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# Uniform Imperial Postage:

AN ENQUIRY AND A PROPOSAL,

WITH AN

*Introductory Letter to Sir DANIEL COOPER, Bart., G.C.M.G.*



BY

ROBERT J. BEADON, M.A. (OXON.),

*Member of the Executive Committee of the Imperial Federation League.*

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Published for THE IMPERIAL FEDERATION LEAGUE,

30, CHARLES STREET, BERKELEY SQUARE, LONDON, W.,

By CASSELL & COMPANY, Limited:

LONDON, PARIS & MELBOURNE.

1891.



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## INTRODUCTORY LETTER.

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*To Sir DANIEL COOPER, Bart., G.C.M.G.*

DEAR SIR DANIEL COOPER,—Imperial communications form so important a link in the chain of common interests binding together the scattered fragments of the British Empire, that the Imperial Federation League has always given an important place, among the means towards its end, to the establishment of these communications upon such a footing as would at once mark the unity of the Empire and help to ensure its permanence. Uniform Imperial Postage is not, indeed, any more an actual part or necessary condition precedent of Imperial Federation in its strictly political sense, than is the Commercial Union of the Empire which, in one form or another, is just now so much advocated. But, like Commercial Union (the attainment of which in almost any form is surrounded by such enormous difficulties), Uniform Imperial Postage would undoubtedly tend very strongly towards that National Unity, the completion and maintenance of which is the aim of the Imperial Federation League. Of the telegraphic branch of our communications I do not here speak. Imperial considerations enter into that side of the matter also; but the circumstances and conditions are so entirely different that the two cannot be treated together.

The League has, through its Postal Committee, kept the subject of Uniform Imperial Postage before the Governments and the public both at home and in the Colonies, while in Canada the matter has been specifically brought before the Dominion Government by the League there. The work of the London committee has borne fruit in the action taken, upon its suggestions and recommendations, by a great number of Chambers of Commerce and other bodies of like nature. The subject has also received due attention in the Journal of the League, where many of the

points brought out in the paper which accompanies this letter have already, at different times, found expression. A contribution to the discussion containing valuable statistical and other matter was also made in August of last year in the form of a supplement to the Journal by Mr. Henniker Heaton, M.P., who has devoted so much study to postal affairs, and to whom every subsequent worker in the same field owes so much for the valuable official information and statistics he has elicited. Nevertheless, it is felt by some active members of the League—yourself, who have always shown so much interest in this branch of our work, among others—that something more might usefully be written on the subject; something fuller than is appropriate to the reports of the Postal Committee or to the columns of *Imperial Federation*; something, also, written more distinctively from the standpoint of the League than any of the statements promulgated by Mr. Heaton, whose postal principles are by no means identical with those which, as I understand them, underlie the policy of the League.

There are special reasons for bringing the matter forward again in this manner at the present moment. The reductions in Colonial Postage brought into effect on the first day of the present year, while an unquestioned boon so far as they go, involve nevertheless an insidious element of danger to the cause of Imperial Postage. The identity of the letter-rate with that of the Postal Union was too significant not to excite suspicion in those whose aim is a uniform rate of postage throughout the Empire within and without the United Kingdom. The authorities at the Post Office and the Treasury felt the time to have come when the former exorbitant rates must be given up; but they apparently decided that the International Postal Union should form the basis of the Imperial Postal system of the future, outside the United Kingdom. These fears have only too soon been justified. The Australasian and South African Colonies, which are the principal groups that have hitherto stood outside the Postal Union, have been pressed by the English Postmaster-General to be represented by delegates at the forthcoming quinquennial con-

ference of that Union shortly to be held in Vienna, in the hope that now, when the rates have—by such a fortunate coincidence—been assimilated, those Colonies should conform to the International Convention. And there is ground to apprehend that at length—after four more than the “twelve years of persistent pressure” to this end referred to at the Imperial Conference in 1887—they will now accede to the wishes of the central office. The effect would obviously be to strengthen the hold of the Postal Union upon the communications of the Empire, and so to intensify and prolong the subordination of Imperial interests to an international organisation. The time requires therefore that we should now put forward, with what strength we may, the considerations which in our view justify the establishment of a truly Imperial system of Postal Communications, and the grounds upon which accordingly it is so eminently undesirable that any step should be taken militating against this policy.

The accompanying paper is a humble endeavour to put before the public the case for a Uniform Imperial Postage; by which I mean nothing less than the extension of the inland rates current in the United Kingdom to the whole British Empire. Responsibility for the contents of the paper rests with the writer alone. At the same time, I have, as you are aware, had the benefit while writing this pamphlet of learning the opinions of other individual members of the League who have devoted special attention to the subject. In conclusion, I may perhaps be permitted to take this opportunity of placing on record the obligation which the League is under to yourself for the material assistance rendered by you in bringing this subject before the public; and I desire also to express my own acknowledgments of the advantage I have derived in the preparation of this pamphlet from valued suggestions and criticisms by yourself, Mr. W. M. Acworth, Mr. H. O. Arnold-Forster, and others.

I am, Yours very truly,

ROBERT J. BEADON.





# UNIFORM IMPERIAL POSTAGE.

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## I.

### THE SITUATION.

THE question of Postal Communication between the United Kingdom and the over-sea countries in the British Empire has developed since the Imperial Conference of 1887 with more rapidity than at that time appeared probable. The subject was not really adequately discussed at that Conference, and, partly from lack of special knowledge on the part of many of the delegates, partly also, it is to be feared, from the absence of any very generally felt desire for reform, the promise of any immediate practical result did not appear hopeful. The more or less desultory discussions that then took place led at the time to little more than a languid assent to the principle that cheaper postage was a good thing in the abstract—only it cost money. Nevertheless, that much, and still more, probably, the information published in the Conference Blue Books and subsequently digested at leisure by those whom they concerned, have borne fruit later, and the state of things to-day is vastly more favourable than it was four years ago. It is unnecessary perhaps to recall the exorbitant rates of postage and the hundred-and-one anomalies that existed until only the other day. It seems scarcely credible that (disregarding the unimportant concession made two years ago of a slightly cheaper alternative route to Australasia and South Africa) we went on patiently, until some three months ago, paying fivepence for the half-ounce letter to India, the Straits, Hong Kong and other Colonies and Dependencies in the East, and sixpence to South Africa and Australasia; while all the time the

French and the Germans were in the enjoyment of a  $2\frac{1}{2}$ d. rate to the same places and to others even more remote by the same routes and even by the same ships. It was time indeed that an end should have been put to a state of things so discreditable to our administration of Postal affairs, calculated, as it was, to estrange those whom it is desirable on every ground, political, material and social, to keep and bind together, and especially militating against the growth of trade between different portions of the Empire, by means not only of the absolute hindrance to correspondence of high charges, but by reason of the relatively superior position accorded to commercial rivals on the continent of Europe.

We have now at length been placed in some respects on an equal footing with our hitherto more favoured competitors; but the same considerations as to the encouragement of trade afford an argument for placing British commerce, at home and in the Colonies, upon a more favoured footing than its foreign rivals, and so helping to swell the volume of the trade done within the bounds of the Empire—a trade the profits of which accrue on both sides to British Communities instead of, as in the case of foreign trade, the profits on one side only. If this can be effected without injustice to public or private interests lying outside commerce, it is surely an object worth striving for. The element of personal correspondence also is one that must not be lost sight of. Opportunities of frequent communication afforded by cheap rates cannot but tend to keep up among the scattered branches of our race that sense of being all “of the same community,” upon which Lord Carrington on a recent occasion laid so much stress. Still more is this feeling likely to be encouraged by making communication within the Empire more easy than with outside countries, just because it is the Empire. That is the principle we want to see acted upon in establishing a cheap and uniform system of Imperial Postage—cheap as compared with the system applicable to the outside world and uniform, because the Empire is a unit and all the people in it one community.

Before passing from these general considerations, there

is one particular point of much practical importance intimately connected with this view of the case—it is the postage upon newspapers and certain other analogous forms of postal matter. A newspaper has a double claim to consideration; it constitutes a form of correspondence between persons living apart, as well as being, of course, the great channel of public information; and it serves, in respect of its advertising columns, as a means of commercial progress. On grounds of public policy, newspapers containing mercantile advertisements should be encouraged as much as possible. But what do we find? We find on the contrary their distribution discouraged in two ways—firstly, by high and ill-graduated rates; and secondly, by the actual exclusion, so far as it lies in the power of the Post Office, of the very class of prints that public policy would especially favour as of the chief commercial service. In Canada, as well as in some of the Australian Colonies, newspapers are transmitted at much lower rates than obtain in Great Britain, and in some cases actually free. Newspapers published in Canada are carried to their subscribers free—not only in the Dominion but in the United States and Newfoundland, while a pound weight can be mailed thence to the United Kingdom at a cost of one cent. Compare this with the charge in the other direction, hence to Canada, of the same sum of one halfpenny (or one cent) for every two ounces of a newspaper's weight; so that it would cost fourpence to send to Canada the same weight of newspapers as come thence to us for one halfpenny.

Again, it costs a penny to send a newspaper, however light, to the Cape or any of the Australian Colonies; and if the weight exceeds four ounces, the rate jumps at once to twopence. In addition, there are all manner of regulations as to collected numbers of a paper, folding, enclosures, marks or writing, etc., of which an unfortunate newspaper has to run the gauntlet, culminating in what has been well called the "time-trap"—that is, the regulation insisting upon postage within eight days of publication inclusive. Is it any wonder that in the face of these rates the most valuable part of the paper (the advertisement sheet) often

gets cut off to save postage? or that under the various regulations affecting newspapers the Post Office gets a large quantity of postages for papers that it incontinently confiscates for falling into its own ingeniously-laid traps?

