,
E. A. STEVENS.

P. S. LOUGHBOROUGH, Esq.

K.

Copy of the resolutions adopted on the 11th November, 1835.

Resolved, That a committee be appointed to conclude a contract with the Post Office Department, offering to carry the great mail between the two cities of New York and Philadelphia for the period of four years, for the sum of twenty-six thousand dollars per year.

2. And also to carry the day mail as heretofore, for the like period of four years, for the sum of three thousand dollars per annum.

3. And also to carry the mail between the cities of New York and Philadelphia for the period of the charter of the Camden and Amboy Rail-road and Transportation Companies, for the sum of five hundred thousand dollars. The details of the agreement to be settled hereafter.

GEN'L WALL,
EDWIN STEVENS, } *Committee.*
JAS. S. GREEN,

L

NEW YORK, November 9, 1835.

SIR: I am in possession of both your notes of this date, addressed to me as Agent and Director of the Philadelphia and Trenton Rail-road Company, and proceed to reply to your several interrogatories, touching the transportation of the mails between New York and Philadelphia; and first to that by which you seek to know for what yearly compensation the company will engage to transport the great mail between New York and Philadelphia daily, each way, connected at each city with the great mails south and north, the obligations of the company being only to haul the mail safely from one end of the route to the other, and the Department to receive and deliver the mail at and from the cars at the depots at Jersey City and Philadelphia.

This service the company will undertake and will perform for one term of four years for the yearly compensation of twenty-three thousand dollars.

The expense of transporting the mail between the offices and the depots at both ends of the route would be one thousand dollars per annum, which sum I therefore deduct from my former bid.

The difference in point of responsibility in this, and the ordinary service in transporting the mails, is nothing.

The mail will be transported by the company in a strong car built for the purpose, and the keys to its doors may, if desired, be with the post-masters only; but in case of an accident to the vehicle, such as fractures of the wheels or an axle, it might be very important that the conductor of the train should have access to the depository of the mails, in order to shift them to another carriage.

Such a strong box as you speak of, to contain the mails, could not, on account of the weight, be shifted from one set of wheels to another without the aid of fixed cranes, machines, the expense of which would outweigh, it is conceived, any advantage to be gained by the conveyance of the mails in boxes to be delivered and received at the door of the post offices.

In answer to the question for what compensation the company will transport a "second daily mail for the accommodation of the two cities and the principal intermediate towns, the mails to be received and delivered by the agents of the Department at and from the depots as before stated in the case of the great mail," I have to state that the compensation asked for this service is eight thousand dollars yearly. In this offer I deduct one thousand dollars from my former bid.

It is, indeed, not improbable as you suggest that a rail-road will soon be completed over the straight turnpike road between Trenton and New Brunswick, and thereby a complete line of continuous rail-road formed between Philadelphia and Jersey city; and in view of this almost certain event, I now propose, on behalf of the company I represent, that in case the Department shall accept the propositions made in this letter, to carry the great mail for twenty-three thousand dollars yearly, and the daily mail for eight thousand dollars yearly (aggregate compensation being \$31,000 yearly) for the term of four years, if such complete line of rail-road, by way of the straight turnpike, be not sooner completed, from and after the period when such rail-road shall be completed, the Philadelphia and Trenton Rail-road Company, for the term of twenty years next thereafter to

come, will perform the same service for the yearly compensation of twenty-one thousand dollars.

I am, sir,

Very respectfully, yours,

EDWARD CURTIS,

One of the Directors and sole Committee for the Philadelphia and Trenton Rail-road Company with regard to Mail contracts.

To P. S. LOUGHBOROUGH, Esq.

Agent, Post Office Department.

M.

NEW YORK, *November 9, 1835.*

SIR: I am of opinion that it will be found impracticable for the Post Office Department "to run its own cars on the Philadelphia and Trenton Rail-road for the conveyance of the mails and guard, at such hours as it shall prescribe," consistently with the interests of the Company. Such an arrangement would virtually subject all the operations of the company in the use of the road to the control of the Department. Their "times and seasons" would indeed be no longer in their own hands while such a connection existed, and in my judgment the arrangement would not prove beneficial to either party.

