

Queensland



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Legislative Assembly

WEDNESDAY, 17 MAY 1865

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LEGISLATIVE ASSEMBLY.

Wednesday, 17 May, 1865.

Bathurst Burr.—Post Office and Money Order Department.

BATHURST BURR.

The COLONIAL TREASURER, in presenting a petition praying that the Government would take measures for the speedy eradication of the Bathurst burr, availed himself of the opportunity of saying that a portion of the prayer was met by an Act now in force, and that, upon the application of any person, the benches of magistrates were empowered to take steps to compel the owner, lessee, or occupier of any land, to destroy the burr thereon, or on any adjacent road. With reference to another portion of the prayer, that money be appropriated from the revenue of the colony for the destruction of the burr, if he mistook not the feeling of honorable members, it was not likely to be granted. The Government had placed on the Estimates, to be brought before the House this session, a sum of money for clearing the Bathurst burr from the lands unalienated and still under the care of the Crown. This had not been done hitherto, but it had in no way impeded the operation

of the Act. If it had occurred that the money was required for such a purpose, and that application had been made to the Government under the Act, it would have been supplied in the way that any other application was met, and the Government would have come to the House for indemnification. The Government had notified to the different benches that half the fines imposed in every case should go to the informer, which, he regretted to say, was not part of the Act as it existed. It was intended to take from the police reward fund the amount required to meet such cases, as no doubt the object of the House in framing the Act was to facilitate and ensure the destruction of the burr.

The SPEAKER said the honorable member was out of order in making a speech on presenting a petition, but as it came from a Minister of the Crown, he did not think it necessary to interrupt him. He trusted that this would not be taken as a precedent.

POST OFFICE AND MONEY ORDER DEPARTMENT.

Mr. MACKENZIE said: Mr. Speaker—In rising to bring forward the motion standing in my name, I may observe that I had not the slightest intention of doing so—not the least idea that I ought to do so—until after the examination of the papers relating to the Post Office, which have been laid on the table by the Government. Very extraordinary papers, I may style them; but, at the same time, I may state that I have not the slightest intention of questioning the course taken by the Government in this matter, or the steps which they deemed necessary to enable them to discover the state of things in this department. On the contrary, I think it reflects great credit on them—particularly the promptitude they have shown in laying the papers on the table for the purpose of enabling the House to take any action they think proper. My reason for bringing forward this motion is not so much in deprecation of the report on the defalcations in the Money Order Office, as to secure the consideration of the correspondence of the Postmaster-General, in which he distinctly states that the Post Office is at this moment in a state of disorganization. In doing this, the Postmaster-General blames the Government, and indirectly this House, for starving the department—for keeping it down to an extent that makes it quite impossible for him to maintain it in an efficient state. These documents, which are on the table, show that the organization of the Post Office generally is very unsatisfactory. I have, for the sake of brevity, epitomised the evidence and the correspondence relating to the position of the Postmaster-General, and I will comment on it as briefly as possible. I shall only touch upon the late defalcations in the Money Order Office in so far as to justify the position I have taken up on this occasion. In the first place, Mr. Prior, in his letter to the Colonial Treasurer, submits that there is

no department under the Government upon which the individual interest and happiness of the colonists are so dependent as the Post Office. I am sure none of us would be inclined to differ with him; but he might have added, no office requires more jealous care or greater attention in this colony. It is one of the most thankless offices in the Government: I go that far with him. He then goes on to urge upon the Government the necessity of placing the Post Office on a proper footing, commensurate with its importance; and, besides, as I said before, alleging that the staff and the salaries of his department are insufficient, he accuses the executive head of his department of discountenancing his requests, and complains of his estimate being cut down, first by the Colonial Treasurer, and further by the Executive Council. Now, I am quite sure that this charge cannot be sustained. It is too much the practice of heads of departments to try to force on the Government an increase of their staffs—to add to the number of their officers at different times. There is nothing simpler than for a lazy official to get into arrears with his work, and then to try to convince the head of his department that his work requires another clerk to keep it up. It is exceedingly difficult to draw the line where these demands for extra assistance should be agreed to by the heads of departments. In my own case, when I left the Post Office, I had some difficulty with the head of the department; for that matter was in dispute between us. But when I find him complaining now that there is not a sufficient number of hands in the Post Office, I must say that I think it will be discovered that, since I retired from office, the staff has been trebled or quadrupled. The Postmaster-General further states that without an efficient staff it is impossible to carry on the duties of his office properly; that by dint of personal exertion, and the assistance of those officers in his department who are actuated by a strong sense of duty—as if they ought not all to be actuated by a strong sense of duty!—he has managed to keep it together; and he then makes this remarkable declaration—“but with a continual increase in the labors and no equivalent provision to perform the work, arrears will accumulate, errors in accounts appear, disorganization ensue.” Now, if we bear in mind that this was written only the other day—and the Postmaster-General urges that he has not an efficient staff, that arrears have been allowed to accumulate, errors in accounts and defalcations ensue—what are we to think of the state of his department? There is no question that the efficiency of a department does not by any means depend upon the number of officials employed. Irrespective of the branch of the Post Office that has been shown by the report to have failed so lamentably, and taking the whole of the department, it does not follow that because the Postmaster-General gets two or three