And this is not all. For transmission abroad, prices current and market reports may be registered as newspapers, as well as such prints as come within the general definition as consisting "wholly or in great part of political or other news, or of articles relating thereto or to other current topics, with or without advertisements." But private price lists and trade catalogues are expressly excluded by the regulations; and trade journals, consisting as they necessarily do in chief part of such matter and of advertisements, are constantly excluded likewise, being neither prices current and market reports, nor coming always within the definition of a newspaper, as consisting wholly or in great part of news. For example, the *Bookseller* is a trade journal, dealing, as its name implies, with a business devoted to the diffusion of knowledge. Commercial interests apart, in the interests of the spread of knowledge generally this particular publication is entitled to the highest consideration; and doubly so in the interests of knowledge flowing from a British source in competition with the flood of perverted teaching, historical, political, and social, that pours through the Colonies from the American press subject to no such disabilities. But if the *Bookseller*, or any similar publication, oversteps by ever so little an arbitrary line regulating the proportion of advertisements to news, the whole issue is confiscated. Yet it is by means of price lists and trade catalogues, and by trade journals and other such vehicles of advertising, that British merchants are able to hold the markets of the world, and, not least, of the British Empire itself with which we are here concerned.

A great step, it is admitted, has been in some respects gained by the new rates introduced by the Government in 1890, into the enjoyment of which we entered last New Year's Day. And that reform involved something more than the mere reduction of postage to India and the Colonies. It involved a recognition, in a certain sense, of

the Imperial idea—of the desirability of facilitating postal communication within the Empire as such. It involved also the recognition of two important principles hitherto not only not recognised but vehemently combated by English governments. One of these is the application of the growing Post Office surplus to increasing the postal facilities of the public instead of applying it in relief of general taxation. The other is the right of Colonial correspondence to share with that within the United Kingdom in the benefit of such increased facilities. Mr. Goschen had been as stiff as any of his predecessors in resisting the first of these ; while Mr. Raikes, almost up to the very day before the concession was announced in the Budget speech of 1890, had been firing off batteries of arguments to prove the logical and practical justice of excluding Colonial and Indian correspondence from participation in any reductions or increased facilities that might be going. The recognition of these principles is a great gain, but it yet remains to carry them out to their consistent and legitimate conclusion—a conclusion legitimate and consistent not only on theoretical but also on practical grounds. What that is and why it is so, and how it can be reached with due regard to all interests concerned and to the dictates of reasonable workaday commonsense—for there is no need to take a high stand on abstract right alone or to rely on arguments that, however logically unimpeachable, would fail to commend themselves to the wisdom of business men—it is to these questions that we have to try and give a satisfactory answer.

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#### RÉSUMÉ OF SECTION I.

Cheapness and other facilities of postal communication within the Empire are vastly important on political, material, and social grounds.

Existing rates of postage within the Empire are obstructive of cheap and ready communication.

This is especially the case as regards newspapers and other vehicles of commercial advertisements.

A great step was gained by the reduction of rates effected on New Year's Day, 1891.

That step was something more than a mere reduction in rates, which was in itself advantageous as far as it went. It involved some important principles.

One of them was the partial recognition of the Empire as a unit to be dealt with.

Another, the application of fresh surplus to giving increased facilities instead of its being appropriated as revenue.

The third was the right of correspondence to the Colonies to share with inland in the benefits so obtained.

## II.

### WHAT IS WANTED.

WHAT is wanted is, in half a dozen words, a cheap and uniform rate of postage throughout the Empire. And by "the Empire" is here always to be understood the whole Empire. Many people, when they speak of the Empire, are thinking only of those portions of it that lie over sea. The expression has come to be often used as a compendious way of saying "the colonies and dependencies," and so it stands for the Empire with its most important part left out. "Empire" and "Imperial" in these pages refer to the whole of Her Majesty's dominions, those within as well as those without the United Kingdom.

Fifty years ago a cheap and uniform rate of postage was established throughout Great Britain and Ireland. Since that time the developments in the "expansion of England" have rendered necessary, and immensely increased means of locomotion have rendered possible, the extension of the system adopted in 1840 within the four seas to the larger area now embraced within the dominions of the Queen, and peopled by her subjects. It is a commonplace to say that many over-sea portions of the Empire are practically nearer to London, and the most distant scarcely further off than were Connemara, Sutherlandshire, or the Orkneys only a couple of generations ago. Steam and mechanical science have not quite "annihilated time and space;" but they have so enormously increased our means of overcoming them, especially upon the ocean, that to have one system of communications, or, to come to the point, one rate of postage, for the whole of the United Kingdom and another outside, is an anachronism. The line so drawn has ceased to square with modern facts. Can it be supposed, for instance, that it costs less to get a letter from London conveyed to and delivered in the Orkneys or Shetlands than in Montreal? There is no occasion to enter into elaborate calculations based upon the dues paid



by the Post Office to the Scotch steamship companies and the number of letters carried (even if that were obtainable) to arrive at the answer, that, so far from costing less, it must cost considerably more. The figures that follow will be sufficient for the purpose. The contracts for the conveyance of mails in 1889-90 between the following places were:—Aberdeen and Lerwick, £2,200; Scrabster and Stromness, £2,000; Liverpool and Isle of Man, £4,500; Stornoway and Stromeferry, £2,250; Greenock, Rothesay, and Ardrishaig, £2,045; Portree, Lochmaddy, and Dunvegan, £1,550. The total packet service to these and other over-sea portions of the United Kingdom cost £125,331. That to the United States and Canada stood at £85,000. The relative amount of mail matter carried cannot be ascertained, but may be safely left to the imagination of the reader. And yet, because Ardrishaig and Dunvegan and the Isle of Lewis are within the circle of what fifty years ago was practically, so far as population counts, almost the whole "realm," inhabited by British-born subjects of Her Majesty, letters are delivered there and brought thence for one penny, while the rate to Canada is still two and a-half times that amount for letters of half the weight; or, weight for weight, five times as much.

That there are other parts of the Empire to which it must always cost more to send a letter than to even the most outlying parts of the United Kingdom is possible, though the number of such places is not large, and their importance less. But that does not affect the present argument, which is, that the existing system involves a cross-division and is, under modern conditions of transit, an unfair and unjustifiable one. The time has come for revising our postal geography. The horizon of the Post Office vision needs to be extended, and the great historical fact recognised that "Britain" is a world-wide Empire, and that that Empire is a unit. The whole of the territories occupied by the British people form a single political empire; and therefore logically and practically they must be regarded as a single group, exactly as, fifty years ago, the whole of the United Kingdom, places within a mile of St. Martin's-le-Grand, and the furthestmost hamlet

on the north-west coast of Ireland or the islands of Scotland, were brought into a single group and all placed under one postal system and one rate of postage.

This is the one fundamental principle to be recognised, that communication with all parts of the Empire ought to be treated as a branch of internal, not of external, Post Office management. At present, the "Foreign and Colonial Mails" form a class together as distinguished from "Inland Mails," a phrase covering all mails within the United Kingdom, whether their carriage be actually "inland," or by coast-wise packet service. This classification was natural enough, no doubt, geographically. And, as regards some routes, and particularly some special services along those routes, such as the trans-continental railway service for the quick eastern mail and the Mediterranean connections, it may not at any time be possible to sever the foreign from the colonial (or as we prefer to say, "Imperial") element, so far as regards the conveyance of the mails; but a distinction can perfectly well be made in the postage charge nevertheless. Such cases apart, the classification we contend for is one based on the distinction, not between internal and external in a geographical sense, from the point of view of England, but between the same words in their political signification—meaning, by "internal," "within the Empire," and by "external" meaning "foreign"—we would, in short, divide our postal system as we divide many other things into "British" on the one side, and "foreign" on the other. We want the Post Office to take up once more the principles which guided Rowland Hill to the Penny Post throughout the United Kingdom, and apply them on the larger scale demanded by the existing conditions of Her Majesty's dominions.

As a part, though not a necessary part, of this system, may be suggested the adoption of a uniform Imperial stamp, available for postage between all and any portions of the Empire. Such a stamp need not oust from its pride of place the inland stamp of any part of the Empire, where a special device, such as the emu or the centennial device of New South Wales, or the graceful Western

Australian swan, is cherished as racy of the soil. But the adoption of a stamp common to all Her Majesty's dominions for purposes of intercommunication, would serve to mark, in an emphatic and practical way, the unity of the Empire. Such a stamp could be printed wherever issued, upon a uniform design, changing only the name of the country of origin, and where, as in Canada, there is a different currency, the denomination.\*

When Rowland Hill decided to make the postage the same for a letter to Scotland as for one to the next street in London, his calculation was based not only upon the large proportion of total cost assignable to terminal charges, but upon a general principle of "making the good pay for the bad." The millions of letters collected and delivered in London and other large centres at a high profit make up for those delivered at great distances and in outlying parts at little or no profit and often at a considerable loss. This principle is still confined to the United Kingdom. It should be extended to the Empire. There is no valid reason why a correspondent in Hampshire writing to a third cousin in the Isle of Skye about a terrier should have part of the cost of his letter paid out of the profit made by the Post Office on London letters, while another writing from Sussex to his brother in Australia has to pay the whole cost of his letter, and, as shall be shown by and by, a great deal more than its real cost. Sauce for the Hampshire goose should be sauce for the Sussex gander. Admit the principle, as it has been admitted since 1840, of "taking the rough with the smooth," and there is no just ground for drawing a ring-fence round the United Kingdom and applying the principle there and there only.