Very respectfully, yours,

EDWARD CURTIS,

*Director and sole Committee of the P. and T. R. R. Company,
on the subject of Mail Contracts.*

To P. S. LOUGHBOROUGH, Esq.

Agent Post Office Department.

N.

OFFICE OF THE BALTIMORE AND OHIO RAIL-ROAD CO.

November 13, 1835.

RESPECTED FRIEND: Thy two letters of the 10th instant, requesting to know the terms upon which this company would undertake to carry the mail between the cities of Baltimore and Washington, have been received and laid before the board of directors, and I have been directed to return the following reply.

1. The Baltimore and Ohio Rail-road Company will agree to carry the two mails between the depots from which its passenger trains start, in the cities of Baltimore and Washington respectively, twice per day in each direction, for the sum of fourteen thousand dollars per annum. They prefer to carry both or neither.

2. As the mails will always accompany the passenger trains, they must be delivered at Washington between the hours of three and five in the morning and three and five in the afternoon, and in Baltimore between six and nine in the morning and three and five in the afternoon. The Post Office De-

partment may fix the *precise* time within these limits, and shall not alter such *precise* time without one week's notice to the said company, that the travelling public may be informed thereof. The trains in no case to be required to wait beyond the time appointed.

3. The company will appropriate to the mails exclusively a strong compartment to be partitioned off in the baggage cars, to be locked and unlocked at the ends of the road at the depots aforesaid, and the mails placed in and taken out by the agents of the Department only, without responsibility on the part of the company.

4. Should it be required to carry either of the two mails at other hours than those above named, or at any stated times, at the pleasure of the Department, the company will undertake to do so for twenty thousand dollars per annum.

5. The company will undertake to perform the distance with the mail between the passenger depots at the two cities in three hours: *Provided*, the company shall not be liable to be fined for delays beyond that time arising from snows, white frosts, earth slides or accidents beyond their control.

6. The company prefer the contract, when made, to be for one year only; the reason for limiting the period of the contract is suggested by the inexperience of the company on the subject. At the end of a year changes may be desired, which it will thus be in the power of the parties to make. They will, however, if absolutely required, extend the contract for four years.

7. The company declines the proposition to confer on the Department the right to run its own cars upon the rail-road; such an arrangement would be wholly incompatible with their travel and business operations.

Should the Department agree to the foregoing proposals, it is respectfully requested that it would signify its determination as early as convenient; as some time will be required to prepare the various fixtures and arrangements necessary, in order to enable the rail-road company to carry out its proposed engagements.

I am, very respectfully,

Yours, &c. &c.

P. E. THOMAS,

President Baltimore and Ohio Rail-road Company.

To P. S. LOUGHBOROUGH, Esq.

Agent Post Office Department.

O.

OFFICE OF THE BALT. & OHIO RAIL-ROAD CO.

November 16, 1835.

RESPECTED FRIEND: I have before me thy letter of this date, acknowledging the receipt of the proposals made by this company, for the carriage of two daily mails between the cities of Baltimore and Washington, and inquiring for what compensation the company will undertake to carry one mail daily between those cities.

I am authorized by the directors in reply, to inform thee, that this company will contract to carry one mail daily between those two cities for ten thousand dollars, subject to the following provisions and conditions, viz:

1st. That there be but one mail carried in each direction between the two said cities.

2d. That the hours of running this one mail, shall be made to conform to the general travelling both at Washington and Baltimore, so that the mail, in both directions, shall fall in and connect with such general travel.

3d. That so far as regards the obligations and conditions to be entered into and agreed upon, they are in all particulars to conform to the proposals made on the 13th instant, above referred to.

4th. That if at any time hereafter, the Government desire to carry two mails between the two said cities daily, then the two parties to be mutually bound to carry out the proposals as contained in the aforesaid offer made by this company, through its president, on the 13th instant.

