

New South Wales Penalty Clause Mail, 1898 to 1902

The purpose of this exhibit is to show the use of penalty clause mail in the British Colony of New South Wales (NSW). This mail was used only for transmission of official Government mail for five years, January 1898 to November 1902.

The NSW Post Office was established in 1828. Over the years, official government mail was sent with "FREE" markings, regular stamps, "OS" overprinted stamps/envelopes/postal cards, department specific perfins, "OHMS" envelopes, Governor franks, penalty covers and "OS/NSW" perfin stamps/postal cards. With so many different formats being used over eighty-five-years this area is a challenge for collectors.

On January 1st of 1898, the New South Wales post office converted the officially printed envelopes to penalty envelopes by adding a penalty clause in the upper right corner. The clause was valid for domestic and Commonwealth postage fees. There are two penalty clause types.

Type 1 appeared in January 1898 and was used for all five years. The third word of this clause is "can."

This envelope **can** only be lawfully used by Government Departments on the public business. The use of it by public officials to avoid payment of postage on private matter of any kind is punishable and involves the letter being charged double postage. The public are cautioned against using it under any circumstances.

Type 2 appeared in January 1901 and was used for two years. The third word of this clause is "may."

This envelope **may** be lawfully used only by Government Departments on public business. Its use by any person to evade payment of postage on private correspondence is punishable, and involves the article being charged double postage on delivery.

To validate Government mail, the sender was required to note the department name in the lower left corner. Most envelopes had the required information printed on the envelope when produced. For small departments a generic penalty envelope was produced. They manually added their department name to the lower left corner.

A few printed envelopes are known with a rectangular box around the penalty text. Three examples of a handstamp boxed **Type 1** are recorded being applied to pre-penalty official envelopes.

To validate mail to the Commonwealth was paid in full, the Sydney Post Office applied a "**POSTAGE PAID SYDNEY NSW**" handstamp. Postage was required on Official mail to non-Commonwealth countries.

The Sydney Foreign Office added required postage to official covers lacking the required postage. About 50% of **Type 1** envelopes have a red NSW seal on the backflap and no **Type 2** envelopes have the red seal.



The exhibit has two sections, each alphabetical by Department. First is **Type 1** clause uses and second is **Type 2** uses. Few **Type 2** uses are known and only five departments used both clauses. Covers from 19 of the 30 known departments that used penalty envelopes are shown.

The Colony of New South Wales as it existed at the time of penalty envelopes is shown in red. The Federation of Australia was created in 1901 as a Dominion of the British Empire and the Post Office took almost two years to eliminate free official mail in NSW.

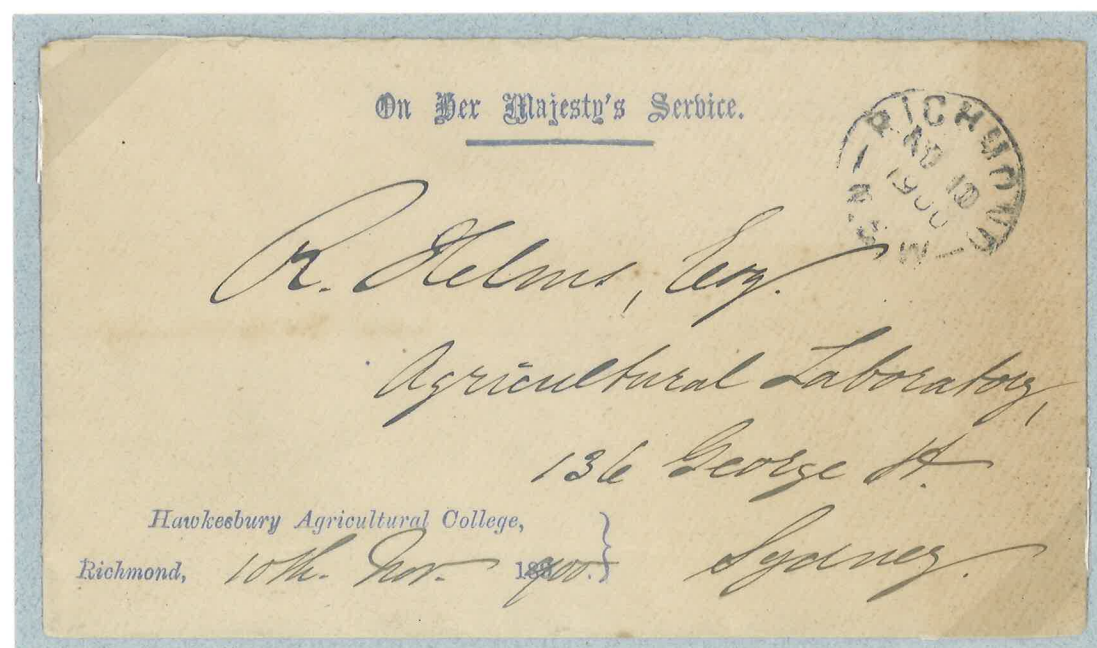


Pre-Penalty Clause Envelopes

Since 1895 "OHMS" only envelopes were used for official mail. On January 1, 1898 penalty clauses were required on official mail. Many OHMS envelopes were converted to penalty envelopes by printing the clause in the upper right corner. Before this change became public, many departments were supplied with non-penalty envelopes for use in 1898. In December of 1897 the Postmaster General instructed postmasters to accept envelopes with "OHMS" and department name on them and not charge for lack of a penalty clause. This regulation change resulted in fewer penalty covers surviving.

Richmond, November 1900 to Sydney, red NSW official seal on the backflap. Cover shows use of a non-converted envelope thirty five months after penalty mail was implemented. From this it is apparent that the conversion to penalty mail was never enforced.

Agricultural College (Hawkesbury)



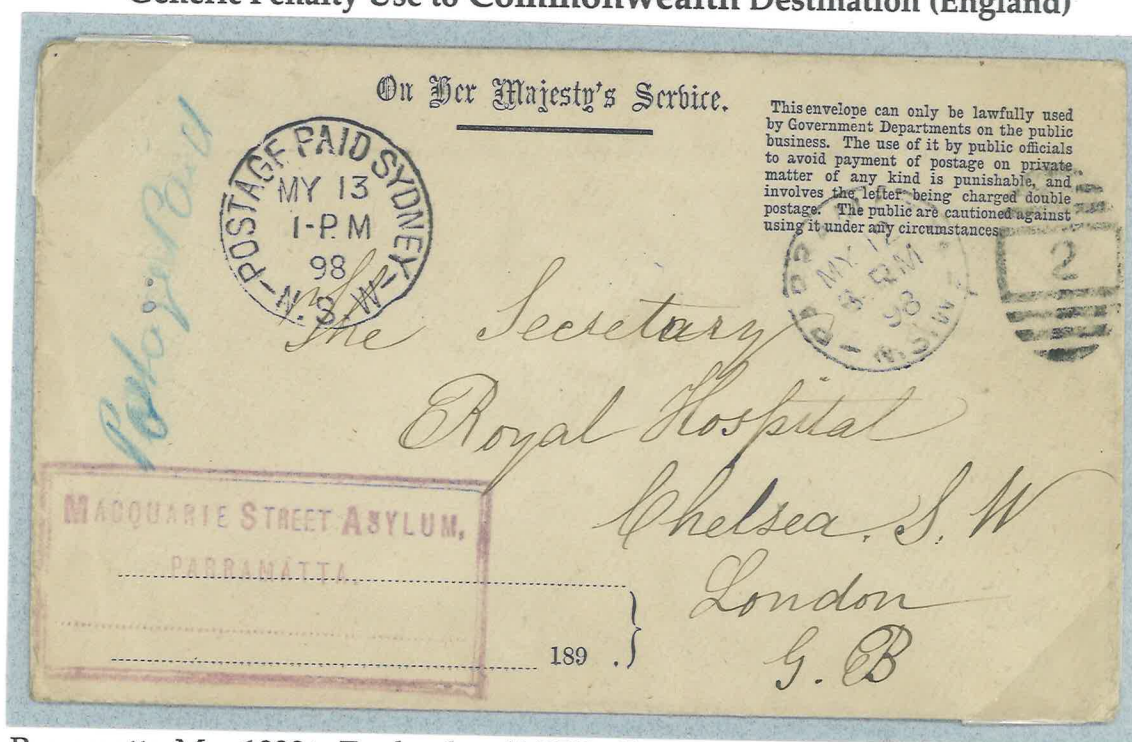
Penalty Clause Type 1 Uses

Type 1 penalty clauses first appeared in January 1898. They continued to be used until the "OS/NSW" perfin stamps replaced penalty clauses in November of 1902. The new Federal Post Authorities did not like free mail and wanted the state governments to pay their way. Most surviving penalty covers are **Type 1** clauses. A total of 28 departments are known to have used **Type 1** clauses.