A somewhat plausible objection to the extension to Colonial mails of the principle of making the good pay for the bad is that "whatever may be the case in individual instances, there can be no doubt that, taken throughout, postages over these long distances must cost a

\* The design for such a stamp, shown (in forms applicable to countries where the coinage differs) on the outside of this pamphlet, is suggested as appropriate to its Imperial character.

considerable amount more than a corresponding quantity of postages at home; that the question is one of degree, and that when the difference is very great it is fair and reasonable to draw a line."

That, under existing arrangements, the difference may in some cases be considerable, is very likely true; and, in order to bring the cost in such cases more nearly to the level of the inland post, fundamental changes will have to be effected in these arrangements. In many instances, on the other hand, the inland cost can hardly be exceeded; while in others again, as shown above, the cost of so-called inland letters must far exceed the average of the ocean-borne mails. What is contended is that, even though loss accrue to the Post Office revenue, provided that the loss be brought by administrative reform within the narrowest attainable limits, correspondence with distant parts of the Empire is entitled as a matter of right, and, on grounds of public policy, ought to be placed on the same footing as that within the United Kingdom and treated as a part of that rather than as a part of the foreign correspondence of the country. This contention rests on Imperial grounds.

It remains, under the present head, to say a few words, if indeed any words at all are wanted, as to the general desirability of cheap postal communication throughout the Empire. The utility of the measure from the commercial point of view has already been glanced at, and may be safely left to speak for itself in the appreciation of a commercial people such as we are. But the ordinary social and personal class of correspondence, though its necessities rest upon less demonstrably utilitarian grounds, is nevertheless entitled to consideration for reasons in the long run as practical as those which may be taken to be admitted in regard to strictly commercial affairs. All those who desire to see the unity of the Empire maintained—and in these days there are few who do not—must recognise that facilities of intercommunication constitute one of the most important means towards this end. And the unity of the Empire is coming to be very widely recognised, as it has always been recognised by the Imperial Federation League, as not a mere sentimental idea, but as the fundamental condition

of material prosperity and of political strength and development. The *Times*, and other leading daily papers both in London and the provinces, did not fail to point this moral on the occasion of the Postal Jubilee. The *Economist* too—a paper not wont to be led away by sentiment from a strictly prosaic view of facts and figures—had some remarks on that occasion which will bear repeating. It said \* : “Perhaps, however, the greatest boon which the Department could bestow would be the inauguration of a penny postage throughout the Empire. At first this sounds an impossibility, unless we are prepared to expend a vast sum of money in making up the loss that would occur owing to the adoption of such a step. In reality, however, it is no more absurd than Rowland Hill’s original proposal. Of the political advantages of an Imperial Penny Postage, we have no space to speak. It may be said, however, that such a link between the various portions of the Empire would be worth three hundred years of agitation by the Imperial Federation League in making the English-speaking countries feel the importance of their common interests.” The *Economist* would have been glad to know that some portion of that over-long life which it assigns to the agitation of the Imperial Federation League had already been in the past, and will no doubt continue to be in the future, devoted to the furtherance of reforms in this direction ; that the idea itself was first put forward by a prominent member of the League—Mr. Arnold-Forster—so long ago as 1883, in an article in the *Nineteenth Century* magazine ; in particular, that special prominence had been given to the subject, a few months before the above passage appeared, in Lord Rosebery’s pronouncement as to the programme of the League at a large meeting held at the Mansion House ; that the League in Canada, at their annual meeting held a fortnight after the *Economist* wrote, carried a resolution in favour of an Imperial Penny Post, to which the Dominion Postmaster-General promised consideration as a Cabinet question ; that, acting under the direction of the Executive Committee of the central

\* *Economist*, Jan. 18, 1890.

League in London, the postal sub-committee here has placed itself in communication with the Chambers of Commerce throughout the Empire on the subject; and, generally, that the Imperial Federation League has always used, and continues to use, all the means at its command to forge the link spoken of by the *Economist*.

Perhaps one of the most convincing facts tending to show the disuniting effect of the present prohibitive postal rates is supplied by an argument brought forward to prove that no change is necessary. Sir Saul Samuel, who attended the Imperial Conference of 1887 as Agent-General for New South Wales, adduced some postal statistics of his colony against any proposed reduction. These showed that the number of letters posted (in 1885) in New South Wales for delivery within the Colony was 34,023,000, and for the other Australian Colonies and New Zealand 1,750,300, making altogether nearly 36,000,000; while the "foreign" despatch of letters, including those to England, was only 793,300; that is to say, the "foreign" despatch was not a million letters, while the Colonial was about 36,000,000. "That shows," he added, "that the correspondence with England is very small indeed." Unquestionably it does. But the moral of that, which does not appear to have occurred to Sir Saul Samuel, was supplied not long afterwards by Sir William Fitzherbert (of New Zealand), who, referring to these figures, observed:—"Instead of looking at that with satisfaction, added to the remark that there was growing up a population that did not know the Mother Country, I am influenced by that as one of the weightiest arguments that could be adduced in favour of quick and speedy and cheap communication between the Mother Country and the Colonies, so that they may not be forgotten; and in addition to that great advantage, I am quite sure that there would also be a very considerable stimulus given to the development of trade." Obviously, of course, the small number of letters to the Mother Country from New South Wales is accounted for by the very fact of the high rate of postage, and affords, as Sir W. Fitzherbert points out, the best of all reasons for reducing it.

But it is probably only forcing an already open door to labour the point of the desirability of reform in the direction of cheapness, provided that it be practicable. It is time, therefore, to pass on to consider the proposals that have been made, and the obstacles in the way of all or any of them, and so arrive at such conclusions as may be attainable on the practicability of a step, the desirability of which may be taken as sufficiently established.

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## RÉSUMÉ OF SECTION II.

What is wanted is cheap and uniform postage throughout the Empire. The principle of cheap and uniform postage applied by Rowland Hill to the United Kingdom should now be extended to the whole Empire.

The distinction hitherto has been between "inland" and "Foreign and Colonial."

The time has come to make the distinction one between "British and Foreign."

A uniform British stamp might be issued for inter-imperial correspondence.

Rowland Hill's principles apply in the circumstances of the time to the whole Empire.

The great advantages of such a reform are generally recognised.

### III.

#### OBSTACLES IN THE WAY.

It may perhaps be somewhat ungracious to commence a section under this heading with an account of the schemes of Postal reformers themselves. But, as regards the Post Office scheme, at any rate, it is so unmistakable an obstacle in the way of the uniformity of postal rates within the Empire advocated in these pages, that it necessarily finds a place in this section.

The great panacea recommended by the Post Office, when the recently amended high rates of the Ocean Packet Services were complained of, was the further extension of the Postal Union system. We are all given to push our own pet remedy for any or all of the ills that, whether literally or figuratively, our poor humanity is heir to, and not least when the nostrum happens to be of our own invention. And so it is with the Post Office and the Postal Union, which may be regarded to a great extent as its own particular bantling. But, apart from the virtues and vices of this system in relation to our communication with foreign countries on the Continent of Europe and some others outside it, we have very little hesitation in affirming roundly that in relation to the question of Imperial Communications, the Postal Union system has been and is nothing short of disastrous to the interests both of the United Kingdom by itself and of the Empire as a whole.

The Imperial Post Office has striven hard to bring the other postal administrations of the Empire into the Union, and has after "twelve years' work . . . in persistently reviving this question" (as a memorandum of its own ingenuously admitted) succeeded in the case of those Governments over which our own has a direct control or influence, and of some others. It made strenuous efforts a few years ago to induce the Australasian and South African groups to follow suit, on the principle, it must be assumed, of the fox without a tail; for it was quite unable



to point to any real advantage to accrue to those Colonies from inclusion in the Union, and they remained deaf to the eloquence even of a Post Office Memorandum on "The British Colonies and the Postal Union" in which the "advantages" of joining were seductively set out. Those Colonies had fiscal objections of their own; and, apart from these, they might well ask themselves what encouragement there was for them to come in, seeing that India and the Colonies that had joined were placed in no better a position than themselves.

Now, however, the attempts to gain the adhesion of these outstanding Colonies are being renewed, and it is to be feared with more prospect of success. By the arrangement effected last year a letter-rate identical with the regulation Postal Union rate of  $2\frac{1}{2}$ d. has been established between the United Kingdom and, virtually, all the other countries in the Empire, both those belonging and those not belonging to the International Postal Union. By this arrangement the rates with India and the Eastern possessions that were already in the Union are reduced, by one-half, to the figure all along charged by the French and German Administrations between the same places and the Continent of Europe; while, what is more important for the present purpose, the same rate now obtains with the British Colonies in the Southern Hemisphere as yet standing outside the Union. These have now been begged by the Postmaster-General to accept the invitation sent to them to be represented by delegates at the forthcoming Postal Union Conference to be held early this summer in Vienna. It is understood that they will be so represented. And it is much to be feared that the Governments of those Colonies will be prepared, since the rates have been equalised, to yield at length to the pressure of St. Martin's-le-Grand and throw in their lot with the rest in the Postal Union. If they do so, the Post Office will have gained its point. Imperial Communications will be completely subordinated to the domination of an international organisation, and all the countries in the Empire outside the United Kingdom will be placed at once, for postal purposes, on the footing of foreign nations, instead of being regarded and dealt with

as parts of a single Empire. The Imperial idea will be lost sight of altogether; and, the grip of the international Union thus firmly established by the completion of the circuit, we may say good-bye for many a long day to the establishment of the Communications of the Empire upon an Imperial basis. This will have to be further considered directly. Meanwhile, there are other fiscal obstacles, antecedent to and irrespective of the Postal Union, that must be glanced at.