officials a year that his department is more efficient. This inquiry shows that there is a large number of officers in that department who ought not to be there. It is not number that is required; but ability and experience in those employed that are very necessary. Whether they had been appointed on account of their ability, or for any other special reasons, I cannot tell; but the Postmaster-General seems to have got hold of all the tag-rag and bob-tail—like Parsons and others; and it is not right, I conceive, for him to get a number of officials in his office, from whom he could never expect an efficient discharge of their duties, and then to attempt to shift the responsibility. Mr. Prior further submits a plan to the Government for the re-organization of his department. When I was in office, that gentleman was advised by me, before entering upon his appointment, to go to Sydney, to learn, not the organization of the department, but some knowledge of his duties as head of the Post Office. On his return, he was very anxious that his department should be re-organized on the Sydney plan. I objected to this, because the Post Office at Sydney had always been in an inefficient state, and had been made the subject of inquiry. Whether he succeeded in bringing about that organization after I left office, I do not know, but I can tell the Postmaster-General that, whatever may have been the shortcomings of the department at that time, it has not improved since, in the opinion of the public of Queensland. With regard to the defalcations in the Money Order Office, which I must allude to here, the Postmaster-General states, in his own justification, the causes which led to the removal of the Postmistress from the duties which she had so long and so satisfactorily fulfilled. We are told that friendly relations between them were interrupted. And, he states further, that on one occasion, when he returned from a tour of inspection which necessitated his absence in the country, he found the department in great disorder from “want of supervision.” This is evidently meant to insinuate that it was got into great disorder by the Postmistress; whereas, as I said before, it might have been brought about by the very alteration of the system that the Postmaster-General was so anxious to carry out. It does not appear to me that the deduction is a very correct one. He then explains how far the re-organization of the Money Order Office was carried out. The Postmistress was placed at the head of that office; and, he insists that it was made a distinct department by the Executive, over which he was to exercise little or no control. This opinion is reiterated and tenaciously adhered to in the evidence given by him before the Board. Now, I would like to hear the opinion of a member of the Government on this question, because I remember that, during last session, when the Estimates were before the House—though

I am not quite certain on that point—the Colonial Secretary distinctly stated that it was the intention of the Government at some future time to create the Money Order Office a separate and distinct department. We find on reading over the evidence, that Mr. Prior is quite fixed on this point, that to carry out the work of that office, he put two clerks of the lowest grade, on the lowest salaries—and one of these officers was of noted bad character, and his security was only £100, whilst he was allowed to pass through his hands any amount of money, with little or no check—to manage the business under Mrs. Barney. We now find, further, when this branch passes more directly into his own hands, that he admits the necessity of a sufficient number of proper officers to carry out the duties—to use his own words, “the issuing clerk, accountant, and cashier, being checks on one another.” The Postmaster-General broadly accuses the Colonial Treasurer and the Auditor-General of being unable to discover the deficiencies, and takes all the credit to himself of initiating the late inquiry before the Board. That, also, I should like to get the opinion of the Government upon. I must say that the Postmaster-General, in his letter, shows great ingenuity; for he has endeavored to carry the war into the enemy’s country, and to shift the blame of his own want of attention to his duty on the shoulders of others. The Postmaster-General maintains that the Money Order Office was a distinct and independent department, for which he was not responsible. This does not seem to have been so explained to or understood by Mrs. Barney, who showed herself unable to fulfil the duties imposed on her. Now, I am merely speaking of the action of the Government, without questioning the decision at which they have arrived; and I only mention these things to show that it was quite impossible that the Money Order Office could have been a distinct department, and that while it was always under the Postmaster-General, he showed great carelessness in the arrangements that he made for carrying on the duties. He admits, in his evidence, that he knew the man Parsons was a doubtful character, that he cautioned the head of the office against him, and that he intended to keep a look-out upon him. Yet he put him in a responsible position—for what purpose I do not say. In his evidence, the accountant of the Post Office said, of the Money Order branch, that he was taken away from the supervision he had exercised over the books—that he was not ordered to discontinue, but it was understood; and that Mr. Parsons was such a disagreeable person he did not like to have anything to do with him. Yet, when this inquiry takes place, we find it is necessary that the staff shall be doubled to provide those efficient checks which have been neglected in the office. No one accuses the Postmaster-General of a want of ability and zeal for the discharge of his

duties, however much he may want temper and discretion. But, as the inquiry has led to our knowing so much, we want to know more. We want to know where the Postmaster-General selects his staff. The excuse that might have been made before, when good men were not to be had in the colony, would not hold good now. We want to know where he got Parsons—where did he pick him up? Then, there was another man, Matthews, who was a defaulter for a large amount of stamps; and who, after he had left the Post Office, was arrested for forgery, and, I believe, convicted. Are these the sort of persons to have in the public service? Are they put in by the Postmaster-General, on his own responsibility, or are they recommended to him by the Treasurer? These are the things we want to know. I could mention many other circumstances; but, I think, after what has occurred, that we should have some knowledge of the manner in which the offices in the Post Office are filled up. As I said before, I wish that this had fallen into some other hands; but, as it has not, I think it is advisable that the inquiry instituted by the Government shall be supplemented by something further—as to the amount of responsibility thrown on the head of the department originally, whether it is intended that the Money Order Office shall be a separate department or not, or whether the statements made all through this correspondence are true. I shall now conclude by moving,—“(1.) That a select committee be appointed, with power to send for persons and papers, and to sit during any adjournment of this House, to inquire into and report on the internal organization and general management of the Post Office and Money Order Departments. (2.) That such committee consist of the following members: The Honorable the Colonial Treasurer, Mr. Pugh, Mr. Watts, Mr. Forbes, and the Mover.”

The COLONIAL TREASURER said: Mr. Speaker—The honorable member who has just spoken has shown considerable interest in the Post Office—an interest, I have no doubt, arising from his early connection with the department—an interest arising in some degree in consequence of the gentleman alluded to as occupying the position of head of that department being an appointment of his own. The Government must have some satisfaction in being relieved from the responsibility that the honorable gentleman has taken from their shoulders and attempted to throw altogether on the Postmaster-General. There is, no doubt, something in what the honorable member has said with reference to the correspondence of the Postmaster-General, and the whole of the proceedings before and since the inquiry; but when the honorable member and the House receive from the Government the fullest information, and the assurance that the disorganization which existed at the time the