A Bankruptcy Jurisdiction use four months before the penalty clause was implemented is shown on page four.

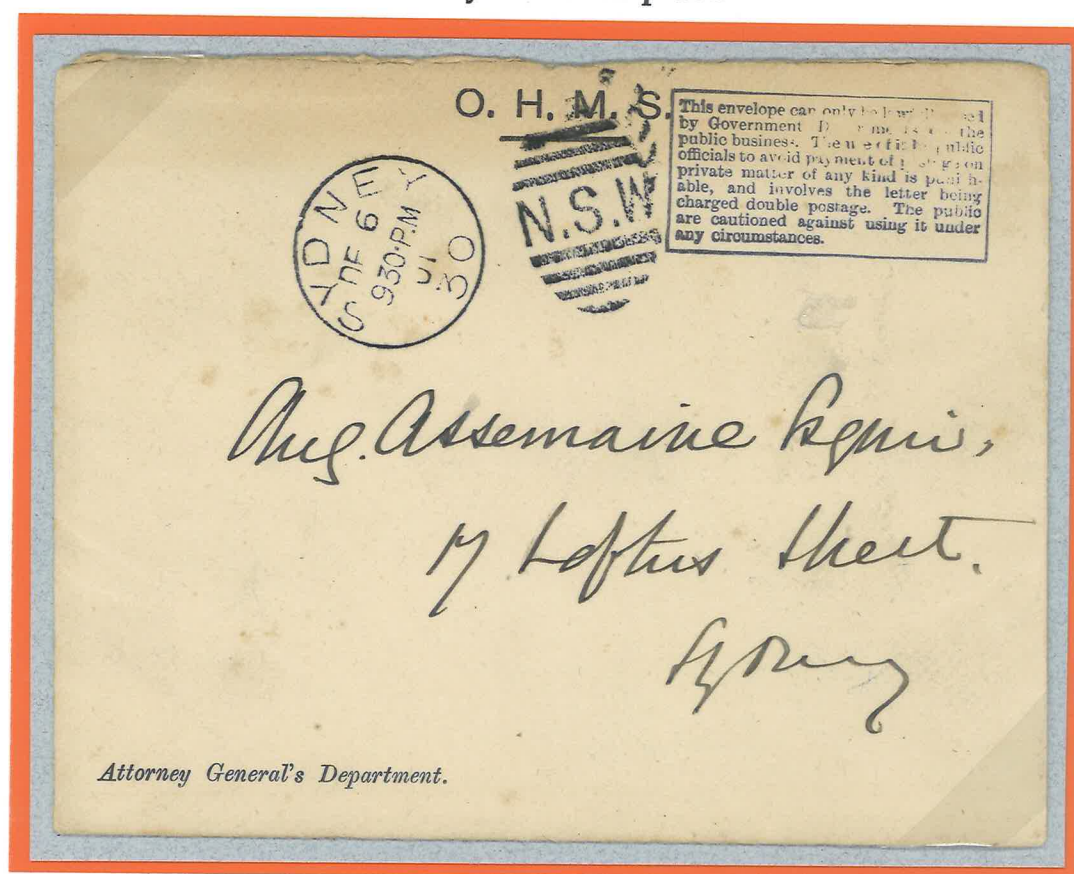
When this letter was sent, the Macquane Street Asylum treated men with serious eye problems and served as an asylum for the infirm and destitute.

Generic Penalty Use to Commonwealth Destination (England)



Parramatta, May 1898 to England, red NSW official seal on the back. Note handstamp of the Macquane Street Asylum. "POSTAGE PAID SYDNEY NSW" handstamp indicates no postage due on mail within the Commonwealth.

Penalty Handstamp Use



Shown above is an embossed seal on the back flap for The Government of New South Wales.

Only example known.

Sydney, December 1901. Handstamps with penalty text surrounded by a box were used to convert "OHMS" official envelopes to penalty envelopes.

Three penalty handstamp uses are known.

Commonwealth Destination (Scotland)

O. H. M. S.

This envelope can only be lawfully used by Government Departments on the public business. The use of it by public officials to avoid payment of postage on private matter of any kind is punishable, and involves the letter being charged double postage. The public are cautioned against using it under any circumstances.

PRINTED MATTER ONLY



The Regius Keeper,
Royal Botanic Gardens,
Edinburgh,
Scotland

Botanic Gardens,

Sydney, 26. 6. 1899. }

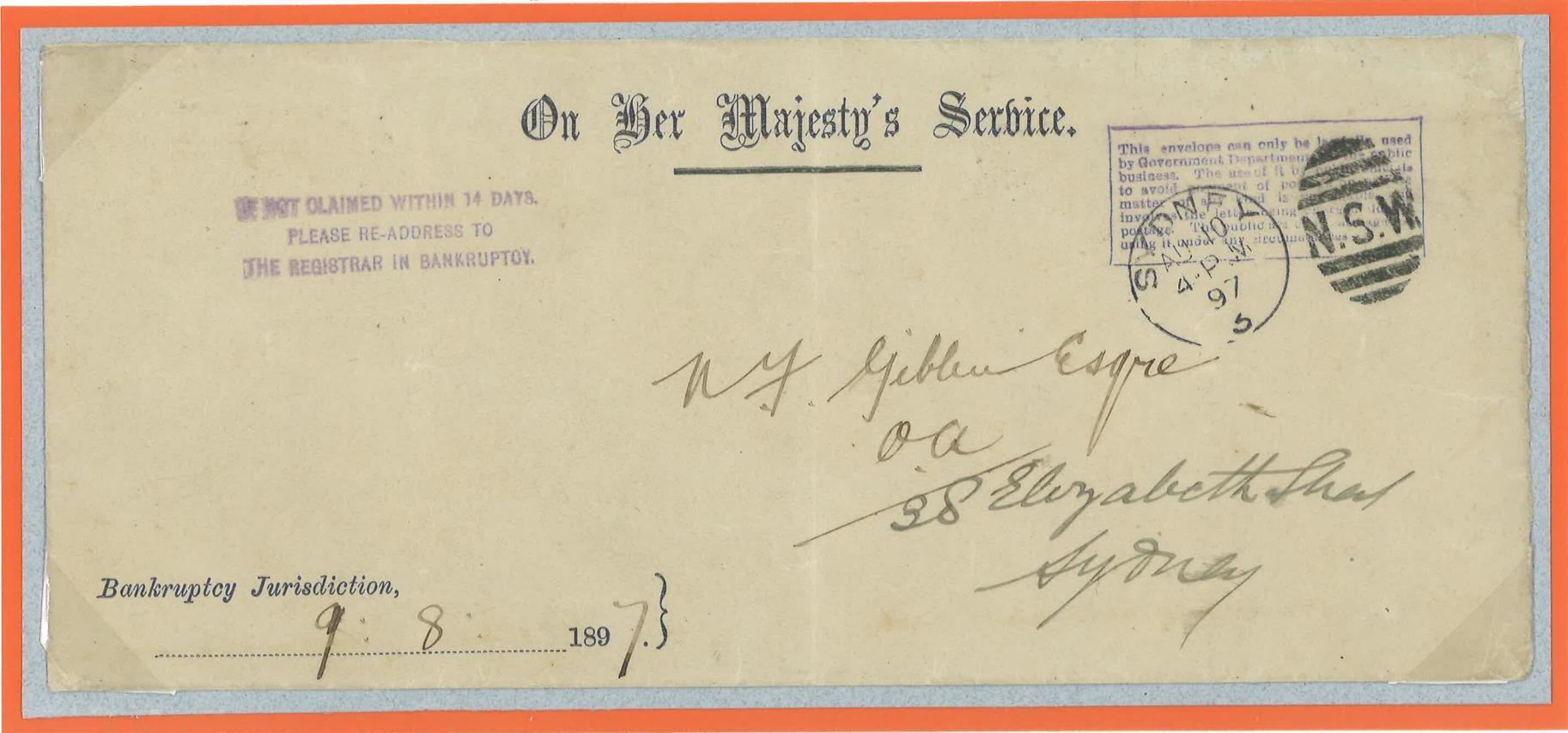
Sydney, June 1899 to Scotland. "POSTAGE PAID SYDNEY NSW" handstamp indicates no postage due. Blue PRINTED MATTER ONLY handstamp in UL corner.