The paramount difficulty in the way of Postal Reform of any kind has always been the fiscal one. The Post Office having once been converted into a paying concern and a source of revenue instead of loss to the public purse, successive Chancellors of the Exchequer find in it so convenient a source of income that their natural tendency is to squeeze every penny they can out of a tax which, as it is said, nobody feels, and which, therefore, unlike most other taxes, offends no class or interest and loses the Government no votes. Against the general principle upon which our Post Office is conducted, as a commercial monopoly kept in the hands of the State on the ground that so, in this instance, the public is best served, no voice is here raised. The charge against the Post Office, or rather the Treasury, so far as it depends upon general principles of administration, is that the interests of that public which the Post Office is established to serve have been relegated to a secondary place and subordinated to the purely commercial side of the organisation. Postal administration obviously ought to look first to that object for which it exists, which is the convenience of the public, and, secondarily only, to the achievement of that object on the terms most favourable to the national exchequer. In place of that, owing to the political temptations just referred to, Chancellors of the Exchequer have insisted upon the collection of revenue being the primary end of postal administration; so that a Postmaster-General with the best intentions in the world, subordinated as his Department is to the Treasury, finds himself powerless to effect reforms in the interest of the public, because the money necessary for the purpose is all demanded of him by the

Exchequer for the relief of other and more unpopular forms of taxation. An interesting comparison has been made by a Continental writer of the proportion of gross revenue spent upon their postal and telegraphic services by various European Postal Administrations. England spends 76·80 per cent. as against an average of 89·23 per cent. of the five Great Powers and Spain. And even this low proportion is subject to reduction on grounds which will appear immediately.

The net revenue derived by the Exchequer from the Post Office in the financial year ending 31st March, 1890, was £3,346,087; and even that large sum inadequately represents the amount that would appear as net profit for the year in a private commercial institution, or, for the matter of that, in other Government departments, because, whether with a view of concealing the large amount of profit made, or for some other reason, the cost of buildings, which should go to a capital account, is, in the Post Office, debited wholly to the current accounts of the year. And this amount of net revenue is not stationary but progressive. The increase since 1887 represents the difference between £2,514,635 in that year and £3,346,087 in 1890, or getting on for a million sterling in three years.

Now, what Postal Reformers have demanded is that this progressive increment, above a fixed sum, say of three millions, should be surrendered by the Treasury and applied to increased postal facilities and cheaper rates for the benefit of the public. An ex-Postmaster-General, Mr. Shaw-Lefevre, M.P., declared at the Postal Jubilee Banquet last year that he could conceive no better way of celebrating the Jubilee and commemorating the great founder of the modern Post Office system, than by establishing this principle.

The Secretary of the Post Office, Sir Arthur Blackwood, spoke in the same sense. His words, coming from such a source, deserve to be kept before the public and remembered by public men who may be called upon to deal administratively or legislatively with this matter. Sir Arthur Blackwood said:—"Though styled a revenue department and most valuable as a machinery for indirect

and unfelt taxation, I should deeply regret if we came to be regarded, or to regard ourselves, as a mere tax-collecting department. Nothing, in my opinion, would be worse for the Department, and consequently for the public, than for the former to consider as the be-all and end-all of the Post Office Service the extraction of a large revenue from the country; and indeed such a limitation of its functions would defeat the very object for which it exists, namely, the greatest possible convenience to the public by the multiplication and acceleration of every form of communication which properly falls within its limits. (Hear, hear.) Nothing would be so calculated to chill the ardour, to stunt the energies, and to repress the inventive zeal of the officers of the Post Office as for them to feel that there are barriers in the path of postal progress which they are forbidden to surmount. (Hear, hear.) . . . It is not for me, as a servant of the State, to attempt to criticise the doings of my superiors, but I confess that I should like to see the Post Office, which is the greatest commercial department in the country, administered on something like true commercial principles, and a portion at least of its large annual profit (which in reality is larger than it seems, owing to the system which charges capital expenditure against income) utilised for developing and extending its work for the general benefit of the public." (Cheers.)

That was a strong statement for a member of the permanent staff of a department to make. It showed that the demand to the same effect made by members of the outside public could not be set down to popular ignorance, or an unreasonable desire for something which those who understood the working of the system would declare unattainable; and it showed, at the same time, that it was not the fault of those permanent officials responsible for the administration of the Post Office itself that revenue considerations were allowed to over-ride the public convenience.

The pressure brought to bear upon the Chancellor of the Exchequer had its effect, and brought about the reduction in Colonial rates announced, not so long after these expressions of opinion at the Jubilee Banquet, in Mr.

Goschen's Budget speech. That concession admits the principle of devoting some portion of what may be called the super-surplus revenue of the Post Office to giving increased postal facilities to the public. But the same exigencies of Budget-making may still operate to make it very difficult to extract from the Treasury any further application of the same principle. In this, therefore, and in what immediately follows, though the principles have been admitted, it is still necessary to make out a case for their further application.

The concession of last year admits also a further principle of the greatest importance, namely, the right of Colonial correspondence to share with the inland in the division of such spoil as the Exchequer can be induced to surrender. But here too the principle has received as yet only a partial application. Colonial correspondence has been given some advantage, but not the whole advantage to which it is entitled. And the arguments that were used against giving it any share at all will possibly be once more adduced against giving it any further advantage than it has got. The main aspect of this argument has already been noticed in the contention that the correspondent writing to Australia has the same claim to assistance out of general Post Office surplus as the correspondent who writes to the Isle of Skye. There is another side to it, viewing the correspondent on the one hand and the general taxpayer on the other, which has thus been put by Mr. Raikes: "Under any circumstances, it (the cost to the Post Office) must come out of one purse, and be provided by the taxpayer, and it is for Parliament to decide how far that section of the letter-writing public which communicates with the Colonies should be relieved of the cost of their correspondence at the expense of those taxpayers who write no Colonial letters." This argument, though used against Colonial correspondence, really goes to the whole question of using surplus for the benefit of correspondents, or for the relief of general taxation. But it is no longer necessary to reply to it, save as regards Colonial correspondence, to which it was especially addressed.

The argument, it is conceived, rests on a fallacy.

The purse of the whole community and the purse of people who write letters to the Colonies can hardly be described as one. And the whole question resolves itself into this: whether the expenses incurred by the Post Office in connection with the Ocean Packet Services are necessarily incurred in the interests alone of the persons who use them, and are at the same time so great in proportion to the expense of the inland services that it would be unfair to support them, either at the expense of other branches of the postal system, or at that of the general taxpayer, who would profit to the extent of any sums not expended upon those services. If this were so, Mr. Raikes would have some show of reason in arguing, as he did, that the plan of charging higher rates of postage on Colonial than on inland correspondence, had the advantage of charging a certain sum to those persons who get the "quid pro quo." But if, on the contrary, it can be shown, as it shall be shown presently, that these costs and charges are incurred by the Government, not for the benefit of the letter-writers, but, as to the very large proportion of their amount, for the benefit of the community at large; then it follows that, even on the vicious principle of making every class pay its own cost, it would not be legitimate to charge the letter-writers the whole of the amount; and that, so far from there being any truth in the talk about "taxing the many for the benefit of the few," the truth is that at existing rates the reverse of this is still the case, and the writers of letters to the Colonies are not merely charged for the "quid pro quo" they receive, but are being taxed, and were until lately being taxed still more heavily, for the benefit of the rest of the community and for the relief of their taxation.

The amount of money expended in connection with the Ocean Packet Services is very excessive. The reasons for this excessive expenditure are twofold, and neither of them affords any justification for making the correspondence itself especially liable to meet it. One of these reasons is the system of subsidies paid to the great lines of mail steamers; the other is the onerous character of the obligations undertaken by the British Postal Administration

under the Postal Union Convention and arrangements made in pursuance of it. And, first, as to the enormous subsidies paid to the Mail Steamship Companies. The sums paid in one shape and another under the contracts, which, without reckoning some large amounts paid by Colonial Governments directly, and independently of Imperial contracts, may be put down roundly at half a million sterling per annum, are not paid wholly or principally for postal purposes, but, as to the very much larger portion of their total amount, for entirely different objects—all laudable, all useful, but all such as concern the whole body of the community, for which, therefore, the whole body of the community ought to pay. The objects, beyond the comparatively inexpensive one of carrying the mail bags, for which the subsidies are paid, are purely political. They are paid partly for the sake of keeping open trade routes in time of peace; partly to support and encourage the maintenance and development of the mercantile marine as a vehicle of trade and an element of commercial greatness; partly to support the same marine as a nursery and reserve of the Navy; partly to form and maintain our actual reserve of ships for use in connection with the Navy as transports armed cruisers and otherwise in time of war.