Should the Department elect to carry only one daily mail, under the foregoing proposals, the rail-road company will then enter into the contract in the first instance, for one year only, as they feel themselves too deficient in experience, to make an engagement for a longer time than one year.

I am, very respectfully, &c. &c.

P. E. THOMAS,

President, B. & O. R. R. Co.

P. S. LOUGHBOROUGH, Esq.
Agent, P. O. D.

P.

PHILADELPHIA, *November 11, 1835.*

DEAR SIR: Since the receipt of your note of the 5th inst. I have been unable to see a majority of our board of directors; in the present state of our affairs, we would not feel authorized to make a contract, as it is possible our road may not be completed next year; my individual opinion is, that it will be finished by the last of October next.

I feel justified in assuring you, that we will carry the mail on our end of the road at fair rates, say at the same rate per mile allowed the other companies on the same route.

With great regard,

Your obedient servant,

R. PATTERSON,

President Phil. & Del. Co. R. R. Co'y.

P. S. LOUGHBOROUGH, Esq.

POST OFFICE DEPARTMENT,

November 8, 1835.

SIR: Your reports of the 3d and 6th instant, have been received. The little promise these papers afford of a favorable result, in your attempts to procure arrangements for the transportation of the mail, with the several rail-road companies, on advantageous terms, and the expediency of bringing your negotiations to a definite issue, induce me to authorize and instruct you, (unless there be some reason unknown to me which renders it inexpedient,) to make to them, severally, the following propositions as the ultimatum of the Department, viz:

That they shall undertake to convey daily, from depot to depot, both ways, on their road, at hours fixed by themselves, but not to be changed without the consent of the Department, a fire-proof box, containing the mail of the United States, firmly secured by one or more locks, the keys of which shall be kept by the postmasters, at the ends of their road, subject to no other responsibility than to receive the said box from an agent of the Post Office Department at one depot, convey it safely to the other, and there deliver it to another agent of the Department; and that, in consideration of this service, the Department will pay them at the rate of one hundred dollars per mile, annually, in quarterly payments.

The proposition may be modified to meet the necessity of transferring the box from company to company, as on the Wilmington and Trenton roads; as also of its being opened at any intermediate distributing office, as at Wilmington. But to make the proposition as plain and simple as possible, you will avoid uniting with it any suggestion as to the receipt and delivery of the mails at the extreme post offices, or the delivery of way mails, all which may be left to subsequent arrangement.

In making this proposition, you are requested to inform the several companies, that the compensation offered is deemed a munificent one for the service required, and having had the unanimous action of a committee of the House of Representatives, proposing to restrict the Department to three fourths of this price, I do not feel that I should be justified in exceeding the amount now tendered, without the authority of Congress.

Very respectfully,

Your obedient servant,

AMOS KENDALL

P. S. LOUGHBOROUGH, Esq.

POST OFFICE DEPARTMENT,

November 18, 1835.

SIR: Desirous of effecting an arrangement which would secure to the public the benefit of the transportation of the mail upon the rail-roads from this city to New York, I directed a negotiation for that purpose. It has resulted in offers from the various companies of a nature which I feel restrained from accepting—the sums demanded by all the companies being more than I can, consistently with my duty, agree to give, and greatly more than the Committee on the Post Office and Post Roads of the House of Representatives, in the last Congress, thought the Department should be charged for such service. That committee unanimously adopted a clause in a bill reported to the House of Representatives, restricting the sum to be paid for the carriage of the mail on any rail-road to seventy-five dollars. Still anxious to have the mail carried by rail-road, at least for such part of the distance between New York and this City, as can be contracted for without greatly overstepping the limit fixed by the committee, I have to say that I will contract with the New Jersey Rail-road and Transportation Company, for the carriage of the mail, daily each way, between Jersey City and the other extremity of its road, at such hours as the Department may prescribe, supplying the post offices along the road, for the sum of one hundred dollars (\$100) per mile, per annum. The contract to be for four years from and after the 1st day of January next; and the mode of transporting the

mail along the road to be such as will ensure its entire security; and for this purpose to be subject to the orders of the Department.