The world renowned Royal Botanic Gardens of Sydney was opened in 1816 and is the oldest scientific organization in Australia

Only known NSW official use to Scotland.

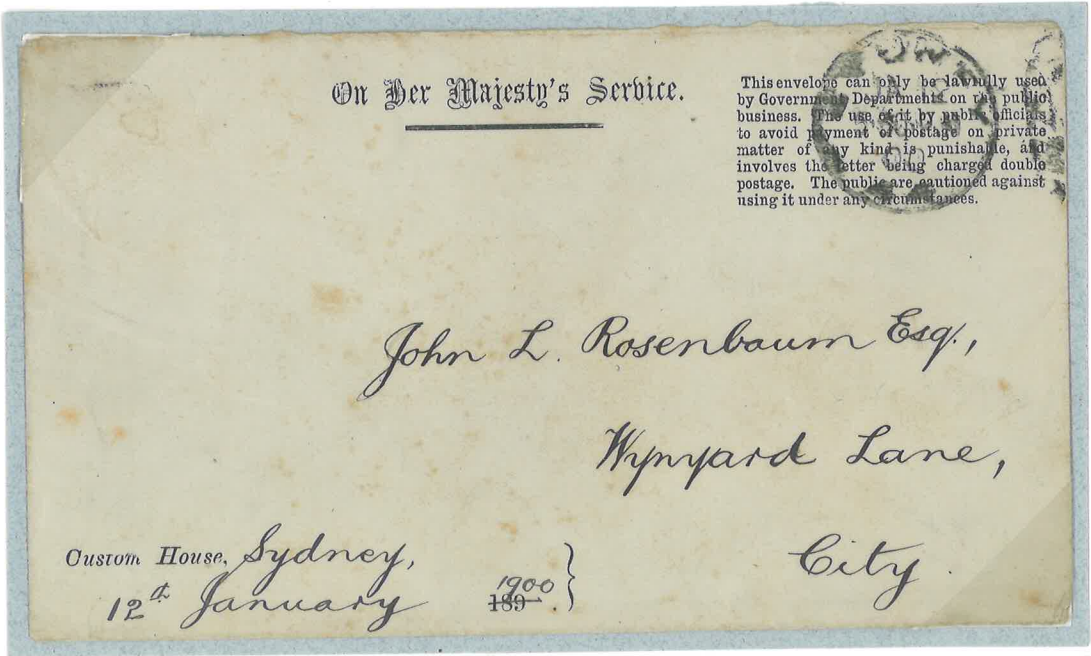
Only known Printed Matter handstamp used on NSW official mail.

Pre-penalty Period Use with Penalty Handstamp



Sydney, August 1897, red NSW official seal on the backflap. Used over four months before penalty mail was authorized on 1 January 1898. This is possibly an experimental use.

Three penalty handstamp uses are known.
Earliest NSW penalty use.



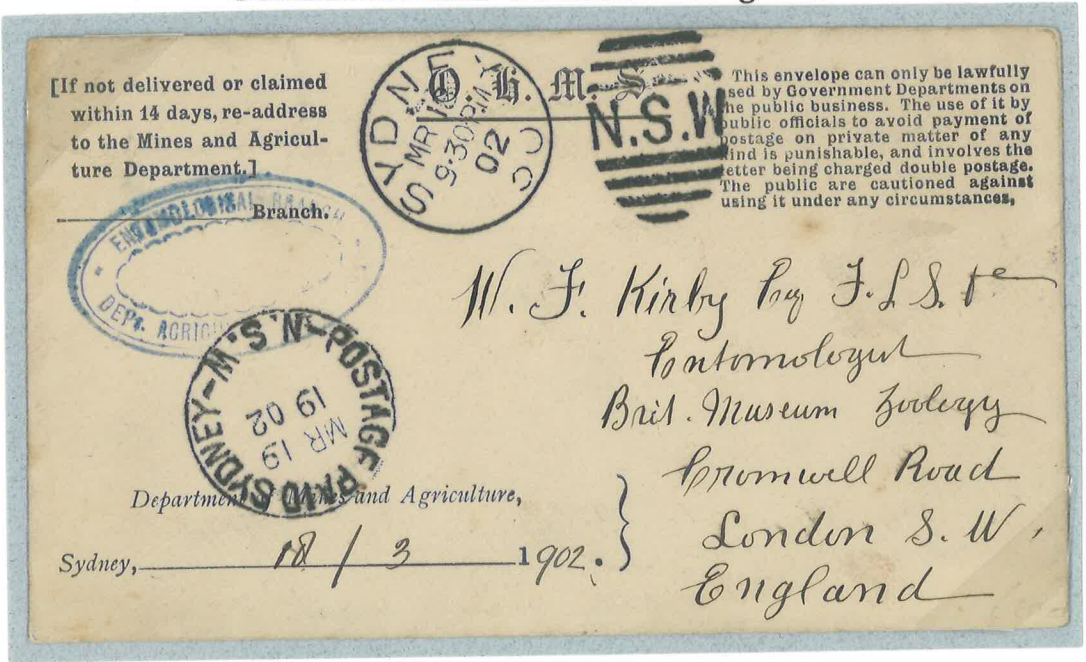
Sydney, January 1900, local use.

Generic Penalty Use



Sydney, June 1901, to Hunter River, 100 miles from Sydney. This use is rather late for a generic penalty envelope. They probably sent little mail.

Commonwealth Destination (England)



Sydney, March 1902, to England. The "POSTAGE PAID SYDNEY NSW" handstamp indicates no postage due.

Stamp Added to Foreign Destination (San Francisco)



Sydney, December 1898, 2 1/2d UPU rate, red NSW official seal on the backflap. Official Royal Mint business with the US Mint in San Francisco.
Stamp added by the NSW Foreign Office in Sydney.

Stamp Added to Foreign Destination (Belgium)



Park Street, March 1898 2 1/2d UPU rate with official red seal on the backflap. Few printed penalty clause statements are surrounded by a box.
Stamp added by the NSW Foreign Office in Sydney.

This and the previous cover have a stamp added by the Sydney Foreign Office as the office of origin did not put required postage on the envelope. This practice ensured the timely transmission of official mail to foreign locations.

The Sydney Museum was founded in 1827 and is the oldest museum in Australia. It is known for its natural history and anthropology collections.