The nature of the covenants contained in the agreements with the subsidised companies affords sufficient evidence of these facts, if any is needed. In the Post Office mail contract, for example, with the Peninsular and Oriental Company, there is a clause empowering the Admiralty, if it consider it necessary for the public interest, at any time during the continuance of the contract, to purchase or charter any or all of the vessels employed under it, the company still remaining bound to perform the postal service by means of such other vessels as it may have or can get. Another clause enables the Postmaster-General, on account of "political circumstances," to alter the route and places of call to meet the exigencies of war or disturbance. The company is also under the obligation, to the detriment of its own passenger accommodation, to carry naval and military officers, with their wives and children

and baggage, upon the requisition of the Postmaster-General, in accordance with the terms of the contract. In other instances the owners have undertaken to construct or alter their vessels in accordance with plans laid down for them by the Admiralty, so as to more especially adapt them for use as armed cruisers in time of war.

Until a little more than thirty years ago, the subsidies for these purposes were actually paid by the Admiralty, and a strong protest was entered, but in vain, on behalf of the Post Office, when the burden of them was transferred to that department. The transfer was a clever way of making the Naval Estimates smaller without apparently swelling those of any other department. The Post Office is an earning, more than a spending department, and this outlay therefore is made without being recognised as a part of the Naval expenditure or indeed much thought of at all, since Parliament votes money readily enough for the Post Office, knowing that its expenditure on one side of the account is very amply compensated by receipts on the other. That this system of paying out of Post Office revenues, and under the name of postal subsidies, for all such outside purposes remains still an admitted principle of administration, may be seen from the covenants of the contracts quoted above and by the admission of the Government itself. In a Treasury Minute of 18th July, 1889, approving the contract with the Canadian Pacific Railway for the conveyance of "Her Majesty's mails, troops, and stores" between Halifax or Quebec and Hong Kong, and "for the hire and purchase of vessels as cruisers or transports" (a contract affording good examples of onerous "Admiralty clauses," including a covenant to build vessels with gun-platforms and other fittings required by the Admiralty, and to sell to that department if required), the Lords of the Treasury expressly declare that the scheme is "not justifiable upon postal reasons alone"—what does justify it being, of course, its great political and strategical value. But it is unnecessary further to labour the point, admitted on all hands, that the postal revenue is made to pay, and pay heavily, in subsidies, for purposes that are absolutely unconnected with the postal



service, and that the rates on letters by subsidised routes were kept at the exorbitant rates that ruled until this year, and are still kept at a rate as five to one higher, weight for weight, than on inland letters, to meet this great expenditure. On what ground, either of justice or expediency, on what ground at all, are writers of letters to the over-sea countries of the Empire, rather than any other section of Her Majesty's subjects, taxed to pay these charges?

The international obligations entered into under the Postal Union Convention constitute the other great obstacle to the desired reform, and it is one of the most serious nature. These operate in two ways. The first of them is fiscal, and is on a par with the fiscal obstacle to reduction presented by the subsidies. The Postal Union entails heavy charges on the British Administration, and the Post Office seeks to recoup itself for these, as for the charges in respect of subsidies, out of the pockets of the English correspondents who use particular lines. The engagements entered into with regard more especially to the conveyance of the Eastern mails have proved especially onerous. The charges imposed by these engagements were avowed as a reason for keeping up the Eastern rates to English letter-writers at their former high rate; and the same reason will, of course, be given among others for declining to make any further reduction.

This state of things was acquiesced in by the Post Office as an inevitable and almost as a satisfactory part of the natural order of things. The circumstance that our Administration paid the piper for the French and Germans to dance to was solemnly adduced by the present Postmaster-General as a completely adequate answer to the complaint that the British letter-writing public was mulcted in rates a hundred per cent. higher than those of France and Germany. "*A fortiori*," he will of course argue, "this state of things precludes his reducing the rates to a lower figure than that charged by France and Germany" —even though it be within our own Empire.

Before quitting the fiscal difficulties caused by the Postal Union Convention a word must be said upon one

of the largest factors in the sum. This is the extremely and most unnecessarily high transit dues paid to France and Italy in respect of the overland service to Brindisi. The fact that our Administration allows itself to be mulcted in sums running into £80,000 and £90,000 a year for these dues is one of the most disastrous features, fiscally, in the whole aspect of the Postal Union system. These sums are altogether out of proportion to the services rendered, being, in fact, "dues" exacted under the Union arrangements by the Postal Administrations of the two countries concerned, France and Italy, who pay over to the railway companies who do the work only a small proportion (and even that a much higher one than is warranted by the market value of the services rendered) of the sums received from the British Government. Fiscally, this is another and a most serious blot on our Administrative management, and an example of the fatal influence of the international Postal Convention upon our interests.

The other great obstacle to extending the inland rate of postage throughout the rest of the Empire presented by the Postal Union is one resting upon a provision of the Convention of Paris which, if the Post Office reading of it be correct—and as against that Office itself at any rate we may assume in argument that it is so—interferes with our Imperial liberty of action in a very grave manner indeed. As a preliminary but insurmountable barrier to any reduction below the Postal Union rate of  $2\frac{1}{2}$ d. between different countries, though all part of one Empire, that are parties to the Postal Union, the Post Office points to the treaty obligations entered into under the Convention of Paris, with reference to the provision in that Convention fixing the rate at  $2\frac{1}{2}$ d. If this be really the case, it is enough to condemn the Postal Union outright from an Imperial point of view, and the sooner we get out of it, with all its detrimental provisions, the better. It is an infringement of our liberty of action within our own Empire precisely analogous to the case of the Commercial Treaties, which similarly place an international restriction on inter-imperial arrangements. The principle in the latter case is now condemned on all hands, and the treaties embodying it are

about to be amended accordingly. If the Postal Convention embodies a like principle, it should in like manner be condemned and new international terms made. But it is worth enquiring whether there may not be some doubt as to the soundness of the construction accepted by the Post Office, and whether, if it be sound, the difficulty cannot nevertheless be surmounted by some means short of the only course visible to Mr. Raikes, of giving up altogether the Postal Union, which has its uses in other and international directions.

In a letter from the Postmaster-General\* which was laid before the Imperial Conference in 1887, there occurred the following passage:—"Under the international Convention of 1878, the rate of postage between any two countries in the Union cannot be less than 25 centimes (about 2½d., more or less, according to currency)." Answering a question of Mr. Watts, in the House of Commons, Mr. Raikes, on March 10th, 1890, expressed himself in these words:—"Although the question has not yet been definitely decided, there is great reason to doubt if it would be competent to this country to reduce the ocean postal charge to its Colonies to 1d. per letter without withdrawing from the Postal Union, and thus destroying all the existing postal arrangements with other civilised countries." It will be at once noted that whereas the question was treated as settled in the letter of March 17th, 1887, Mr. Raikes, three years later, tells us that "the question has not yet been definitely decided," and that "there is great reason to doubt" if it would be competent to this country to take the proposed step without incurring certain consequences. However, that having been the result of consideration of the subject for the space of three years, less seven days, the lapse of the remaining seven days seems to have restored Mr. Raikes's mind on the subject once more to a condition of stable equilibrium, from which all hesitation and doubt have again vanished. For on March 17th, the precise anniversary of the date of his

\* The substance of what follows on this point appeared in a leading article in *Imperial Federation* for April, 1890, and is made use of here by permission.

letter, he said, again in the House of Commons, and in answer to a question from another member:—"Under the Postal Union Regulations no two Powers, parties to the Convention, could make special arrangements, concerning themselves only, at variance with the fundamental principles of the Union. The only latitude allowed is to neighbouring countries, which within a radius of 30 kilometres are permitted to come to mutual arrangements for the adoption of a lower rate of postage. . . . Great Britain could certainly withdraw from the Postal Union by giving a notice of twelve months, if Her Majesty's Government thought it wise to incur the risk of cutting off its postal arrangements with the rest of the civilised world." And so, apparently, in Mr. Raikes's view, there is an end of the matter.

It may be doubtful, however, whether the matter is to be thus summarily disposed of. The question is one of construction. The clause in the Convention by which the rate is said to be fixed at "not less than 25 centimes," is of course Article 5, which provides that "The rates of postage for the conveyance of postal articles throughout the entire extent of the Union . . . are fixed as follows." Then follows, among others, the 25 centimes letter-rate. Article 5 is not the only one that touches the point. Article 3 provides: "The postal administrations of neighbouring countries, or countries able to correspond directly with each other without availing themselves of the services of a third administration" (which is the case of the United Kingdom and probably every single part of the Empire) "determine by common consent the conditions of the conveyance of mails which they exchange across the frontier, or from one frontier to the other." All the Articles appearing to bear on the question are set out in a note below.\* There is evidently a question of construction

\* Articles of the Postal Union Convention (Universal Postal Union. Convention of Paris, 1st June, 1878) above referred to.

ARTICLE V.—The rates of postage for the conveyance of postal articles throughout the entire extent of the Union, including their delivery at the residence of the addressees in the countries of the Union where a delivery is or shall be organised, are fixed as follows:—

1. For letters, 25 centimes in case of prepayment, and double that amount in the contrary case for each letter, and for every weight of 15 grammes or fraction of 1 gramme.

to be raised upon the provisions of the Convention; but it is not intended to enter into argument upon it here. The question has no doubt been under consideration; and from the inconsistent answers given to it by Mr. Raikes, there is yet room to hope that the opinion of the Law

2. For postcards, 10 centimes for single cards, or for each of the two halves of cards with reply paid.
3. For printed papers of every kind, commercial papers and samples of merchandise, 5 centimes for each article or packet bearing a particular address, and for every weight of 50 grammes or fraction of 50 grammes, provided that such article or packet does not contain any letter or manuscript note having the character of actual and personal correspondence, and that it be made up in such a manner as to admit of its being easily examined.