correspondence took place, and which has been disclosed by the evidence taken before the board of inquiry, is now in a fair way of being remedied—when the department is being re-organized—I think the honorable member and the House will not see the necessity for another inquiry at this time. I think that, under other circumstances, there could be little question that an inquiry into this or any other department would not be wanting in good and truthful results; but, as the Post Office is before the House, I can say that the recent disorganization has given place to a perfect re-arrangement and settlement for the future of all the affairs of the department. No doubt that, hitherto, as the honorable member for the Burnett has stated, there existed in the Money Order branch a want of sufficient checks—that is to say, those checks have not been kept up by the officers of the department which the Government and the country ought to expect. But, while admitting this much, I have to say that the Government have met that want of business habit, and that disregard of duty which were clearly noticeable in the case of the head of that branch of the department, by requiring the payment, by that official, of a moiety of the amount of the defalcations; and that branch has since been placed on a proper footing, and those checks have been provided which it originally wanted. It wanted, as the evidence clearly shows, that the officer who received and paid the money at the window should be checked by another officer in the Money Order branch, and that the receipts should be checked by the payments, and by the amount of cash in hand; so that the accounts of any one officer should be checked by a second, or a third officer. The whole of these duties had been left to one officer, Parsons, who received money, and paid away money; and who sent the advices concerning the issue of money orders, and kept the accounts—or rather neglected to keep them—and had full control of the cash—which he seemed to have paid little attention to, except in so far as it suited his own purposes—and checked his own accounts. Now, the whole of the duties of the branch have been thoroughly re-organized; such mistakes and frauds as have occurred in the past, cannot occur again, except by collusion—against which it is impossible to provide—but, excepting for that, every possible check has been provided in the department. But, before leaving the question, I think I might state how the officials have been dealt with. The head of the Money Order branch—the late Postmistress—has received an intimation from the Government, that it will be proposed in the House to pension her for the future, and that they will deduct from her allowance a certain proportion yearly until the moiety of the total amount of the defalcations, for which she is held liable, is repaid. With reference to the Postmaster-General, I say

that I agree with much that has fallen from the honorable member for the Burnett, that that officer has, in the course of the correspondence, mistaken his position with regard to the responsibility which devolved upon him as head of his department. The gentleman has been under a misapprehension that a letter written at an early date, under the direction of the late Colonial Treasurer, relieved him from the responsibility of the Money Order branch. That letter has been carefully examined by the commission, and by the Government, and found to be wanting in the intention and meaning which the Postmaster-General puts upon it. I do think that it clearly shows that the responsibility which the Government put upon the Postmaster-General, as head of the Post Office department, really existed. That officer has been obliged by the decision of the Board, acted upon by the Government to pay—which he does not object to do—the other moiety of the deficiency caused by the late defalcations; thereby clearing up that portion of the loss as regards the country. A further arrangement has been made with regard to the future operations of the Postmaster-General. It had been the intention of the Government to come down to the House and ask for a vote for the purpose of paying an officer who would be Postal Inspector; but, upon further consideration, and since the re-organization of the department, the Government have thought it better, and the Postmaster-General has accepted the position which the Government consider he is fitted to take, that Mr. Prior shall be Postal Inspector and Postmaster-General. The Government have endeavored to get a Secretary, or rather a Postmaster to do the work at the Brisbane head office, which has heretofore been part of the duty of the Postmaster-General. The details of the office require a man of thorough business habits—habits which are only acquired by a man from long connection with a post office in the colonies or elsewhere; and the Government, therefore, thought it would be well to apply, not to the New South Wales authorities, but to the Victorian Government, who, they have reason to believe, have this particular service best organised, for the nomination of a gentleman to take the office of Postmaster in the head office at Brisbane. In doing that, the Government thought they had not done unwisely, even in passing over the Civil Service of this colony. They had looked around, and although they found that many of the civil servants have all the intelligence and the integrity for the office, they know of none duly qualified from habit and training to enter the office, and, from the first day, to undertake and discharge the duties of Postmaster, and to act during the absence of the Postmaster-General. They do not keep out of view the claims of any officer who might, even now, present himself, and they are in a position to appoint him;

but they have, so far, failed to discover that such an official is in the public service, and such an one is not likely to be beyond their knowledge. I think, therefore, that under the circumstances, the honorable member (Mr. Mackenzie) will see that there is little necessity for the appointment of the committee. The evidence already before the House shows that there was a want of knowledge between the Postmaster-General and the late Postmistress of the clerks in the office, and a want of understanding of their relative positions, which prevented them from having those checks upon their subordinates that they ought to have had. They have been in a peculiar position, which is not likely to be witnessed in the Post Office again, or in any other department of the Crown in this colony; for those irregularities, which are now so well known, having once occurred, I have no hesitation in saying that they are not likely to occur again. The position that had been held by the lady, for whom I am sure every honorable member in this House has the highest respect, had led to some difficulty, and her feelings had had much to do with what has taken place; and, I take upon myself to say this much, that one of the reasons alluded to by the Postmaster-General himself—not that I have a right to endorse that statement—was, that he felt a delicacy in taking those steps, when a lady was in the case, which, otherwise, he would have taken, and which it was his duty to take. After the re-organization that has been effected, I have no hesitation in myself undertaking the future responsibility of the Post Office. Unless the House are prepared to institute a full inquiry into all the departments of the Government, there is not now any occasion for an inquiry into the Post Office, as distinct from any other department. I shall be glad, therefore, if the honorable member will withdraw his motion, after having given the expression of opinion which might be expected from him, from the interest he has taken in the department under notice.

Mr. BROOKES observed that, after what the House had heard from the Colonial Treasurer, he thought they would agree with him that there seemed to be a greater necessity for a select committee to inquire into the disorganization of the Post Office and the Money Order departments than had been ascertained from the speech of the honorable mover of the motion before them. He could have wished that the honorable mover had not spoken, as it were, with a kind of bias on the matter. It did appear, in following his remarks, that he alluded to the gentleman who holds the office of Postmaster-General with rather more strength than was called for, previous, at all events, to the report of the select committee. Now, it had long been before his (Mr. Brookes') mind that the Post Office was exactly the depart-

ment of the Government which appeared to be in most disfavor. The House knew perfectly well that the Post Office was not a favorite resort with the *protégées* of the Government, who wished to have large salaries and nothing to do. It had been hinted that the Postmaster-General placed in that department creatures of his own. One of the possible or incidental benefits of the inquiry would be to show that the Postmaster-General had been considerably hampered and interfered with, by having persons thrust upon him whom he did not approve of. He (Mr. Brookes) did not know who appointed Parsons.