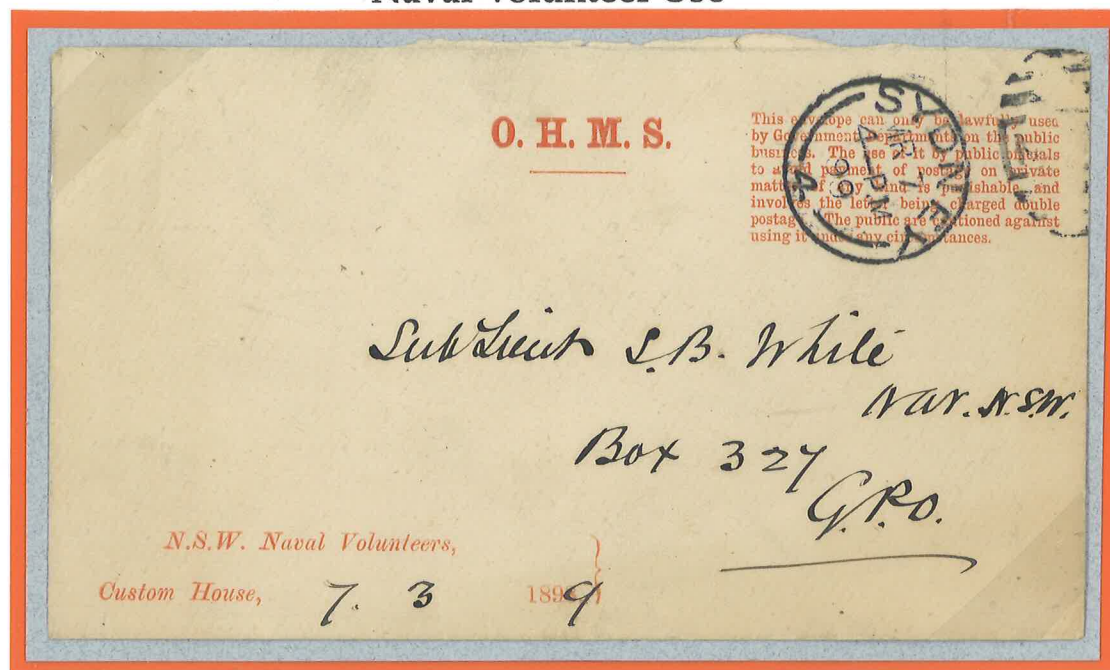
Penalty Clause Type 1 Uses

The NSW official seal on the backflap is flanked by "NAVAL VOLUNTEERS".

Only example of a seal flanked by words.



Naval Volunteer Use



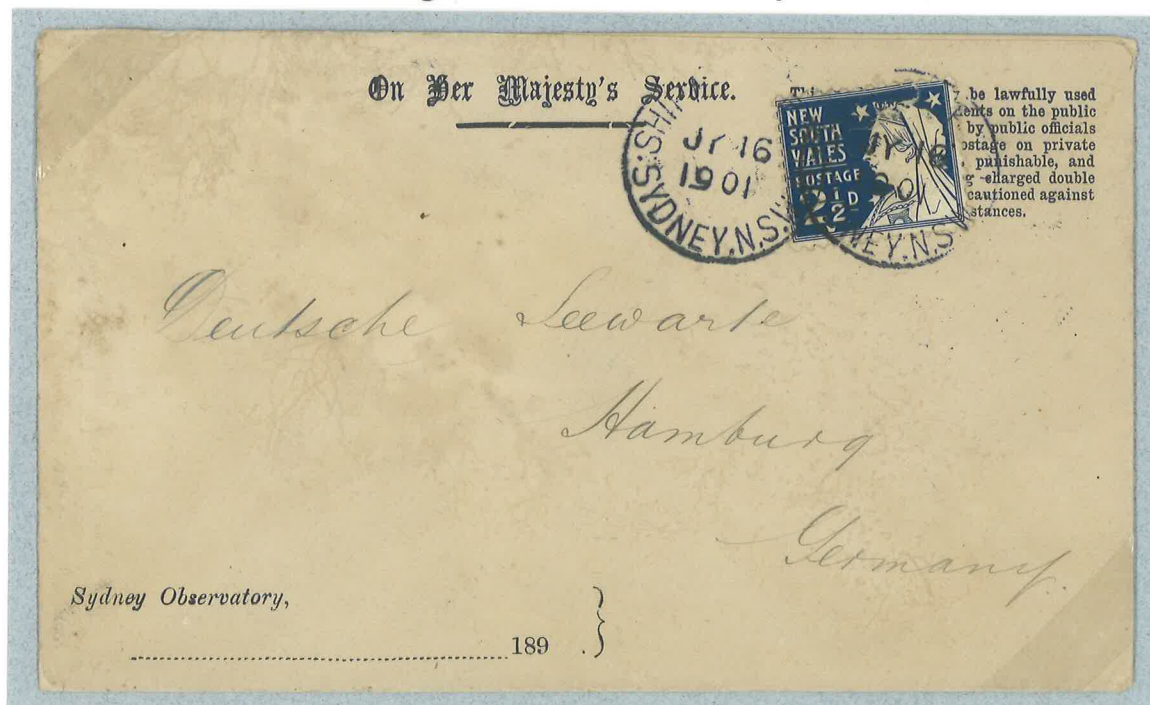
SYDNEY, August 1899 to England. "POSTAGE PAID SYDNEY NSW" handstamp indicates no postage due.

Only known Naval Volunteer use.

Naval Volunteers Observatory

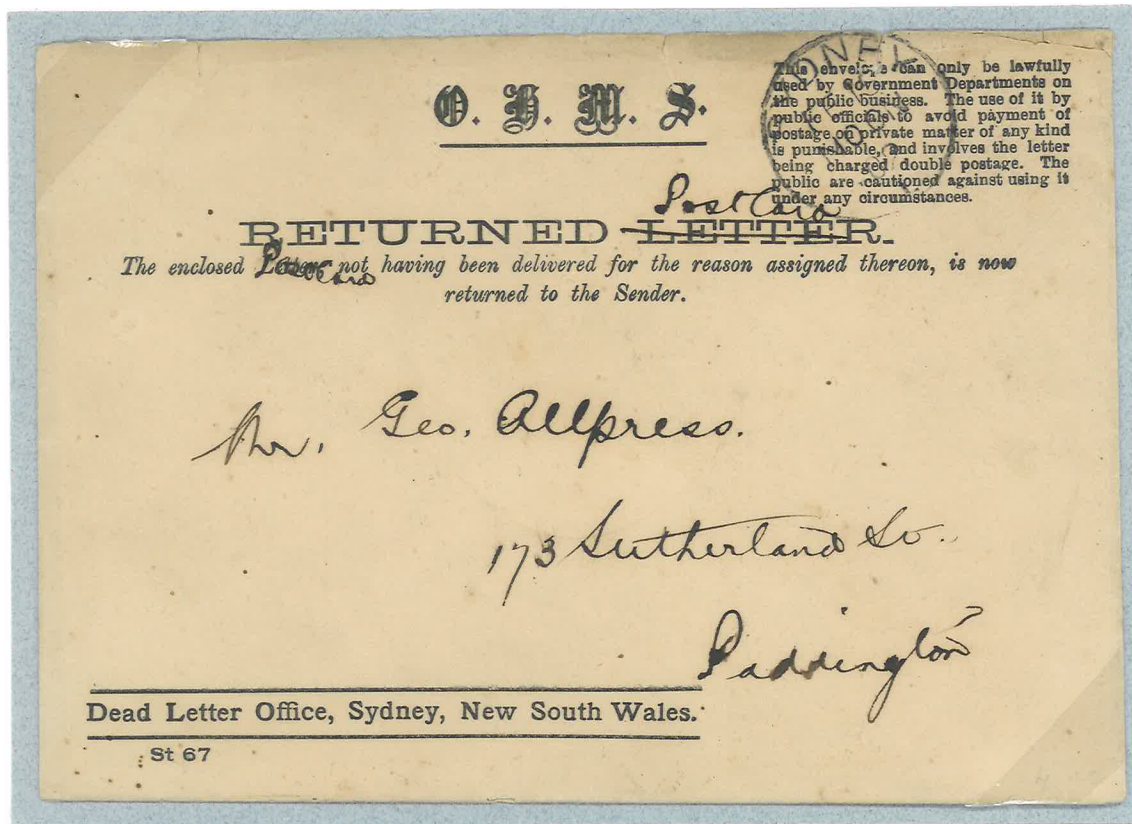
In the 18th Century NSW had no Navy and relied on the British Navy for protection. In 1863 NSW established a Naval Volunteers unit of mostly retired British naval personnel to assist the British Navy in time of war. In 1896, the Naval Volunteer Force consisted of 580 civilians.