It is intended, if this contract is made, to send the great mail of the United States along this road, and make provision for its transportation, in connection with the rail-road cars, between the western end of the road and Philadelphia, or otherwise.

Respectfully, your obedient,
AMOS KENDALL.

C. S. DICKERSON, Esq.

P.S. The contract will be made for so much of the road as may be finished on the 1st of January next, to be extended, at the same rate, along the whole line, when it is completed.

A. K.

POST OFFICE DEPARTMENT, Nov. 19, 1835.

SIR: The correspondence between the agent of this Department appointed to negotiate with the rail-road companies, and the presidents and agents of the said companies in regard to the transportation of the mail, has been submitted to me. I regret that the offers of the companies are of such a nature that I cannot, consistently with my duty, accept them. The sums demanded by the companies, are greatly more than the Committee on the Post Office and Post Roads, of the House of Representatives, in the last Congress, thought the Department should be charged for such service. That committee unanimously adopted a clause in a bill reported to the House of Representatives, restricting the sum to be paid for the carriage of the mail on any rail-road, to seventy-five dollars per mile, per annum.

Still anxious to have the mail carried by rail-road, at least for such part of the distance between this city and New York, as can be contracted for, without greatly overstepping the limit fixed by the committee, I have to say, that I will contract with your company for the carriage of the mail between this city and Baltimore, for the sum of one hundred dollars per mile, per annum. The contract to be for four years from and after the first day of January next, and the mode of transportation to be such as is suggested to the company, in the letters of the agent of this Department; the Department agreeing to deliver and receive the mails at and from the cars at the depots of the company in the two cities; the train never to be bound to wait for the mail, and the obligation of the company, to be only to haul the mail safely from depot to depot.

Please favor me with an early answer from the company, to the proposition herein made.

I am, very respectfully,
 Your obedient servant,
AMOS KENDALL.

P. E. THOMAS, Esq.

President Baltimore and Ohio Rail-road Company.

OFFICE OF THE NEW JERSEY RAIL-ROAD AND TRANS. CO.
Newark, November 21, 1835.

SIR: Mr. C. S. Dickerson, of this place, the gentleman who was delegated by the citizens of Newark, to represent their views and wishes to

your Department, on the subject of the mails, has laid before our company your letter to him, stating the terms on which you are willing to contract with the New Jersey Rail-road and Transportation Company, for the carriage of the mail, and as it directly involves an understanding with our company on the subject, I am instructed to communicate our views to your Department.

The New Jersey Rail-road and Transportation Company, as its name imports, was projected, and has thus far been faithfully and perseveringly prosecuted, as a New Jersey enterprise, designed to accommodate the public as well by advancing the interests of New Jersey, as in furnishing the safest, most certain, and most expeditious communication across the State, between New York and Philadelphia, on moderate terms. It is believed, that it can with truth be said, that it now largely engages the interests and affections of the community, which is increasing with the extension of the road across the State. As a part of the original design, and as a grateful return for the patronage receiving and to be received by our work from the inhabitants on the whole route, and especially as a great accommodation to the citizens of the cities, towns and villages on the line, who are now greatly incommoded, our company are desirous (aside from the compensation) to carry the United States mails across New Jersey, between New York and Philadelphia.

The subject has frequently been under the consideration of the board, and the conclusion we have invariably come to, has been, to contract with some individual or company of individuals, who had the control of the entire line, for our portion of the distance, and hence we have on all occasions so expressed ourselves to persons who designed making proposals, assuring all, without entering into specific details, that they might confidently rely on liberal and honorable terms from our company. We would respectfully suggest to your Department, whether this mode would not relieve you from much vexation, and ensure more uniformity and direct co-operation of the different parts of the mail route. If, however, your Department, from a more intimate knowledge of the details of the carriage of the mails, should prefer a separate arrangement directly with our company, we would ask some explanations of your proposition. The printed proposals speak of two mails, the day and night mail, as they are usually styled; which of those mails do the Department wish carried on our road? and whether any arrangements are to be based upon this contract with reference to the other mail? that is to say, whether one hundred dollars per mile each way will also be given for the second mail?