Mr. BLAKENEY: He did.

Mr. BROOKES: If he did so, he deserved blame; but it did not follow that the whole of the blame should be laid upon him. From what was matter of public information, and derivable from the correspondence placed before the House and the public, it appeared that the Postmaster-General was, for some considerable time, doubtful of the integrity of the officer placed in the Money Order branch of his department, but he could hardly well interfere, because there was a lady in the case. The House ought to discriminate between delicacy to a lady and the discharge of public duty. If a lady would undertake the duties of the head of the Money Order branch, she should accept the responsibility. When she assumed that position, her sureties were raised from £200 to £1,000. This bond the Postmaster-General should have thought equivalent to relieving him from the liability which it is now sought to charge him with, by making him pay half the deficiency. It should be clearly borne in mind, that the duties of the Postmaster-General were much more than those comprised in his attendance at, and supervision of, the head office, as was clearly set out by the honorable the Colonial Treasurer. That officer had to perform the duties of Postal Inspector, and the House should recollect that, in the ordinary exercise of those duties, he was called away from Brisbane a considerable portion of the year, and that, while away, the only person whom he could trust with the office in which the defalcations occurred was the lady who had entered into the bond, and who certainly was, in the public eye, at least, a responsible person as the head of that office. When the Postmaster-General had his suspicions excited about the accounts, he called for them, and he had the monthly accounts sent to him: with those he was dissatisfied; he had the weekly accounts—he had the daily accounts, and still his dissatisfaction grew. The accountant was called in to examine those accounts, and it became apparent immediately that some dishonesty was going on. But what he (Mr. Brookes) wanted the House to notice, was, that accounts which the accountant found out to be wrong all bore the initials of the Postmistress. A difficulty arose at once; the accountant proved with very little trouble,

that the accounts must have been signed with very little examination, if any at all. As a further ground why the subject should be referred to a select committee, he (Mr. Brookes) might call the attention of the House to the fact, that the person who was guilty of the defalcations had a very large amount of money constantly passing through his hands, yet his bond was only £100. It was to be accounted for why small salaries were paid in the Post Office, where a large amount of work was expected. The Post Office appeared to be a kind of scapegoat with the Government. They were not so careful as they ought to be in appointing persons to positions of responsibility in that department; and they did not take due precautions to get proper securities from those persons. It would come before the committee that the person who was the object of suspicion all through was allowed, day after day, to handle the public money under the supervision of the lady, while the Postmaster-General was absent in the country, and not in a position—utterly unable—to look after the department. The Postmistress herself allowed the man Parsons to be in daily receipt of money, although she was herself distrustful of him. He (Mr. Brookes) mentioned these things to show that there was a necessity for appointing the committee. He believed that great good would come from the appointment of the committee; and he hoped that the House would not allow the Government to effect such a change in the management of a department as that hinted at by the Colonial Treasurer, without being thoroughly satisfied, through the examination by a select committee, that they were justified in taking such a step. It seemed to him that, if the House was to have the power of the purse, it was absolutely necessary, when a request like the present was made for a committee, it should be granted. No harm could come of it. After such a report as that which had been sent in to the Government, they were not treating the Post Office with that liberality, nor according to it that consideration, which such an important department deserved at their hands, when they refused the appointment of a select committee. The House knew perfectly well that whoever was head of the department, as Postmaster-General, held a very invidious office: he was liable to all sorts of complaints; he was very liable to be misunderstood. The honorable member who moved for the select committee misunderstood the gentleman who now occupied that office; and, for the purpose of clearing up all matters—those connected with private character—and with the more desirable object of bringing to bear on the Post Office that amount of intelligence and light which it demanded, a select committee ought to be appointed. He (Mr. Brookes) had no faith in the temporising policy of the Government with reference to this department, as it had been set forth by the Colonial Treasurer.

He thought that if the House accepted his promise that it was "all right," next session matters would be very much worse. Until there was a radical reform and the whole department was placed on a better footing, there was no safety. He therefore begged to say that he would support the motion.

Mr. JONES said, if he thought it was possible that the committee could be of the slightest use in informing the colony or instructing the Government with a view to there-arrangement of the Post Office, he would certainly vote for it; but, as he could not discover in any way—although he had tried, and had thought over it since the production of the papers before the House—the possible object of the committee, he was sorry to say he must oppose the honorable gentlemen who had spoken in support of the motion. The simple facts were these:—Defalcations to a considerable extent had been discovered by the Government in the Post Office—admitted by the Government—and the Government had taken care to see that the parties who were responsible for those defalcations should make the loss good, so that the colony and the public should not suffer. He could not see what the committee could discover more, or what they could do more than the Government had already done. If they could get gentlemen from the Post Offices in New South Wales and Victoria—able gentlemen, experienced in the business and management of those departments—he could very well understand their meeting and investigating the way in which we conducted the Post Office here, and pointing out the checks by which, for the future, mistakes could be avoided, and a check kept upon the efforts of dishonest clerks. But if honorable gentlemen in the House could tell him that a committee of four or five of themselves, who had never been connected with a Post Office in their lives, could go and investigate the Queensland General Post Office, and find out anything that had not already been found out by the Government, he would be very glad to know them. As he understood it—and he had reason to be particularly well informed on this matter—Mrs. Barney had been formerly Postmistress and head of the Brisbane establishment, and when the Postmaster-General was appointed, she felt uncomfortable at having some one put over her; then, a suggestion was made that it would be advisable that she should have a department of her own, where the interference of the head would be less intrusive. This was acted upon, and her security was then raised from £200 to £1,000. Unfortunately for Mrs. Barney, she had a dishonest clerk; unfortunately for Mrs. Barney she did not check that clerk. That clerk, he (Mr. Jones) might simply state, had one morning £100 of public money in his pocket; he put down £90, and in the other column he put down "paid away, £20." There was no check