Foreign Destination (Germany)



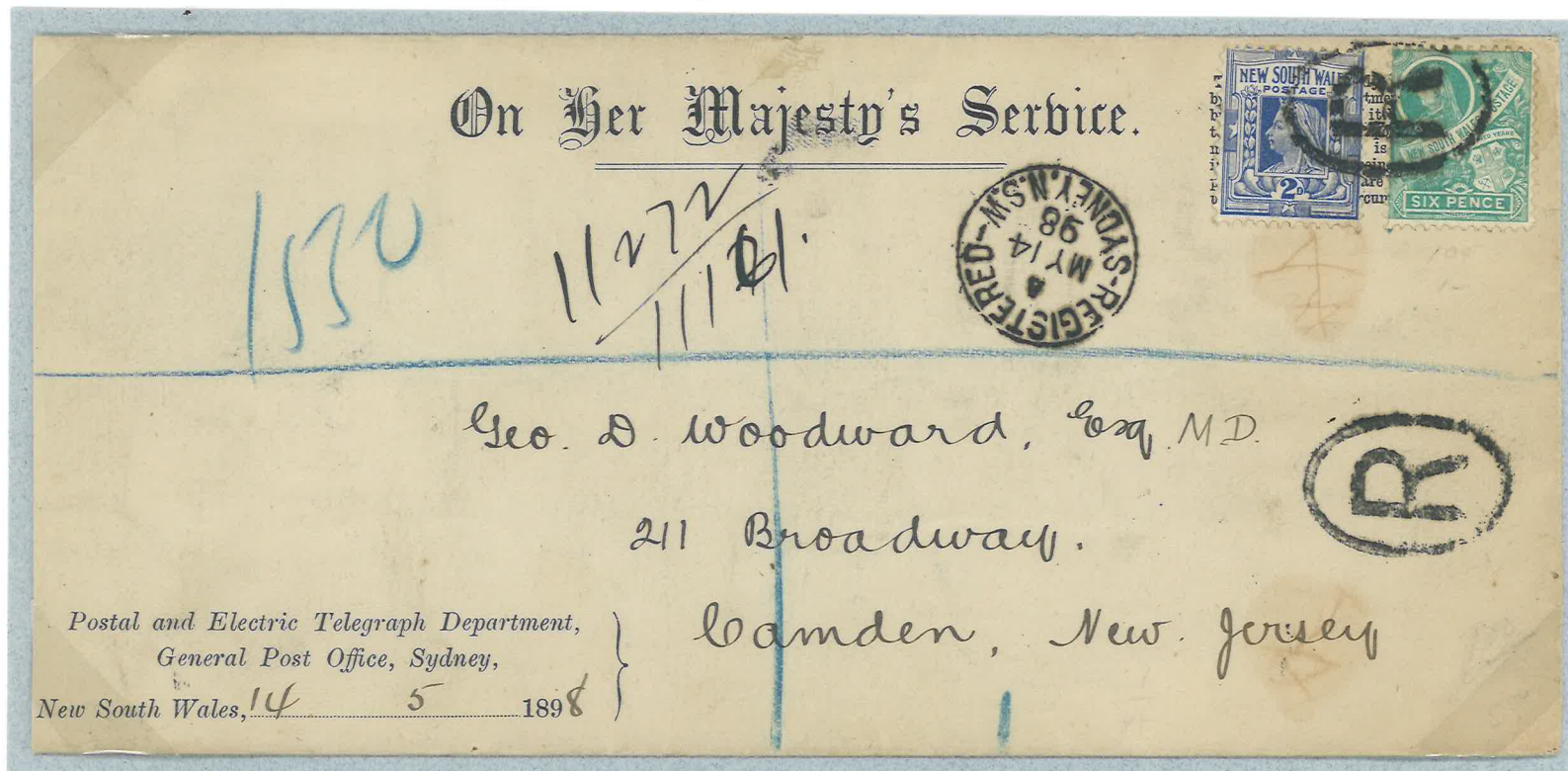
In 1900 H. C. Russell was head of the observatory where he watched the night skies. He also published extensive studies conducted over many years on the ocean currents around Australia.

Ship Mail Room/Sydney NSW, July 1901, 2 ½d UPU rate with red NSW official seal on the backflap. The Ship Mail Room was located at the General Post Office in Sydney and handled coastal mail not serviced by a Traveling Post Office.



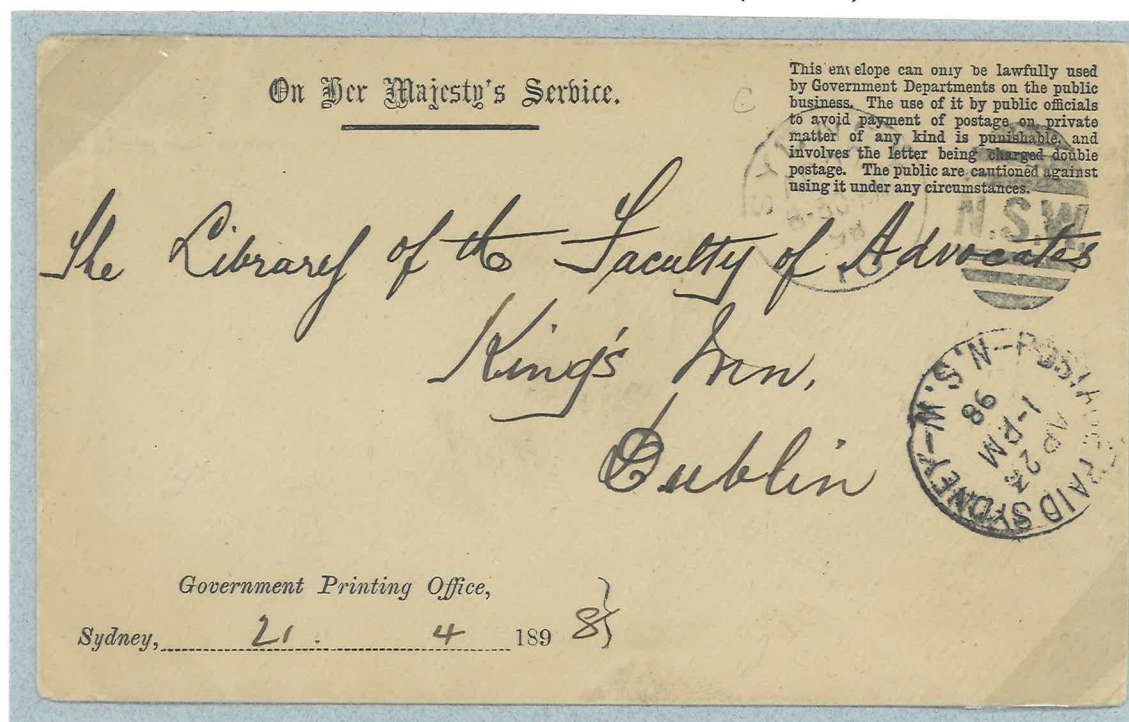
Sydney, February 1902, "Post Card" replaced the imprinted word "LETTER".
Few known return envelopes with a penalty clause added.

Registered Foreign Destination (United States)