The charge on commercial papers cannot be less than 25 centimes per packet, and the charge on patterns or samples cannot be less than 10 centimes per packet.

In addition to the rates and the minima fixed by the preceding paragraphs, there may be levied:—

1. For every article subject to the sea transit, rates of 15 francs per kilogramme of letters or postcards, and 1 franc per kilogramme of other articles; a surcharge which may not exceed 25 centimes per single rate for letters, 5 centimes per postcard, and 5 centimes per 50 grammes or fraction of 50 grammes for other articles.
2. For every article conveyed by means of services maintained by Administrations foreign to the Union, or of extraordinary services in the Union giving rise to special expenses, a surcharge in proportion to those expenses.

ARTICLE III.—The Postal Administrations of neighbouring countries, or countries able to correspond directly with each other without availing themselves of the services of a third Administration, determine, by common consent, the conditions of the conveyance of the mails which they exchange across the frontier, or from one frontier to the other.

In the absence of any contrary arrangement, the direct sea conveyance between two countries by means of packets or vessels depending upon one of them shall be considered as a third service; and this conveyance, as well as any performed between two offices of the same country, by the intermediary of sea or territorial services maintained by another country is regulated by the stipulations of the following Article. (Article IV., which relates to the charges to be made by the Postal Administrations for transit of mails of other Administrations, and does not refer to the rates of postage to be charged.)

ARTICLE XIV.—The Postal Administrations of the various countries composing the Union are competent to draw up, by common consent, in the form of Detailed Regulations, all the measures of order and detail which are judged necessary.

The several Administrations may, moreover, make amongst themselves the necessary arrangements on the subject of questions which do not concern the Union generally, provided that those arrangements do not derogate from the present Convention.

The Administrations concerned are, however, permitted to come to mutual arrangements for the adoption of lower rates of postage within a radius of 30 kilometres.

Officers may finally make out our position to be less unsatisfactory than the one Mr. Raikes is apparently prepared to accept.

But, assuming that the Postal Union Convention really was such a gigantic blunder as an adverse decision on this point would make it, but that nevertheless it is on the whole for the advantage of the United Kingdom to remain under its terms in respect of European and other foreign nations, it by no means follows that the alternative put to the House of Commons by Mr. Raikes as such a "clincher" is really the only one by which we may escape from the seeming dilemma. Mr. Raikes assumes that if we wish to establish a postal rate of less than  $2\frac{1}{2}$ d. within the Empire, we can only do so at the expense of surrendering all the elaborate machinery provided for our correspondence with the rest of the civilised world. Surely there are less heroic remedies to be found? One, but it must be admitted not a very promising way out of the difficulty, would be to ask the other countries in the Empire whose communications with foreign nations are of far less importance to them than those with each other and with the mother country, to withdraw from the Postal Union, and so re-establish Imperial freedom of action. But it is probably hopeless to expect the Post Office to turn its back on its own policy to such an extent as that; and possibly some of the Colonies too may find uses in the Postal Union. Another plan may be suggested which should be feasible enough. England, it is said, cannot afford to give up the Postal Union for her foreign correspondence. But is it too much to expect that Her Majesty's Government could, by diplomacy and by the very strong pressure our own Postal Administration is able to bring to bear, as being the great ocean mail carriers of the world, as well as the largest and best paying customers of other Postal Administrations, bring about a revision of those terms of the Convention, which, on the hypothesis, stand in the way of our freedom of action within the limits of our own Empire? If the Convention really does forbid a lower rate than the Union  $2\frac{1}{2}$ d., it is no great thing to demand that this rule should not apply as between two parts of the same nation.

or empire. The nations composing the Postal Union decline to grant a British Colony representation as a separate State, the whole Colonial Empire having about as much representation as, say, Servia Greece and Roumania. Why should they be allowed to blow hot and cold, by refusing for other purposes to treat the Colonies as one with the United Kingdom? To maintain the restriction would do Foreign Powers no good. They would continue to receive the same dues and payments for transit and other services as heretofore. The only difference would be that the British countries would take less from their public to recoup themselves for the cost of those dues and payments. The matter is one for diplomatic negotiation between the British and the other Administrations parties to the Postal Union Convention. It is submitted with some confidence that, if the true construction of the Postal Union Convention be to fetter our freedom of internal communication within our own Empire in the manner suggested, this is a state of things which ought not to exist and must not be allowed to continue, and that every effort should be made by the Government to get rid of these fetters by some such means as those indicated, bringing every available pressure to bear upon the foreign Administrations who have no such special interests to conserve as would induce them to fight long for such a point as this. It is very earnestly to be hoped that this matter will be brought forward and pressed to a satisfactory issue at the forthcoming Postal Union Convention in May.

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### RÉSUMÉ OF SECTION III.

One obstacle to such a reform is the affection of the Post Office for the Universal Postal Union, an international institution.

The outstanding Colonies are being pressed to join the Union.

If they do, the difficulty of obtaining an Imperial system will be enhanced.

The standing paramount obstacle is the fiscal one, the use of the Post Office as a means of raising revenue.

Postal facilities, not revenue, ought to be the first aim of the Post Office. The increase of surplus above a given sum ought to be appropriated to giving greater facilities.

The opinions of Mr. Shaw-Lefevre and Sir Arthur Blackwood to that effect are of value.

The application of increased surplus in relief of general taxation is unfair to the letter-writing public.

The largest burden is at present unfairly thrown on writers of over-sea letters.

The cost of the Ocean Postal Services is excessive, and is not incurred for Postal purposes.

The great items are the subsidies and sums paid under the Postal Union system.

The subsidies have little relation to Postal service.

The amounts paid on Postal Union account are excessive, especially the transit dues to France and Italy.

The second great obstacle to reform lies in treaty obligations incurred under the Postal Union Convention.

According to the Postmaster-General, these forbid an inter-Imperial rate of less than the Postal Union rates.

This position is open to question.

The obligations under the Postal Union are to be condemned on Imperial grounds, and must be got rid of by amending the terms of the Convention.



## IV.

### PROPOSALS.

CALCULATIONS, official and non-official, have been made, purporting, with varying results, to show the extent of the loss that would accrue upon the introduction of a penny letter-rate. No attempt will be made here to render uncertainty more uncertain or confusion worse confounded by adding to existing tables further columns of hypothetical figures based upon the assumption that existing postal systems are, in all respects except rates of postage, to continue unchanged for ever.

A suggestion will be made presently whereby, it is claimed, the question of loss may be put on one side altogether. Meanwhile it is sufficient to observe that even under existing mail contracts and present systems of postal administration generally, in connection with the Ocean Packet services, it is admitted that the additional loss to be incurred would only amount to a sum, the outside estimate of which is £75,000 a year. It has, it is hoped, been sufficiently demonstrated that it is unfair to continue to make up this or any other loss out of the pockets of those who have a Colonial correspondence. The causes of excessive expenditure which render the Treasury loth to make any further remissions, however just and reasonable, and the other obstacles in the way of establishing throughout the Empire rates of postage uniform with those now obtaining in the United Kingdom, have also been fully pointed out; and as regards the non-fiscal side of the obstacles presented by international obligations a means of removing them has also been proposed. As to the fiscal objections, enough, it is hoped, has been said to establish the principle that even though further loss has to be incurred, it is not only just to individuals but for the public benefit, in the interests, commercial, political, and social, of the whole Empire, that such loss

should be incurred for the sake of a uniform Britannic postage.

But how much better would it be if the end could be attained without any loss of revenue at all!

Is that possible? The remainder of this paper shall be devoted to explaining the means by which, it is submitted, it may be rendered possible.

If contracts were entered into with regular lines of steamers on the various routes to carry postal matter on the basis of weight, such contracts not containing any of those extraneous covenants the burden of which compels the steamship owners to demand high rates of payment, there is no reason in the world why the conveyance of mail matter should be such an abnormally expensive piece of business. Payment on a weight basis is, in itself, no new thing. The Americans have long used it, the Australians and New Zealanders have adopted it in their respective contracts for ocean-going mails, and our own Post Office avails itself of the principle in sending mails by "outside" or non-contracting steamers. In the case of the Australasian contracts the rates are equivalent to payment of subsidy for special services under another form, the amount paid being in some cases as high as 12s. per lb. for letters. The rate paid by our own Post Office to non-contract steamers for the conveyance of mails across the Atlantic is stated at one shilling and eightpence per lb. of letters. The number of letters under half an ounce that really go to make up a pound weight has been calculated to average not thirty-two but forty; and, indeed, it is obvious that the number must, in the nature of things, considerably exceed thirty-two, since by no means every letter scales close up to the limit. The Post Office even here, then, gets 2½d. for each half-ounce, the ocean carriage of which costs it exactly one-fifth of that amount. But the principle is capable of very much bolder application.

Is there any reason why, in dealing with at any rate all but specially important and valuable classes of correspondence, which could afford and would be willing, if necessary, to pay special registration or insurance rates, the Post Office should not treat letters more as it now

treats secondary mail matter, such as books, &c., or convey them on somewhat the same principle as that applied to the Parcel Post?