upon him to ensure that what he put in his books was correct. Mrs. Barney never took the trouble to see that it was; she never counted his cash, to ascertain that he had the money he ought to have. Nothing could have been easier than to have docketed the transactions of that clerk every day, and thus ascertained what he had received, what had passed through his hands, and what he had paid away; but she did not do what was so requisite. This went on from day to day, and from week to week, the clerk always taking care to charge himself on the credit side of his books with what he ought to have, but on the other side, the amount paid away was made to include the amount of his peculations. At length defalcations were discovered—this was in Mrs. Barney's department, with which Mr. Prior had been reluctant to interfere—an inquiry was made, and now the whole thing was made good. The Government had done what appeared to be the most proper thing to do. They said to the Postmaster-General: "You did not wish to interfere with Mrs. Barney; it was your duty to do so. Mrs. Barney did not do her duty." Both paid the penalty for their neglect, for they had to make up the whole of the deficiency between them. Now, if the House could tell him (Mr. Jones) that four or five honorable gentlemen—all clever people, all Postmasters-General—sitting as a select committee, would sketch out for Queensland a system that ought to be adopted, the thing for the re-organization of the Post Office, and for the prevention of all future abuses; and tell him that they could do it better than it had already been done by the Government; he was hardly prepared for it. What was the committee to do? The inquiry would be a tiresome one, and a waste of time and attention, without any commensurate result. Consider the loss of time by the clerks in the office, their absence from business—and what to do? Did any honorable member say that there was something behind; something secret to be seen that was not seen; something fresh to be discovered? Did any gentleman say that the Government had not told them all? If so, for goodness' sake, let him say what it was. He (Mr. Jones) would be one of the first to thank the Government for what they had done. They had taken the most public way of making known everything connected with this business. Unfortunately, there had been defalcations; but the Government had taken the best way to show how they should be made good; and he could not discover in what way a select committee could make it more satisfactory to the colony.

The COLONIAL SECRETARY: I would not think it necessary to add anything to the statement of my honorable colleague, the Colonial Treasurer, with reference to the matter brought under discussion, were it not that the honorable member (Mr. Mackenzie) has asked

for an answer from the Government to one or two questions which it is hardly possible for my honorable colleague to answer, as he was not in charge of the Treasury when the circumstances arose which led to the appointment of Mrs. Barney, and, more especially, as I had the charge of the department when the defalcations were discovered. I think it desirable that I should let the House know how those defalcations were discovered, in the first instance. The Postmaster-General is hardly correct in saying that he was the originator of the inquiry; for the fact is—it is not creditable to the Government to admit it, but still it must, I am sorry to say, be admitted—the defalcations were discovered in England, by the Postmaster-General, and it was in consequence of a despatch received by this Government from the Secretary of State, calling attention to the fact that the remittances from this office were something like two hundred pounds in arrears, that I, as the Minister in charge of the department, caused an inquiry to be made. The Postmaster-General (Mr. Prior) told me that he was not aware of the present state of the accounts; the fact being, as was soon apparent, that on account of some unfortunate misunderstanding between himself and the lady at the head of the Money Order office, he had not exercised a proper supervision, and had not known how matters stood. All that the Government could do was to insist on an inquiry, which, as my honorable colleague said, was held; and the accounts were sifted, gradually, until it became beyond doubt how the defalcations arose. With regard to the second question of the honorable member, it is most certain that the Government never had the smallest notion of constituting the Money Order office a separate department; so that the Postmaster-General could not consider himself relieved from the responsibility of that branch. I did, no doubt, as the honorable member (Mr. Mackenzie) states, express, in this House, an opinion held by myself and by my honorable colleague, the late Colonial Treasurer, Mr. Moffatt, that it would be well to separate the Money Order office from the Post Office. It may be done some day; for, having established Government Savings Banks, it might be better that the monetary business of the banks and of the Money Order offices should go together; but, as it was not done, so the Postmaster-General was never informed that any new arrangement was made, or that the Money Order branch was separated from the Post Office. I cannot hold that he was not responsible. I hold that he was bound to know that he had not been released from responsibility—he was bound to consider himself head of the Money Order branch. It is a delicate question for me to speak upon, because, as head of the Government, I am bound to believe and support the heads of departments. I acknowledge the zeal of Mr. Prior, and his deter-

mination to do his best in the public service; he is at present in the service, and he is a very valuable officer. At the same time, I say that he made a mistake on this occasion—an unfortunate mistake; he was not relieved from responsibility. He, no doubt, appointed Parsons. I have no doubt the suspicions of Mrs. Barney were communicated to him, and he did not attend to them. He is responsible for the loss that has arisen. I will state under what terms Mrs. Barney took charge of the Money Order office. She fairly and frankly represented to the Government at that time, that, being a lady, and not a professional accountant, nor experienced in accounts, she could not undertake the responsibility attached to the Money Order office—the receipt of money, the payment of money, and the receipt and issue of stamps. She was assured by myself and my colleagues that she should be furnished with a proper accountant to do the work, and that she should be placed in a position in that office which was not an unfit one for a lady, and that, while the accountant would be responsible for the correctness of his accounts, she should exercise supervision over the branch of the department in which she was placed. I never, until I heard of the defalcations, understood that the Postmaster-General had not told off a proper officer, and provided proper checks for that branch of the department. It was the present Postmaster-General who laid before the Government the whole scheme for the organization of the Money Order department. The Government examined it; and I satisfied myself that it was in accordance with the English practice, and contained every necessary check. Neither I nor my honorable colleague, the Colonial Treasurer, unless it was reported to him or me by the head of the department, could ever suppose that these checks were not carried out, or that the department was not efficiently organised. It was an unfortunate misunderstanding. I cannot say anything more of it. I believe it is owing to no deficiency of capacity and zeal on the part of the Postmaster-General, and I will say, on the part of the late Postmistress, that she very frankly disclaimed ability to deal with the whole duties of the position in which she was placed. I am certain the Government will have no objection to a committee, if it can be shown what good it will do; but, for myself, I cannot see the use of it. It will cost a large amount of money, and it will lead to a great deal of heartburning—the examination of those persons who are so well-known to us all; indeed, it will be almost impossible to select a committee from this House, because the persons are so well known to honorable members that few, if any, have not some interest in those affected by the inquiry. And, as an inquiry has been already made, and as my honorable colleague has shown that all has been done by the Government that could be done, and