It would be gratifying to our company to have as early an answer from your Department as practicable, in order that we may make every necessary preparation in season, should a contract be made with our company.

I am, very respectfully,

Your obedient servant,

JOHN P. JACKSON,

Secretary of the New Jersey Rail-road and Trans. Co.

HON. AMOS KENDALL, *Postmaster General.*

P. S.—As I am personally acquainted with the Secretary of the Navy, I would respectfully refer you to him, and please to direct your letter to me at New York City, to the care of E. Townsend, Esq. No. 47, Merchants' Exchange.

OFFICE OF THE BALT. & OHIO RAIL-ROAD CO.

November 23, 1835.

RESPECTED FRIEND: Thy communication of the 19th of the present month, was this day received, and was immediately submitted to the directors of the Baltimore and Ohio rail-road company.

The board having deliberately considered the proposal therein made for carrying the mail between the cities of Baltimore and Washington, at the rate of one hundred dollars per mile, or four thousand dollars for the year, deem the offer to be so far below the actual cost and inconvenience to which such an engagement would subject the company, that they do not feel at liberty to accept the same, and they have instructed me to make known this conclusion to thee.

The expense of constructing the rail-road between those cities, has unavoidably involved a very large expenditure of capital, arising from the general unevenness of the district over which the line passes; and the cost for repairs and maintaining a moving power on all rail-roads, is, upon experience, ascertained to be much higher than was formerly anticipated. While, therefore, this means of communication secures all the facilities that can be desired, as regards safety, speed, and certainty, the expense of accomplishing these objects is such, as to put it out of the power of this company to transport the mail between Washington and Baltimore, at the desired speed, for the price offered by the Department.

I am, very respectfully,

Thy friend,

P. E. THOMAS,

President, B. & O. R. R. Co.

AMOS KENDALL, Esq. Postmaster General.

POST OFFICE DEP'T. NORTHERN DIVISION,

November 25, 1835.

SIR: Your letter of the 21st is before me. The offer of the Department, made through Mr. Dickerson, of one hundred dollars per mile for a daily mail on the New Jersey rail-road, referred to the great daily mail to be transported from New York to Philadelphia and back, leaving those cities in the evening and arriving in the morning—the mails to be delivered to and received from the agents of the company at their depots. The miles to be computed, in reference to compensation, only one way—so that the compensation for conveying the mail from Jersey City to New Brunswick and back (supposing the distance to be 31 miles,) would be \$3,100 per annum. To this offer, a direct and immediate reply is requested.

A proposal from the company for transporting the day mail, which is to run every day except Sunday, and which is to leave each city in the morning, will also be considered. It should be remarked, that this service is esteemed to be of far less importance and expense than the other.

Respectfully,

Your obedient servant,

AMOS KENDALL.

JOHN P. JACKSON, Esq.

Secretary of the N. J. R. R. & T. Co.

P.S. The Postmaster General reserves to himself the customary right of changing the hours of departure and arrival, but in doing so, the conve-

nience of the company would be taken into consideration. This circumstance is mentioned, because it is in contemplation to arrange the running of the mail on the great line from Washington to the northern cities, so as to fling the transportation on your road in the day time instead of the night.