It is not necessary to go so far as to suggest that the mails should be "headed up in casks," and so stowed away—perhaps in the hold along with steel rails and casks of Portland cement. But there is no good reason why mails—letters, books, newspapers, and all—sorted and separated as you will—should not be made into parcels, carefully packed in conveniently-sized bags or boxes, and shipped as "first-class cargo," consigned to the Postmasters-General of the several Colonies of their destination. It is by packing a number of small parcels together in larger cases, and shipping them as ordinary "case-goods," that the "Globe Express" and other similar agencies have long been able to convey small packages about the world at a trifling cost to the senders and a considerable profit to themselves. The same system was in use many years ago by the P. and O. Company in their "Indian Parcels Department," and is now the one adopted for the public Parcels Post. What practical objection is there to the extension of the principle to all classes of postal matter? Special arrangements might be made for the conveyance of valuables. These could be excluded—or at least any special risk for them on the part of the Post Office or ship excluded—from the ordinary means of conveyance. Special parcels could be made up of letters paying a higher fee, by registration or otherwise, declared valuable, and shipped under the protection of some form analogous to the "Red Bills of Lading," under which the ship would take the higher risk in consideration of receiving higher freight—as with bullion, jewellery, &c.

Now about forty half-ounce letters are calculated to make up a pound weight instead of thirty-two, as would be the case if every letter exactly scaled up to the maximum. Upon one-ounce letters the proportion must be even greater, as the large majority would be still further below the maximum weight. Nevertheless, let the same proportion be taken, and twenty single-ounce letters be reckoned to a pound of such matter. At a penny a-piece that gives

£186 per ton. There is, however, an important consideration on the other side to be taken into account in adopting the inland rates all through. A second ounce goes for a halfpenny, and each succeeding two ounces for another halfpenny; so that a four-ounce letter goes at the rate of a halfpenny an ounce, and heavier weights at fractionally decreasing rates compared with single-ounce letters. To arrive at any trustworthy estimate of the proportions of the better and the worse paying letters is impossible. The deduction to be made must no doubt be considerable: though here too the same allowance may be made for letters not scaling up to the maximum paid for. To countervail the reduction to be made on this score, every other estimate and calculation is here made with a leaning the other way, so £186 a ton may stand for the present, and a general allowance be made afterwards. Book-packets at the inland rate of a halfpenny for the first and every succeeding two ounces would yield (with the same allowance for not scaling up to the maximum) say £46 per ton. Newspapers at a halfpenny for the first four ounces and the same for every succeeding two ounces (like books) may be set down at half the book-rate, say £23 per ton.

Out of every ten tons of books and newspapers together, it may be calculated (upon returns showing relative numbers, and therefore only giving an approximate estimate of relative weights) that eight tons consist of newspapers, and two tons of book packets. The eight tons of newspapers yield at the above rates £184, and the two tons of books £92; making £276 on ten tons of combined matter (say £27 10s. per ton). A similar quantity of letters (ten tons) yields £1,860. But here, again, we must not strike a simple average between these two. Returns for the year 1889 show that of the total weight of mail matter despatched to Australia in that year, only 33 tons consisted of letters, against 513 tons of other matter. So that out of the 546 tons 94 per cent., or nearly nineteen-twentieths, was matter paying at the lower rate.

Take this as a basis of what the actual receipts of the

Post Office would be upon the scale above indicated, and we get the following results. Ninety-four per cent., or hard upon nineteen tons out of every twenty, of mail matter despatched to the most distant Colonies (which may be taken as a sample of the whole) consist of books and newspapers yielding (at £27 10s. per ton as above calculated) £522, and one ton consists of letters yielding £186, making the total of £708 for every complete twenty tons of matter.

But since more allowance may have to be made for the heavy letters, which pay a lower rate than the light ones, as pointed out above, let us, to make quite sure of being on the safe side—seeing that allowance may also have to be made for payment of freight by measurement weight instead of actual weight—put the receipts for the ton of letters at *less than half* the £186; knock £108 off it, and say the Post Office will only get £600, instead of £708, for every twenty tons of mails.

Now the highest known rate of freight by the fastest mail steamers to Australasia and the most distant parts of the Empire is 90s. per ton measurement of first-class cargo, or “fine goods;” and it is believed that this is actually the sum charged upon packets of books, &c., sent out by private shippers. The rate to India is only about one-third of that sum. But taking the highest possible figures to the most distant possible destination, and applying it indifferently all round, the twenty tons of mail matter, for which the Post Office would receive £600 at the lowest possible computation, could be shipped as first-class cargo for £90—or, to make round figures, let us say £100.

Let the Post Office pay double this amount in consideration of priority of handling and other similar privileges, and in some special cases treble the amount, where the special services of a steamer would not be adequately recompensed by less, and still—if £300 per ton, or treble, and more than treble, the highest freight to the most distant parts were paid all round and all the time—a margin of one-half would still be left to pay the ordinary costs of collection and distribution and conveyance on shipboard.

It must be admitted at once that the receipts of the Post Office under these rates would not cover the exceptional cost of the trans-continental carriage of the Eastern mails, even if these were reduced to a legitimate figure. That would have still to come out of the larger profits made on other branches. But there is no reason why—if the Post Office would disentangle itself from its unfortunate engagements in respect of that transit, elsewhere discussed—the cost should continue to be enhanced by sending along that route, always and necessarily expensive as compared with sea transit, the whole vast bulk of its worst-paying matter, to which expedition is not of the same importance as to letters. Much, at least, of that might very well be shipped at Plymouth.

The idea of calculating the payment to be made for the carriage of mails on the same basis as that on which freight for other cargo is calculated, is glanced at by Mr. Henniker Heaton in the supplement to *Imperial Federation* already referred to, though rather by way of illustrating an argument than anything else, and he does not formulate any scheme on that basis, or propose the abolition of the fixed contract system. It is, perhaps, worth while to mention in passing, that the adoption of the system advocated in the present paper has been under discussion among members of the Postal Committee of the League for some considerable time past, and was publicly referred to in connection with the League in a letter which appeared in the *Journal of the Society of Arts* on 14th March, 1890.

The results, as here roughly indicated, differ very materially from those at which Mr. Heaton would probably arrive. One reason for this is, that in his calculations of the profit the Post Office might make with an ocean penny letter-rate, he is speaking of half-ounce letters only, not ounce letters at the penny rate. But what is far more important, he makes no reduction, as there is in the inland rates, upon the second and every succeeding unit of weight. More than that, he leaves out of account altogether the cost of carrying books and news-

papers, constituting about nineteen-twentieths of the total weight carried, for which the Post Office receives something like one-seventh of the amount receivable on letters. No wonder that, by such a comfortable method, *which ignores all the factors in the problem except the best-paying items in the best-paying tenth part*, he is able to promise wonderful things. The proposals here made can at least claim to be tempered by a sober regard for the realities of the case.

These proposals will, nevertheless, probably sound revolutionary in the ears of Post Office officials brought up in the tradition of treating mail matter as something separate and apart, something almost sacrosanct, and altogether different in kind from the other more or less valuable goods carried on board ship. To pack up letters, like herrings, in a box, or send Her Majesty's mails in tinned cases, and call them "first-class cargo," will seem to such as these sheer profanity. Yet, to people outside the Post Office, and perhaps to some inside, the idea appears so reasonable, so practicable, and at the same time so perfectly simple and obvious, that the wonder would be, if we did not remember the tenacity with which old habits of business are clung to, that it was not adopted and carried into effect years ago. On the part of the steamship owners again, and especially the large companies, such a suggestion will probably excite expressions of execration and ridicule. They will tell us that without a "Mail-room" and other apparatus, supposed to be of such mysterious importance on board ship, Her Majesty's mails cannot be safely and securely carried; and that if they should be packed in boxes instead of in bags it would be impossible to ship and land them without delay, and no doubt much more to like effect. But no one at all acquainted with the interior economy of a mail steamer will be greatly impressed. Mail-rooms on some ships are occasionally used as extra smoking-rooms, at other times as extra baggage-rooms for passengers' baggage that is "wanted on the voyage," and the mail-bags are sometimes huddled up in one corner in the rooms so occupied, and sometimes put elsewhere altogether. Nor is a canvas-bag

(not always easily distinguishable from a receptacle for soiled linen) the most ideally safe form in which to transport and trans-ship valuable matter. For all that, if the Post Office officials or the ships' officers are wedded to the idea of bags, the continued use of them would not seriously impair the adoption of the general plan suggested. And if they like, at the same time, to give the name of mail-room to the particular section of the between-decks space occupied by the mail portion of the "first-class cargo," there could be no possible objection to their doing so. On the score of expedition in handling, there is no doubt an advantage in bags over boxes, especially in the rapid transfers made on the quick route between London and Brindisi. Some allowance too may always be necessary for the case of sorting "en route." But, as just observed, the particular vehicle used for packing in is not of the essence of the matter. And somehow passengers' baggage in boxes gets taken out from between-decks and put over the side without much loss of time—and mails could always be put out first and as quickly as now, whatever the basis on which they are paid for, so long as the amount be not less but something more than charged for other first-class goods. Steamship companies are ruled by business considerations, and if the Postmaster-General offers them cargo and pays the highest rate of freight upon it according to its class, and something over for special facilities, they certainly will not refuse it. The Post Office would be no mere chance customer. On all the principal lines the mail cargo would be both regular and constant in quantity, and arrangements would be come to by the Office with the ship-owners just as in the case of any other large and regular customer.