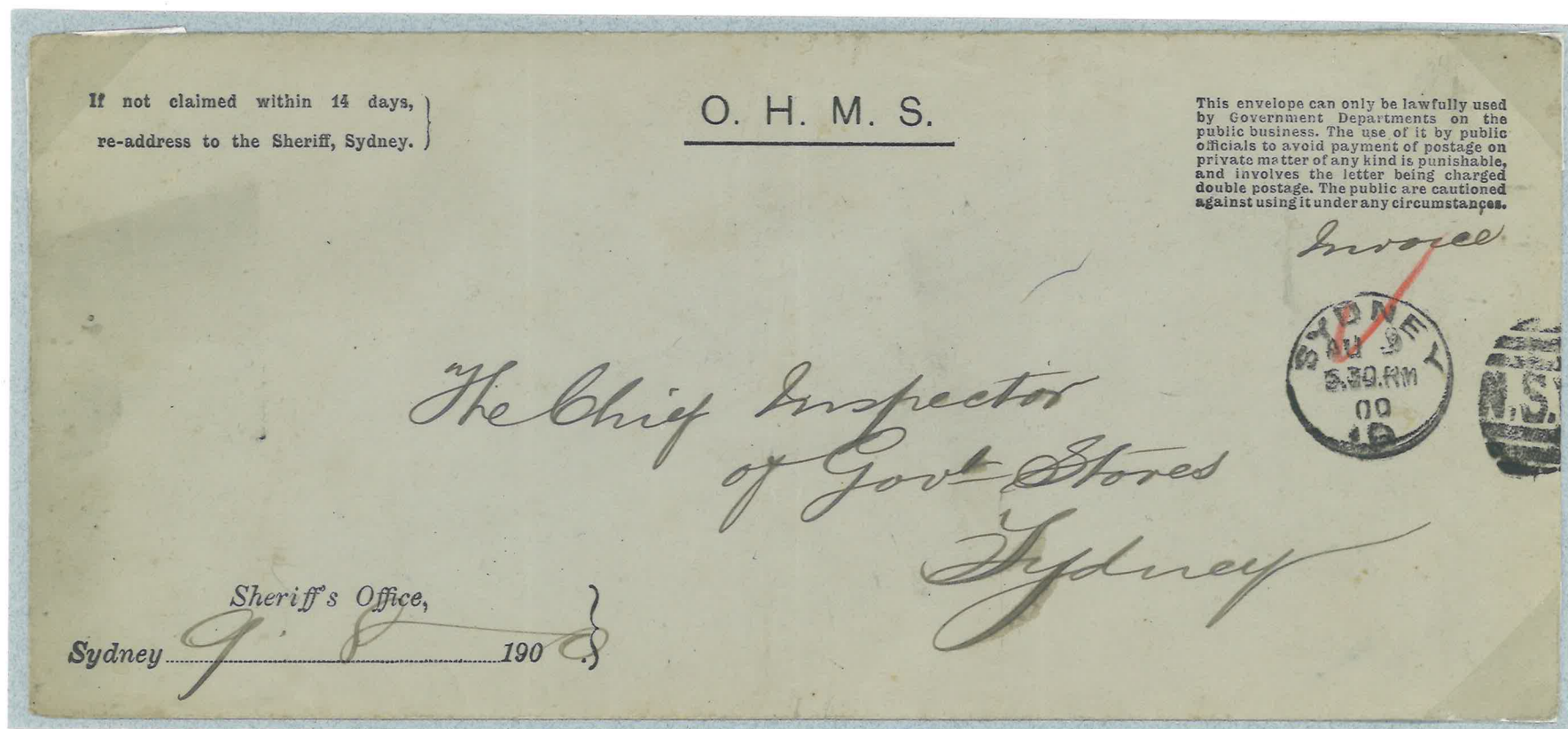


Sydney, May 1898, 2 ½d postage + 6d registry fee, with red NSW official red seal on the backflap.
Earliest Emerald 6d use of the six recorded copies on cover.

Commonwealth Destination (Ireland)

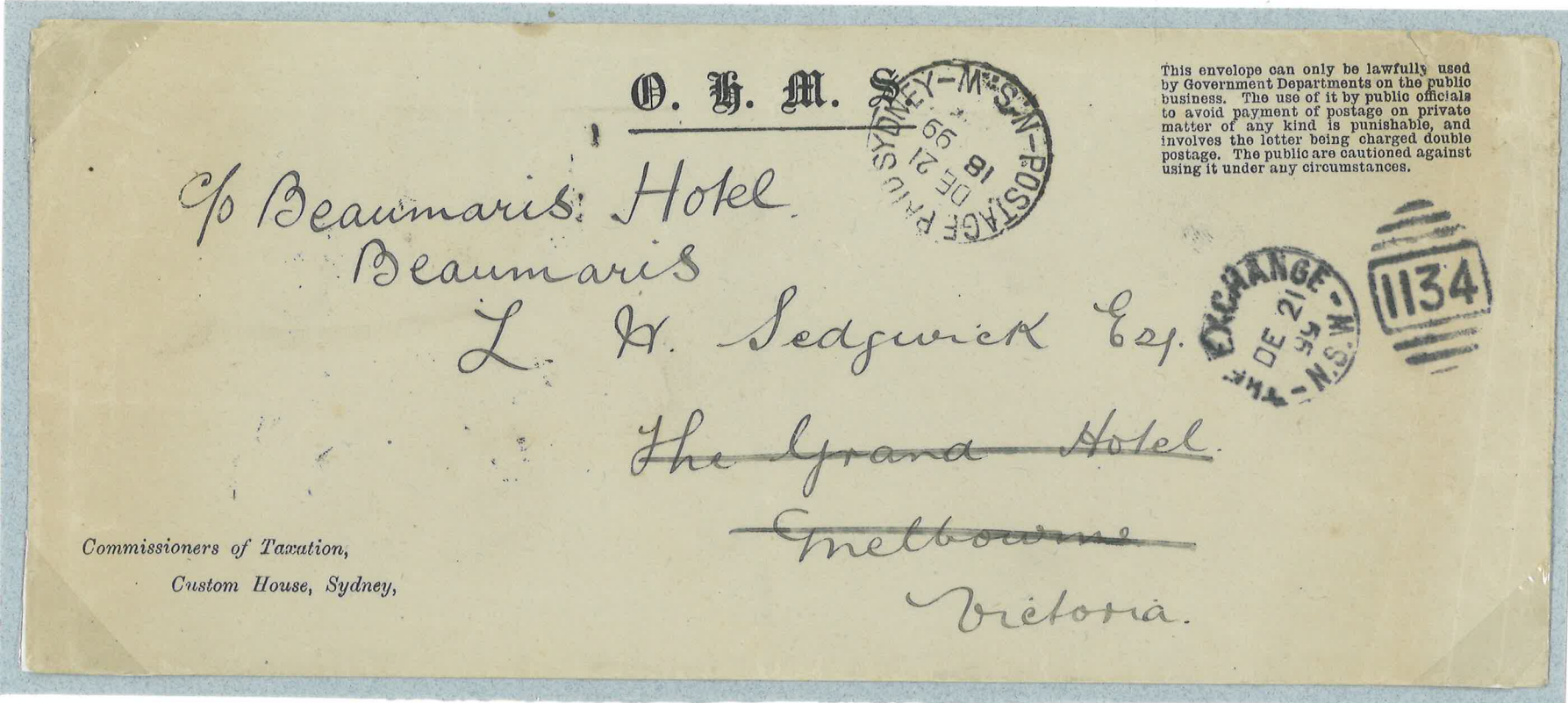


Sydney, April 1898 to Ireland, with red NSW official seal on the back. "POSTAGE PAID SYDNEY NSW" handstamp indicates no postage due.

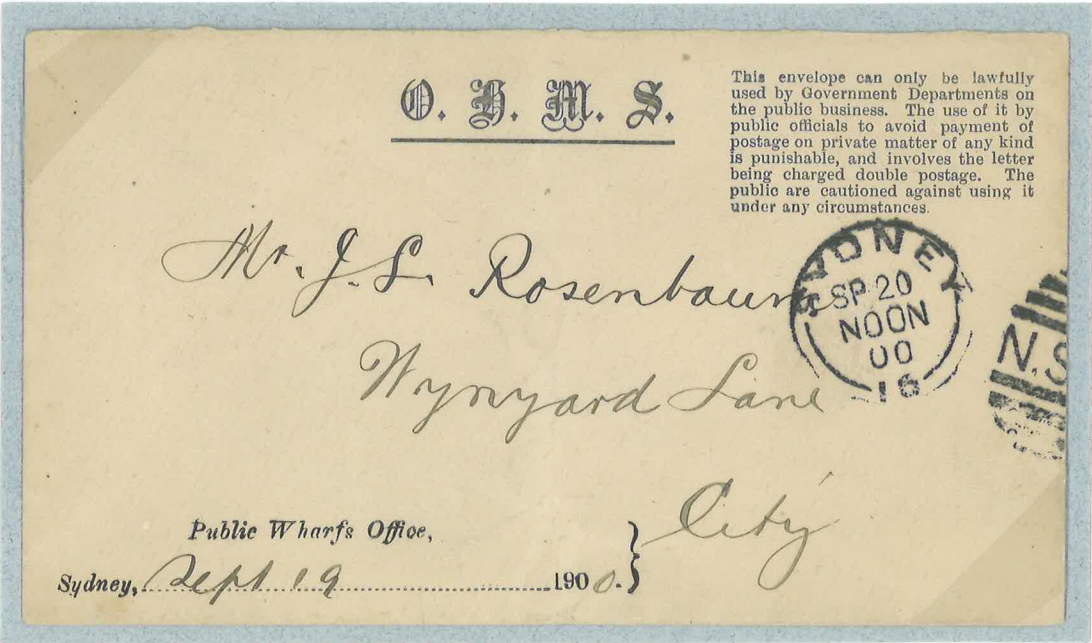


Sydney, August 1900, manuscript "Invoice" indicates an official transaction with the Government Stores.