NEWARK, *November 28, 1835.*

SIR: Your letter of the 24th reached me this morning. The directors of the New Jersey Rail-road and Transportation Company have considered its contents, and instruct me to reply that, for the reasons mentioned in a former communication, they are desirous of carrying the mail, without exclusive reference to the compensation, and although they deem the price offered inadequate, yet, for the sake of public convenience, and with the view of enlightening themselves, by experience, upon a subject of which they are to a great extent ignorant, they agree to accept the offer of your Department in the manner proposed by your letters, for the term of one year from the 1st day of January next. That is to say, the N. J. R. R. & T. Co. will carry the great daily mail from Jersey City to New Brunswick, for one year, on the terms proposed, fixing the contract, however, as mentioned in your letter to Mr. Dickerson "for so much of the road as may be completed on the 1st of January, to be extended along the whole line, at the same rate, when it shall be completed." The New Jersey rail-road will be completed, and in use to Rahway, by the 1st of January next, and our company are willing to guaranty the transportation of the mail to that place, at that time. The extension of the rail-road to New Brunswick will be prosecuted with all possible vigor, as is ensured by the obvious interests of the company, it being now very nearly graded and ready for the laying of the rails. In the allotment of the time to our rail-road company, they wish an allowance for the present, of three hours from the time fixed for receiving the mail at Jersey City, for transporting it to Rahway, and four hours to New Brunswick: they desire this specification of their time, in order that their duties may be defined, and sufficiently extended to enable them to be performed with certainty. This time, our company hope to be able soon materially to shorten, but in the infancy of a work, sufficient time should be reserved for such casualties as are incident to a work in a new and unfinished state.

If, however, it be the determination of your Department to make the contract for four years, this company will agree to carry the great mail (singly,) according to the conditions offered us, at the rate of one hundred and fifty (150) dollars per mile. Our company offer to take the day mail separately, if it be a less important mail, as observed in your letter, at the rate of seventy-five (75) dollars per mile, but if the transportation of both of the above mails should be given to this company, they will agree to carry them both for the aggregate sum of two hundred (200) dollars per mile.

It is understood by our company, that by the new arrangement for transporting the mail, there will be no detention of the cars at the post offices on the line.

I am, very respectfully,

Your obedient servant,

JOHN P. JACKSON,

Secretary of N. J. R. R. & T. Co.

HON. AMOS KENDALL, *Postmaster General.*

ORGANIZATION OF THE POST OFFICE DEPARTMENT.

POSTMASTER GENERAL.

1. The duties of Postmaster General are prescribed by law.
2. A journal will be kept in which his official acts will be entered.
3. Extracts from this journal, containing such information as may be useful or interesting to the public, will be published from time to time.
4. All drafts for the payment of money will be drawn by the Postmaster General.
5. He will, from time to time, prescribe rules and regulations which will govern the administration of the Department, in subordination to the constitution and laws.
6. No regulation prescribed by him will be construed to have any retrospective effect.
7. No special decision given by him, on any account, will be construed as a precedent authorizing the allowance of any other similar account.
8. No usage will be introduced or regarded in the settlement of accounts, or other business of the Department, which is not founded on express law, or lawful regulation.

THE ASSISTANT POSTMASTERS GENERAL.

9. The duties of Assistant Postmasters General will be purely ministerial.
10. In reference to their duties, the United States and Territories will be divided into two divisions.
11. The southern division will be composed of the District of Columbia, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Tennessee, Kentucky, Indiana, Illinois, and Missouri, and will be under the superintendence of the senior assistant.
12. The northern division will be composed of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Maryland, Pennsylvania, Ohio, and Michigan, and will be under the superintendence of the junior assistant.
13. The assistants will each designate a principal clerk.
14. They will, in their respective divisions, receive all applications for changes in post offices and postmasters, for the establishment of new post offices, and the appointment of new postmasters, prepare each case for the decision of the Postmaster General, and see that each postmaster gives adequate bonds, according to law, and renews them as occasion may require.
15. They will watch over the manner in which postmasters, in their respective divisions, perform their official duties, investigate complaints against them, and guard against abuses of the franking privilege, and in the articles sent by mail.
16. They will arrange all mail routes in their respective divisions, prepare advertisements for mail contracts, compare and analyze the several bids, submit them to the Postmaster General for decision, cause the contracts to be executed, receive and prepare for submission all applications for changes of mail routes, for an extension or curtailment of service, and changes in compensation of contractors.

17. They will watch over the manner in which contractors perform their contracts, cause reports of their delinquencies to be made to the Department, require explanations, and when the evidence shall be complete, submit the cases to the Postmaster General for his decision.