having expressed his readiness to accept the future charge of this department on his own responsibility, and having shown that all those checks which are so necessary shall be instituted, I would not advise this House to deal with the question in the particular form that the honorable member for the Burnett wishes.

Mr. DOUGLAS confessed that, without taking counsel with any person who was better informed than himself, the impression left on his mind after the perusal of the documents laid before the House was, that ample information on the subject of the motion had been given. That impression, he was not sure, he did not still retain. This he felt, that the Government had exceeded in leniency almost, towards Mr. Prior. That gentleman, no doubt, enjoyed the esteem of his private friends, and was widely known throughout the colony; but, acting simply in his position as Postmaster-General, he had, in this instance, been guilty of misconduct which would justify the Government in dismissing him. He (Mr. Douglas) saw every reason in the documents to justify that opinion—and that was the conclusion at which he had unhesitatingly arrived. The Government had seen fit to mulct Mr. Prior in his pay, and, no doubt, that was visiting him somewhat severely in a pecuniary point of view. But in what light would other officers view the matter? How would they regard the infliction of such a penalty? A high Government official was allowed to retain his position after he had been guilty of a grave want of discretion!—perhaps that was scarcely a strong enough term to apply to him. Mr. Prior, in his own mind, could not have rested secure in the belief that he was relieved from all responsibility in connection with the Money Order office. From the 31st April to the 31st December, the period during which a large deficiency occurred, he took no steps whatever to check or detect defalcations. Did he suppose that the office was under his supervision as the responsible head of the department? Did he suppose it was under the supervision of the honorable member who was the executive head of the department? The impression left on his (Mr. Douglas') mind was that, unfortunately the lady, Mrs. Barney, and himself had not been on very amicable terms in transacting the business of the office, and that the Postmaster-General resolved that he would leave her entirely to herself in the management of her branch of the department. Unfortunately, that was the position he had placed himself in towards the lady—that was a position that no head of a department ought to take up with relation to a subordinate. That was a device not unknown before; but it showed that when there was a division of responsibility, offences of the kind described in the documents were sure to creep in. He (Mr. Douglas) said this with pain, because the gentleman he alluded to

was one who deservedly enjoyed the esteem and friendship of nearly all honorable members in the House; but, in his representative position, and as a public critic, he felt bound to express his candid opinion on this matter. His only doubt was, whether the Government ought to have accepted the reconsideration of the subject which Mr. Prior demanded; or whether they would not have acted wisely to have allowed Mr. Prior to resign;—would it not have been wiser for them to have said that his conduct justified them in accepting his resignation? He thought it would have been wiser to have accepted his resignation. As he understood it, Mr. Prior was to be placed in a subordinate position.

The COLONIAL TREASURER explained that Mr. Prior would continue to be Postmaster-General and Postal Inspector.

Mr. DOUGLAS: There was to be a Postmaster?

The COLONIAL TREASURER: Yes; to attend to the duties of the head office when Mr. Prior is away.

Mr. DOUGLAS: Then, again, there was to be a division of responsibility—it was to be a sort of divided responsibility.

The COLONIAL TREASURER: No division of responsibility.

Mr. DOUGLAS: Then, all that went to lead him to the conclusion that it might be desirable that the House should obtain some information of the department itself. The honorable and learned member for the Mitchell, in that pleasing manner so peculiarly his own—his style of speech was somewhat exhilarating—told them that the committee could do no possible good, that the Government had done all that was required, and that the House was not capable of doing anything. Were they to abnegate their functions?—were they to be precluded from exercising their undoubted privileges, when they deemed that there was a necessity for investigating the manner in which a public department was carried on?—were they to be told that, because it would cause some little inconvenience to call the clerks—that it would give offence to persons—that it would create some little confusion in the minds of the officials—when there was a glaring case of incompetency, they were not to examine into the conduct of the department? It was probable that there would be a very large vote demanded for the Post Office department this session; and it might not be undesirable that they should have the fullest information of the organization of the department. He presumed that the new Postmaster for Brisbane, who had been sent for to high officials in Melbourne, would be received on worthy recommendation. He was to be placed in an important position, at £500 a-year. All this might be necessary, no doubt. A very large appropriation would be necessary to cover the expense of opening the

Torres' Straits route. And, as the Colonial Treasurer had promised, the other day, a new postal route to the honorable member for the Mitchell; and, as it was understood the honorable member for the Warrego would come in for another; there was enough to do with the money. The present was a grave question, and as honorable members were complaining that there was really too little to do, this session, they might devote their time and attention to it. Honorable members on the other side would like something to do, and they would learn something of their duties better in these little inquiries than by discussions in the House. He had not conferred with the honorable member for the Burnett on his motion; but from all that had been said, he was inclined to think, that the honorable member was right, and that he was wrong.

Mr. WALSH sincerely regretted to take part in the debate, and was sorry to have again to differ with his honorable friend, the member for the Burnett; but, at the same time, he did not altogether agree with the arguments that had been used by the members of the Ministry who had spoken. He was not satisfied that a select committee of the House would not throw light on any subject. What he objected to, was, that they should do an act which would tend to increase or create a distrust outside of the House—that they were legislating, in any way, unfairly. The feeling was altogether too prevalent that select committees of the Assembly had not done their work in the way that it was properly thought they should have done it; and he thought it would be well if the House could, to some extent, banish that feeling outside. He found, on making inquiries, that the mover of the resolution was somewhat interested in the fate of one of the parties implicated in, or connected with, this business of the Post Office. He had no hesitation—though he assured the honorable member he meant no harm—in stating that, the mover of the resolution stood as security for Mrs. Barney.