Commonwealth Destination (Victoria)



The Exchange, December 1899 to Victoria. "POSTAGE PAID SYDNEY NSW" handstamp indicates no postage due.



In the early years of the colony, the Public Wharf was called King's Wharf, Queen's Wharf, and Hospital Wharf. As the colony grew additional wharfs were built and the Public Wharfs department was in charge of them.

Sydney, September 1900.

Penalty Clause Type 2 Uses

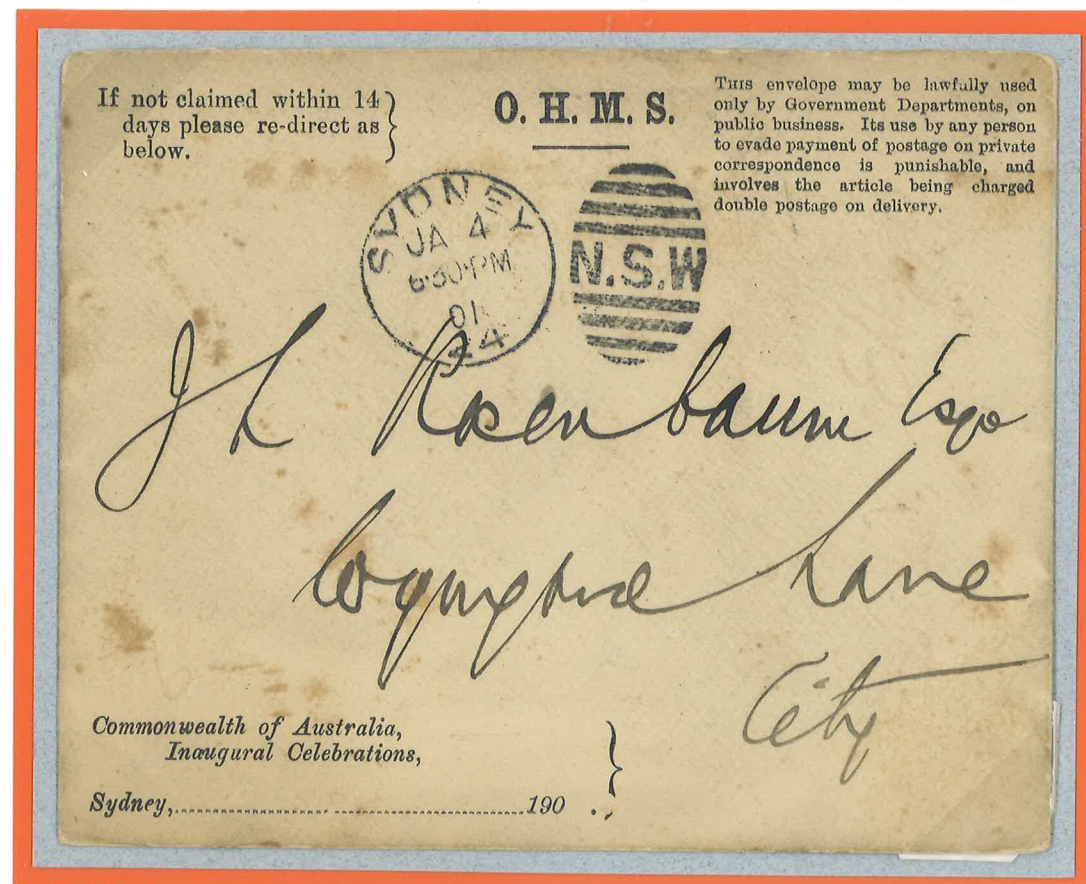
The **Type 2** penalty clause came into use in January of 1901 immediately after the Australia Federation was founded. **Type 2** clauses saw little use during the 22 months before the arrival of the "OS/NSW" perfins in November of 1902. **Type 2** envelopes do not have the red NSW seal on the back flap. Only 7 departments are known to have used **Type 2** clauses. Currently the Land Office, Museum, Government Railway, Taxation, and Post Office are known to have used both penalty types.

Sydney, 4 January 1901. Four days after the Commonwealth of Australia was formalized.

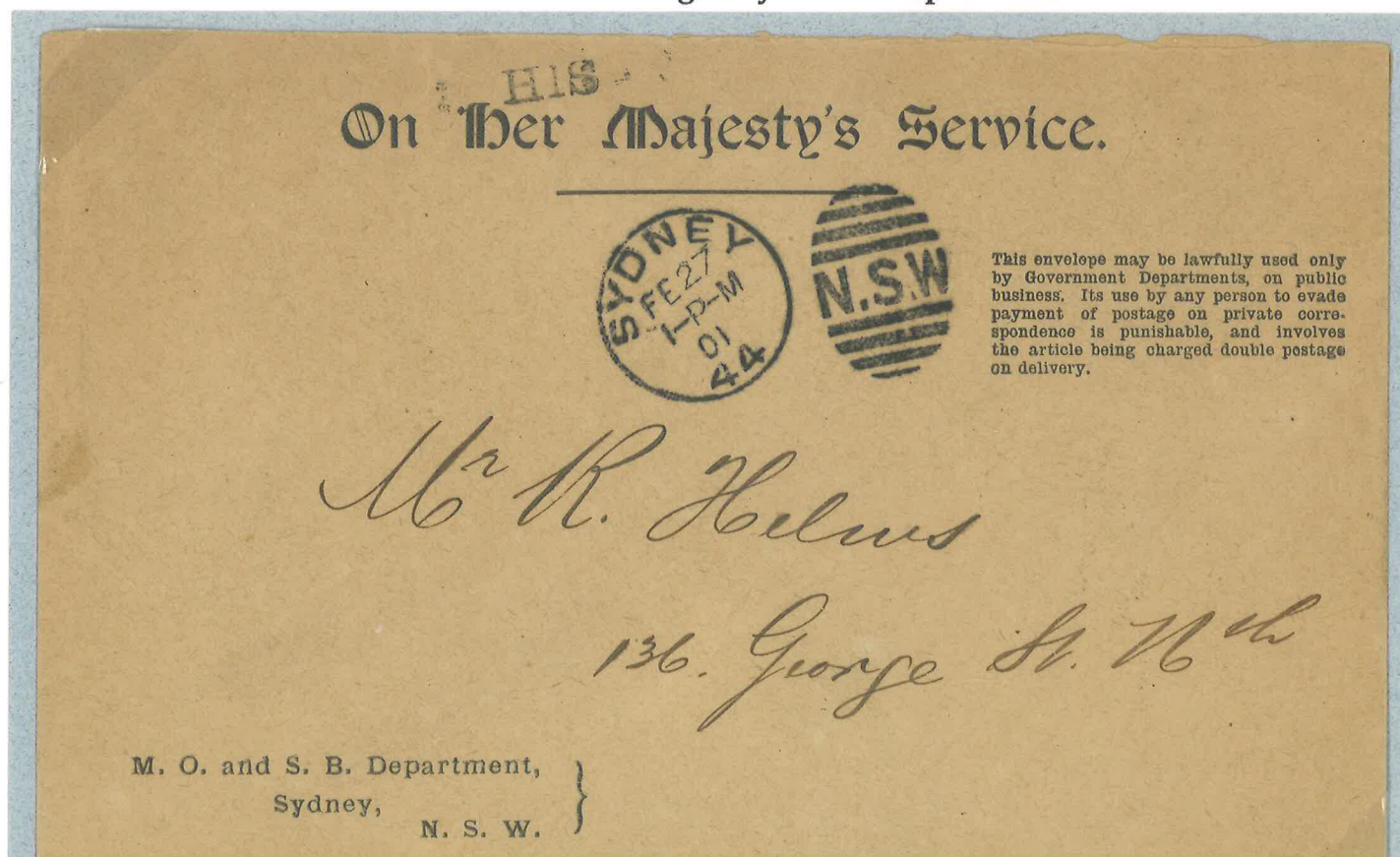
**Only known Inaugural Celebration Use
Earliest Recorded Use of Type 2 Clause**

Inaugural Celebrations
Post Office, Money Order and Savings

Commonwealth of Australia Inaugural Celebration Envelope



"HER" in OHMS changed by handstamp to "HIS"



Sydney, February 1901. Note: "On His Majesty's Service" created with "HIS" handstamp shown below. Queen Victoria had died on 22 January 1901.