18. All bonds of postmasters, and abstracts of all mail contracts, will be sent to the accountant, when they are returned executed.

19. The duplicate contracts and the proposals will be lodged in the office of the Comptroller of the Treasury, within ninety days after the contracts are made; and, at the end of each month, a report of all additional services, and the compensation allowed therefor, will be made to the said Comptroller.

20. Once in each week each assistant will make report to the Postmaster General of all acts done and entered upon his books in reference to post offices or postmasters, contractors, contracts, or fines, which can originate a new account or affect an old one; which report shall be compared with the journal of the Postmaster General by the chief clerk, and, if found correct, be so certified, and sent to the accountant.

21. All information received by them affecting any account will be immediately communicated to the accountant.

22. After closing all accounts up to 1st July, 1835, the duties of assistants will be confined exclusively to post offices and postmasters, contracts, and contractors; it being the chief object of this arrangement to obtain a systematic, rigid, and unceasing supervision over those agents of the Department in the performance of their several duties.

DIVISION OF ACCOUNTS.

23. The accountant of the Post Office Department will superintend the rendition and settlement of all accounts, and the collection of balances due.

24. He will cause the books of accounts in current use to be closed, as soon as all pecuniary transactions of the Department prior to the July 1st, 1835, can be brought upon them, and the balances struck.

25. He will cause these balances to be adjusted with all possible expedition.

26. He will open a new set of books, upon which will be brought the income and expenditures of the Department from and after the 30th June, 1835.

27. Arrearages which may be paid out of revenue subsequently accruing, will be reported by the accountant, paid by drafts drawn by the Postmaster General, and charged to a general account, entitled "Arrearages," and all overpayments previously made, so far as they become available in discharging claims of a subsequent date, will be credited to the same account.

28. The accounts of the Department will be so kept as to exhibit the entire revenue of the Department from each source of income, quarterly, and the entire disbursements for each object of expenditure.

29. Postmasters' accounts will be closed quarterly, by payments to contractors, deposits in banks, or otherwise, as the Postmaster General may direct.

30. The accounts of contractors will be closed quarterly, by payments from postmasters, and by drafts on deposit banks.

31. When a contractor has completed the collections he may be required to make from postmasters, and his receipts are received in the Department, the accountant will report the condition of his account to the Postmaster

General. If any thing be due to him, a draft in his favor shall be issued; which, after having been registered by the chief clerk, shall be transmitted to the accountant, who will charge and forward it to the contractor:

32. The deposit banks will be instructed to pay no drafts, (other than those drawn by the treasurer to close accounts up to 1st July, 1835.) which are not drawn by the Postmaster General, and certified as being charged by the accountant.

33. Incidental accounts, other than such as appear in the quarterly accounts of postmasters, will be settled and reported by the accountant in the same manner as contractors' accounts.

34. The accounts of postmasters, who may be creditors to the Department, will be reported and paid in like manner.

35. Contingent accounts will be allowed by the accountant, and all checks drawn for their payment will bear his approval on their face, and none other will be paid by the bank.

36. The basis of all accounts will be found in the bonds of postmasters, the abstracts of contracts of mail contractors, and others, the reports from the ministerial divisions, the authorized agreements and acts of the chief clerk and superintendent of the building, the regulations of the Postmaster General, and his special decisions, all which will constitute the accountant's guide.

37. As often as required, the accountant will lay before the Postmaster General the condition of the bank accounts, and the amount of drafts on each bank which may be outstanding and unpaid.

38. The solicitor's office will constitute a portion of the accountant's division, and be subject to his supervision and control.

39. It is the object of this arrangement to separate the business of settling accounts from the ministerial duties of the Department entirely, and this object will be kept steadily in view in the construction of every order and regulation of the Postmaster General.

MISCELLANEOUS DIVISION.

40. Mail depredations, the duties appertaining to dead letters, the delineation of maps, the transmission of blanks and of mail locks and keys, the messengers, the superintendent of the building, and such other persons as may be appointed or employed to render any service not falling within either of the foregoing divisions, will be embraced in the miscellaneous division, and be under the superintendence of the chief clerk.