Mr. MACKENZIE: Hear hear: what had that to do with it?

Mr. WALSH: He would state that one result of the committee, if granted, might be to compel the Government to proceed to extremities against Mrs. Barney, and, instead of dealing with her in the extraordinary way in which the Colonial Treasurer had assured the House the Government intended, that harsh measures might be taken against her, and that she might be called upon to pay the full amount of her surety. Although he could completely exonerate his honorable friend from the suspicion of being influenced in any way, the public outside the House would not exonerate him—his political enemies would not exonerate him. He put it to the honorable member, whether it would be well to have a committee formed under his auspices—though it might do some good—and whether it would be pru-

dent for the House to submit to a committee that, under all the circumstances, would be productive of much distrust? At any rate, if the committee should be granted, he (Mr. Walsh) would call for a ballot.

Mr. McLEAN: With regard to the remark of the honorable member for Maryborough who had just sat down, he considered that, if the honorable member for the Burnett was a surety, he was taking the very best mode of dealing with the matter at once, so that he could ascertain for himself, whether he was liable for the amount of his surety to the Government. He could not see any objection to the honorable mover at all: the sooner he knew the worst, the better. If the Government had not made that searching inquiry that the honorable member for Port Curtis wished, the sooner it was over, the better for all parties. He (Mr. McLean) could not understand on what grounds, or on what principle, a public servant in command of a department could, in any way, be exonerated from the responsibility of his position. Any honorable member who had a person in charge of his private establishment would hold him responsible for every detail of that establishment; and, no doubt, if any such defalcations as the House had heard of took place, the person in charge would certainly not retain his situation long. In this respect he saw no difference between the public servant and that of a private person. The same rule applied to both; and, as the representative of a constituency in this country and a member of the House, he knew all about the transaction under consideration, he certainly blamed the Government very much for not dismissing all the parties in the Post Office who were connected with the defalcations. What was the use of paying high salaries to the head of a department, unless the responsibility was on him? They might as well have a person at £100 a-year, if there was no responsibility attaching to the position of head. He quite agreed with the remarks of the honorable member for Port Curtis, that a divided responsibility was always dangerous, and should not be allowed. It seemed to him a most extraordinary view that the Government took of the matter—that one official was to pay one-half of the defalcations, and the other the second half. It made them both responsible, and at the same time inclined him to think that the Government condoned their offences. He would certainly vote for the committee.

Mr. PUGH: Sir, it was not my intention to take up the time of the House by speaking upon this question, nor should I do so now but for the reason given by the honorable member for Maryborough, that the name of an honorable member which has been mentioned in connection with this committee should be objected to. I do not consider that the remark made by the honorable member for the Mitchell is entitled to any

weight. He says that only those members should be appointed who are fit to undertake the duties of Postmaster-General. The honorable member has, I believe, put a motion on the business paper for the appointment of a select committee to inquire into the construction and management of the gaols throughout the colony. But, I do not opine that it is at all necessary he should be qualified to act as gaoler. Such a principle carried out would result in our having no select committees at all, as we could not all be expected to have the qualifications of Colonial Treasurers, light house keepers, and so on, to suit the peculiar nature of the inquiries. I shall vote for the appointment of this committee, sir, because I think some injustice has been done to a certain person implicated in the inquiry, and I believe a further investigation will have a beneficial result. It is evident by the correspondence which has been laid before us, that the position held by Mrs. Barney was to all intents and purposes forced upon her. She felt her unfitness for the post and was reluctant to undertake the duty. But she was told that she would have the assistance of a competent accountant. That gentleman, it appears, took remarkable care of the money, but he took care of it for himself and not for the Government. The position occupied by the lady was a very painful one. I believe that upon more than one occasion she applied for the services of the Post Office accountant, in order to revise the accounts and see that everything was in proper train. That request was declined. She was made responsible for the working of the Money Order branch, while she was kept in the dark as to what was going on. The clerk who was nominally under, but virtually over her, was in the meantime committing all sorts of irregularities. Under these circumstances, I think it is very hard that she should be called upon to pay a moiety of the defalcations. I am not, sir, at present prepared to say who ought to pay them, but that, I presume, will be one of the questions which the committee will have to consider. Referring to the remark made by the honorable the Colonial Treasurer on the subject of a pension, I may say that I always look with great distrust upon anything in the shape of a pension. We find in the case of other officers in the service, that there are persons who, notoriously, have done nothing to earn their salaries, and who are still in receipt of their pay in full, even with the increase which is provided by the Civil Service Act. I think it would be much better to allow Mrs. Barney to go out of the Post Office, and to find some sinecure for her, than to establish a precedent by giving her a pension as a recompense for her services. I trust, sir, the committee will be appointed, as I believe their investigations will have the effect of throwing some further light upon the matter.