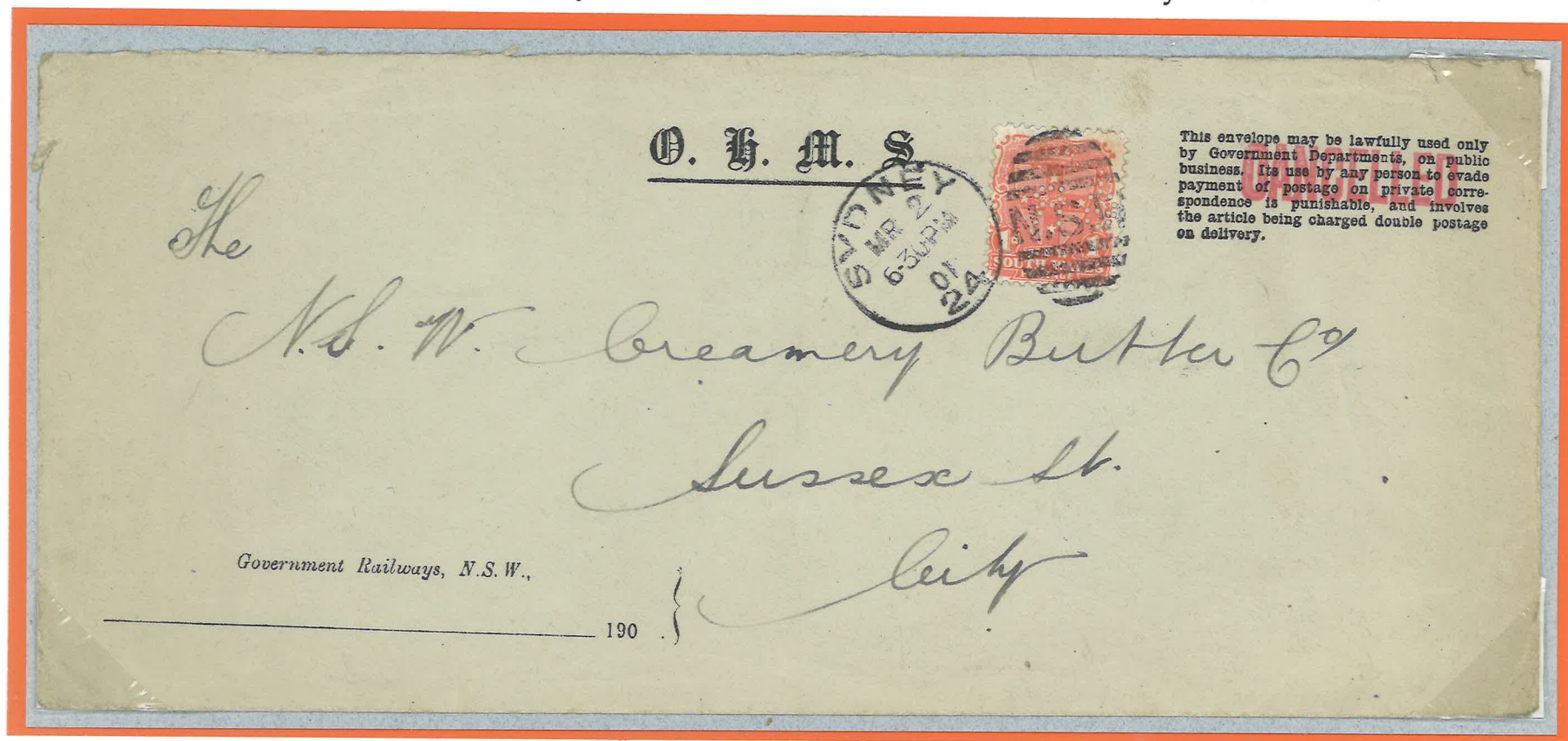


Few examples of this handstamp.

Penalty Clause Type 2 Uses

Government Railways
Mine and Agriculture

Government Railway "GR" Perfin Use with "CANCELLED" Penalty Clause



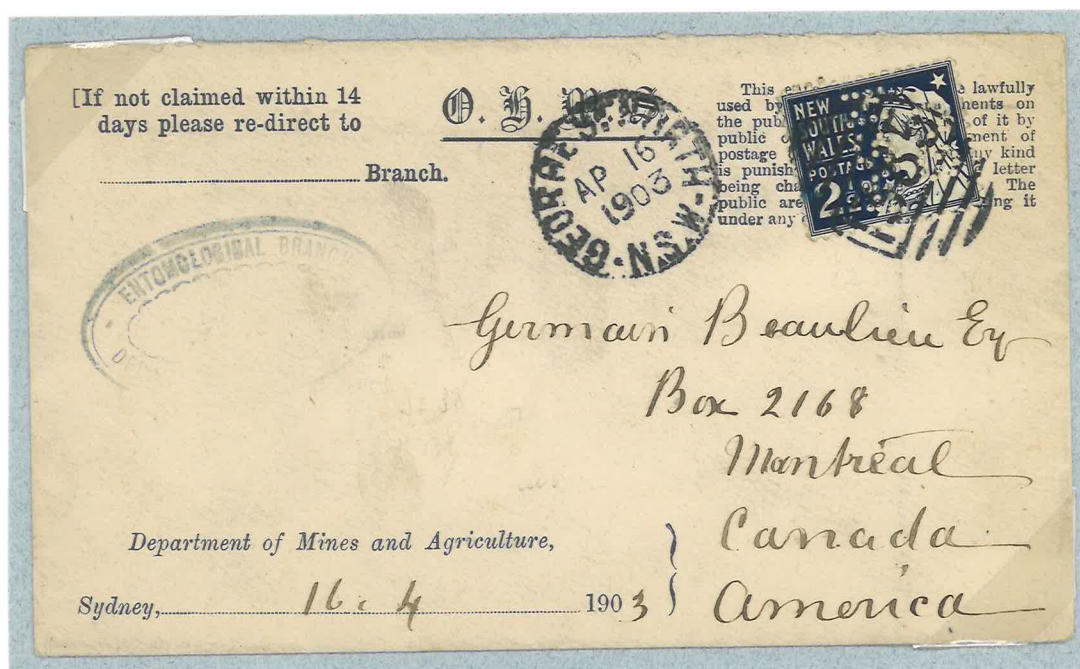
Sydney, March 1901, 1d local rate. Valid penalty envelope with red "CANCELLED" handstamp. Reason for red handstamp is unknown as the penalty clause was valid for postage until November of 1902.

*Four recorded 1d Shield Issue uses with a "GR" perfin on cover.
Only known example of the red "CANCELLED" handstamp*

Epilogue

On January 1, 1901 Australia became a nation and the national Post Office quickly created a penalty clause for their exclusive use. It took 23 months to eliminate the free penalty mail use in NSW and convert to a paid system. In November of 1902 all departments of NSW were required to buy "OS/NSW" perfin stamps to pay the postage for official mail.

Commonwealth Destination (Canada)



George St North, April 1903 with Entomological Branch handstamp. May 1903 Vancouver, Canada backstamp. Leftover penalty cover with "OS/NSW" Perfin A.