41. All agents employed to investigate mail depredations will be under his direction; but they will also obey any instructions which may be given them by the assistants, which have reference to the business of their respective divisions.

42. He will, with the approval of the Postmaster General, make all contracts for mail bags, mail locks and keys, the printing of blanks, and for furnishing any other article, or rendering any service which properly belongs to incidental expenses, and will send the contracts, or an abstract of them, and of every other agreement, from which an account may originate, to the accountant.

43. The superintendent of the building will, under direction of the chief clerk, make all purchases of stationery, office furniture, and every other

article for the use of the General Post Office, properly chargeable to the contingent appropriation, and will employ all guards and workmen, and superintend them, together with all repairs to the buildings, fences and grounds.

44. The heads of the several divisions will inform the superintendent, from time to time, of all furniture, blanks, blank books, or other articles needed in their respective divisions.

45. The superintendent will receipt for all articles purchased, and certify to all services rendered, chargeable to contingent; and without this receipt or certificate, no bill will be allowed or paid.

46. The superintendent will hand over to the chief messenger, all the stationery purchased, and charge it to him in a book.

47. The chief messenger will charge in a book the amounts of stationery delivered by him, from time to time, for the use of the Postmaster General, the heads of divisions, and each clerk, or other person in the service of the Department, and quarterly report the amounts received by each, to the Postmaster General.

48. No perquisites will be allowed to any one in the service of the Department. All furniture, waste paper, and every thing else of value, not useful or used in the service of the Department, as well as every other refuse article, will be delivered to the superintendent, who will, if it cannot be made useful, exchange it for other articles that are so, or cause it to be sold and the money deposited to the credit of the Department.

49. The chief clerk will continue to sign, as treasurer, all drafts upon postmasters and banks, necessary to close the business of the Department up to 1st July, 1835; provided they do not produce an entry on the new books; and with the completion of this service, the functions of treasurer will cease.

GENERAL REGULATIONS.

50. The heads of divisions will study to simplify and systematize the business of their respective divisions, so as to perform it with as few clerks and as little expense as possible. To this end they will, from time to time, suggest to the Postmaster General such changes as may appear to them to be useful.

51. Punctual attendance, at their proper stations, will be expected from all in the service of the Department, during office hours, and at other hours when requested.

52. If any clerk or messenger desire to be absent during office hours, he will obtain leave from the head of his division.

53. Persons in public employment, cannot be too scrupulous in refraining from the use of public property for their own benefit or emolument. The Postmaster General would look upon the appropriation of the furniture or stationery of the Department to the private use of clerks, messengers, or their families, or its sale for their own private emolument, as a breach of morality and law not to be tolerated.

54. It is the duty of all in the service of the Department to see that others regard the Post Office law as well as themselves. The Postmaster General will expect them to report all breaches of those laws which may come to their knowledge; and he will regard it as an unpardonable offence in any one of them, not possessing the franking privilege, to ask or accept a frank from any one, to cover his private correspondence.

55. No officer, clerk, or agent of the General Post Office will receive any present of value, or any pecuniary favor, from any contractor or other person having business with the Department; and when travelling on mail lines, they will insist on paying their stage, rail-road, and steam-boat fare, like other citizens. Future disregard of these injunctions will not be overlooked.

56. All regulations incompatible with the foregoing are rescinded.

The Postmaster General looks to all those under his direction and control, for a cheerful and vigorous co-operation in the management of the business of the Department, by which they will not only render an essential service to their country, but assuredly promote their own happiness, and extend their individual reputation. It will give him pleasure, and it is his fixed purpose, to advance, as occasion may offer, all such as by their industry, fidelity, and correct deportment, may give character to the Department, and enable him to discharge honorably the important duties with which he is entrusted.

This organization will take effect, and these regulations will be enforced, from this date.

AMOS KENDALL.

POST OFFICE DEPARTMENT,
7th July, 1835.