Mr. R. CRIBB: It is my intention, sir, to vote against the appointment of this committee, unless some stronger reasons are advanced in favor of the motion than have already been brought forward. I think, sir, the Government having given a full and fair statement of the circumstances connected with the proposed inquiry, the appointment of a select committee would be tantamount to a vote of censure upon them. (Oh, oh.) That, sir, is my opinion, and that is my reason for voting against it. A great deal has been said in reference to a lady who is connected with the Post Office, which I think it would have been much better to have left unsaid. I will mention what I know of the working of the Post Office, derived from a residence in this town of seventeen years, during which period I have had opportunities of seeing a good deal of the working of these establishments. When that lady was Postmistress of Brisbane, long before Separation was granted, I must do her the justice to say that the Post Office was managed ten times better than it was before she undertook the duty. This is a fact which no one will contradict. And when Queensland was formed into a separate colony, I think she was entitled to some consideration, and that she might either have been pensioned off with her full salary, or have received some compensation for her services. I do not think, when the boon of Separation was granted to us, that deserving servants should have been placed in a worse position than they occupied before. Perhaps the granting of a pension would have been the wisest course to have adopted. However, Mrs. Barney was appointed Postmistress, and afterwards placed under the Postmaster-General. We must consider that in her new position she had everything to learn. The Postmaster-General also, a gentleman for whom I have the highest esteem, had no previous experience of Post Offices. I think, therefore, every allowance should be made for them both. Taking the worst view of the case, I think they have been visited with a very severe punishment in having been called upon to pay the amount of the defalcations. I should much rather have seen, in place of the motion for the appointment of this select committee, a motion, the object of which would have been to release them from a portion—say the moiety of this payment. It would have shown that, although we are compelled to take notice of the mistakes which have been committed, we appreciate the endeavor these officers have at all times evinced to do their duty satisfactorily. I trust, sir, the honorable member will withdraw his motion, for I cannot see that benefit will accrue to the public in pursuing the inquiry.

Mr. LILLEY: Sir, in speaking to this motion, I may say that I know all the persons who are concerned in this inquiry, better, perhaps, than any other member of

this House. I am on friendly terms with both the Postmaster-General and the lady whose name has been mentioned by the previous speaker. I should be sorry to do anything to grieve them, or that would entail consequences of a painful nature. But, sir, it appears to me that honorable members of this House have before them a plain public duty to discharge, and that if anything leaks out which is calculated to impute blame to any department, or to any officer connected with a department of the public service, it behoves us to institute a full and sufficient inquiry into the case, in order that the public may be satisfied that such department is under the supervision of the House. Now, sir, I cannot see what objection the Government can possibly have to this motion, nor have I understood, either from the honorable Colonial Secretary or the honorable Colonial Treasurer, that they were averse to the appointment of the committee asked for. They appear to have said that the object which has been sought has been fully attained by the discussion that has taken place; but that if a further inquiry were considered necessary, they would not object to it, and would not look upon it in the light of a vote of censure upon them. I think, if the honorable member for East Moreton (Mr. R. Cribb) were to attempt to carry out his suggestion, and to place a sum of money on the Estimates for the purpose of reimbursing these persons, he would cast a far greater stigma upon the Government than the appointment of a select committee could possibly do. I should also object to the motion, if I thought there was nothing further in the matter which required investigation. But I cannot satisfy myself that this is the case, for when I consider that these defalcations were only accidentally discovered, it appears to me very probable that a further investigation into the working of the Post Office may result in bringing to light some other matter requiring correction, which has not yet caught the eye of the Government. At any rate, no harm can result from the appointment of the committee, and I would submit to honorable members that a refusal to grant it will appear to the public very much like an attempt to stifle inquiry. It will look as if there was some hidden reason for the Government to place themselves in opposition to the request. I do not suppose that any such reason exists, but I am anxious that the committee should be appointed, in order that the public confidence in such an important department may be upheld; otherwise it will be imagined that there is something in connection with the matter which the Government are anxious to conceal; or that the two persons who are chiefly concerned are such great favorites, that the Government are desirous of screening them. I do not know the exact amount of the defalcations—I believe that has not been ascertained.

* The COLONIAL TREASURER: £900.

Mr. LILLEY: That is certainly a tremendous penalty to pay, and is unquestionably a severe punishment. I am greatly opposed to the granting of pensions, but as the payment of a moiety of this sum has been laid upon Mrs. Barney, and there seems to be a desire that it should be restored to her in some form or other—that the Government should, in fact, put the money in their pocket with one hand and take it out again with the other, I think, perhaps, some payment in the shape of a retiring allowance to an old servant may not be inadvisable. I have said that I am on friendly terms with the Postmaster-General; but, I must say, it seems to me strange that the Government should inflict this penalty upon him and still retain him in the charge of a department where, notwithstanding all the checks he may institute, he may commit similar errors of judgment. It is clear that Mrs. Barney cannot be injured by the appointment of this committee, and it is very possible that some further light may be thrown upon the circumstances which it will be well to obtain. It will also prove that this House is determined to deal impartially with all its public servants. I shall, for these reasons, support the motion.

Mr. MACKENZIE: Sir, I wish to call the attention of the House to the wording of the motion. I am asking for the appointment of a committee "to inquire into and report upon the *internal organization and general management* of the Post Office and Money Order Departments." I utterly repudiate the idea of supplementing the Government inquiry as to the defalcations in the Money Order Office. The word "defalcations" does not appear at all in the motion. I am still more inclined to accept the decision of the Government, after the very full and impartial statement which has been made by the honorable the Colonial Secretary, for which I take this opportunity of expressing my thanks. His explanation has thrown new light upon the question. I may say again, that this inquiry does not propose to open that question afresh. It has been said that that part which relates to the Money Order Office might have been left out of the motion, but I hardly see how that could be. The honorable member for Maryborough has stated that I am not in a position to bring forward this question, because I am one of the securities for Mrs. Barney. I beg to inform the House that I was not aware of the fact until this evening—indeed, I am not quite sure about it now. I do, however, recollect that Mr. Galloway and Mr. Thornton were securities for Mrs. Barney, and I have some recollection that when Mr. Galloway left the colony, I was asked to sign some such document. Honorable members will feel assured that I had no recollection of this; in fact, I am not at this moment quite convinced that I am in that position. I will add, in conclusion, that

I have no desire to hamper the Government in any way. But whatever my own wishes may be, I do not consider myself justified in withdrawing the motion, after so many different opinions on the subject have been expressed. I shall, therefore, push the question, if necessary, to a division.

The question was then put and passed, and a ballot having been called for by Mr. WALSH, the following members were appointed:—Mr. Mackenzie, Mr. Bell, Mr. Watts, Mr. Forbes, and Mr. Walsh.