To carry out this proposal would involve the withdrawal of the great subsidies in their present form. Subsidies will continue to be granted to secure the political and military purposes which are their principal object. The sums so to be paid must be arrived at independently, and may be met out of Post Office surplus or any other fund the Chancellor of the Exchequer and Parliament may determine—provided only they are not debited as



working expenses of the Postal Service and recouped by charges on correspondence. But no payment in the form of subsidy must be paid under any fixed contract in respect of the carriage of mails. Payment for the postal covenants undertaken by the Steamship Companies must be confined to the amounts agreed upon from time to time as freight upon the mail matter carried—reckoned upon a weight basis at the current rates of similar cargo (with all due allowances as between actual weight and measurement where such adjustment may be necessary) and with such additions as may be made in consideration of giving the mail matter precedence in handling and other similar privileges, and of such special obligations as it may in some instances still be necessary, for the public convenience, to impose upon ships carrying the mails. These would not amount to very much.

To all the principal parts of the Empire there are lines of steamers, often several lines, running with absolute regularity, at high rates of speed, and almost always with perfect punctuality of arrival. For their own sake, for the sake of their own passenger traffic and business generally, all the well-established lines keep up their speed regularity and punctuality without any further inducement. It is a very well-known circumstance that mail steamers running under contracts with the Post Office constantly outrun their contract time, and do this whether there is or not any premium upon accelerated delivery of mails, but simply to suit their own business purposes.

The adoption of this plan would still leave the great expense of the Brindisi route untouched. It lies with the Post Office to continue to submit to that exaction—always provided again that it does not allow it to be a burden on correspondence—or to take steps to reduce its expenditure in this direction. Under existing arrangements, not only is our Administration bound by general agreement under the Postal Union to the payment of exorbitant transit dues to the Administrations of France and Italy, but it has, in consideration of some reduction made in those dues, conceded besides a monopoly of the whole of its Eastern Mails to their agency. In consequence of this

latter obligation the Post Office, when two years ago it decided to open the cheaper alternative "all-sea route" to Australasia, found itself precluded from using for this purpose its own mail steamers going direct through the Mediterranean, already under contract to carry any amount of mails entrusted to them, and had to be content with the longer and slower route round the Cape. Could anything more glaringly show up the helpless state to which the Postal Union Convention has reduced our Administration in respect of Imperial communications?

At present we pay to France and Italy an enormously enhanced price for the actual railway services over and above the price received by the railways themselves, the two Governments concerned themselves getting the benefit of the difference. They, so to speak, farm the railway mail service in their own countries for their own great profit. If the lines that are used to transport the mails across the Continent were the only ones available for the purpose, there might be no help for this; but such is not the case.

An alternative and equally convenient route is open as far as the Italian frontier, by way of Ostend, through Belgium, Luxembourg, and so down through Switzerland and the St. Gothard tunnel, and thence, *via* Milan, to Brindisi. What is there to prevent our Post Office availing itself of this competing route? Under the Postal Union (and in this respect probably no complete revision of the principle could be effected) it must still continue to deal with the Postal Administrations of the countries concerned, but arrangements might perhaps be made, on payment of a royalty to these Governments, for passing closed mails through their territories under "bonded seal," so to speak, the actual carriage being paid for upon terms made direct with the railway companies. We should at any rate give France the go-by; and it is the French Office that proves so exacting, and is the cause of the present attitude of the Italians also. Dealing with Italy directly and in conjunction with other countries more inclined than France to deal in a liberal and friendly way with us, we might obtain vastly better terms.—

If the political and military subsidies were no longer taken into account in reckoning the cost of the Ocean Packet Services, and the cost of European transit reduced to its market value, then, even without adopting the radical changes advocated above in the system of mail carriage, we should hear no more of the loss to the Department in this branch of the Postal Service. If, further, the payment to the mail steamship owners were made on a commercial basis, as suggested here, with additional premiums not more than adequate to the special service rendered, or the special obligations undertaken—a sufficient case, it is submitted, has been made out to warrant the belief that the ocean services might be made self-supporting if not actually remunerative.

Before concluding, it may perhaps be permitted to point to two matters of principle which fundamentally distinguish the views here advocated from the Ocean Penny Post, with which the name of Mr. Henniker Heaton is so closely associated. The first and most distinctive of these is that the Imperial Federation League rests its arguments entirely upon Imperial principles. Mr. Heaton's aims have, for the most part, been rather cosmopolitan. His original scheme of an Ocean Penny Post is international, and his latest efforts, some account of which was published in the *Review of Reviews* last autumn, have returned avowedly to that basis, commencing with the inclusion in his scheme of the United States of America. In the contribution made by him to *Imperial Federation* last August he naturally went more upon Imperial lines, but not altogether.

In an editorial introduction to Mr. Heaton's valuable contribution (which filled a twelve-page supplement) that journal wrote as follows: "The League has always regarded the Postal and Telegraphic Services of the Empire as of the first importance in maintaining and strengthening the Imperial connection; and it is satisfactory to find that in this, the latest and most important of his published statements, the writer of the paper we print this month should rest his case so much as he does on this aspect of the question. For Mr. Henniker Heaton, though a

member of the League, and holding a seat on its Council, is, first and above all, a Postal Reformer, whilst members of the League, as such, are Imperialists first and Postal Reformers after. . . . The one important matter of principle on which we certainly differ from him is that in respect of which a Canadian correspondent criticised his scheme in the June number of this Journal—the inclusion of the United States. As we said at the time, this is to miss the core of the whole movement from the point of view of the League, which is its Imperial character. Let us have a penny post to the States by all means. We ought to have it; and so we ought to France—and Germany too, for that matter. But let us do one thing at a time and that which most concerns us, and that is—getting a penny post within the Empire. That accomplished, our work in this direction is done. We must leave it to some league or body, not national but cosmopolitan, to labour for an international penny post. Mr. Heaton thinks it would be ridiculous to pay more for a letter to the States than for a letter to Canada. We do not see it. It is because Canada is part of the Empire we should choose to establish a cheaper rate between it and the United Kingdom, and other parts of the same Empire.”

The other point is not quite so clear, nor, from the present point of view, is it of so much importance. The reduction of all the rates within the Empire to that obtaining in the United Kingdom is advocated as the legitimate expansion of Rowland Hill's principles, including that of “making the good pay for the bad.” Mr. Heaton professes to be a follower of Rowland Hill. But he uses arguments incompatible with the recognition of this principle. In the contribution to the journal of the League, for instance, just above referred to, speaking of the cost of the Trans-Continental Railway service, he says :—“In any case, as the Brindisi route is not required for the Canadian, American, West Indian, and South African services, it is clear that the necessity of making up the £52,800 referred to does not concern them in any way.” And again, “The sums paid to France and Italy (£84,000 last year) are charged against the Colonial and

foreign service as a whole, and thus one of the two reasons why a reduction of postage is refused on the North American service is that the Indian and Australian service is so expensive." The argument used in the present paper is, that the loss of any particularly expensive branch *should* be borne by the whole correspondence of the Empire equally. Mr. Heaton appears to hold that it should be borne exclusively by the correspondence on the expensive route itself.

These two differences are fundamental, and to these may be added the practical difference already alluded to, in that his proposals extend to letters only, and to carrying them at a penny for the first and every succeeding half-ounce. That is going a very little way indeed towards establishing a Uniform Imperial Postage.

One other point remains to be noticed. Colonial Governments, as is well known, make a loss and not a gain upon their post offices. It was always doubtful therefore how far they would be prepared to face further loss by making any reductions in their oceanic rates. Mr. Goschen's proposal in March last was made, at the time, conditionally upon the Colonies falling into line and agreeing to make the reduction reciprocal. It soon however became evident that, the Exchequer and the Post Office having once given way on the point, the people of this country would insist upon having the reduction, whether those in the Colonies obtained the same boon from their own Governments or not. Similarly, with further reductions, it is the people of this country who are commercially most interested in having the rates as low as possible, and there seems no good reason why the Mother Country should not in this matter take the lead, even though not all the Colonies should at once see their way to follow it. Under the arrangements now obtaining, there is no accounting for postages between one Administration and another. Each one keeps its own postages, making what it can, or what it chooses, of such receipts, and from them paying its outward expenses and the expense of distributing all inland mails from whatever source. One country therefore has no interest in the

amount of postage charged by another; and though it would undoubtedly be more satisfactory, and the benefits more complete, if the cheapest rate obtained both ways, yet it is not essential that they should ever be assimilated, and certainly not that they should be so from the outset. Moreover, though the Colonies did for some time hesitate about reducing the rates, they showed no reluctance to the drop of fifty per cent. proposed last year; indeed, Queensland went further and reserved to herself the right (which, by the way, if she enjoys, surely this country may also exercise) of establishing a penny postage of her own to England by the British India line of steamers. If the proposals made in this paper are in any way practicable, and the Home Administration can be induced—as, by sufficient popular pressure, it certainly could be induced—to reform its methods and curtail its expenditure in accordance with the principles here insisted upon, in that case the Colonies will no longer be deterred from making further reductions by the fear of loss, since none need occur. Ultimately therefore we may fairly look forward, if the people of this country choose to take the matter up, to uniform rates of postage throughout the Empire, not only outwards, but inwards, and also between the various over-sea countries of the Empire themselves.

#### RÉSUMÉ OF SECTION IV.

The existing inland rates could be extended throughout the Empire without pecuniary loss.

The basis of the plan proposed to this end is payment upon a weight basis and abolition of existing fixed contract system.

Upon a weight basis mail matter would be shipped with other first-class cargo, and freight paid accordingly.

The receipts upon Colonial correspondence at inland rates would, after paying freights on liberal terms, leave a fair margin for other expenses.

There would be objections raised, but they can be met.

Adoption of this plan involves no longer charging subsidies to working expenses of Post Office.

Whether they be still paid out of Post Office revenue is immaterial.

The excessive payments on the Brindisi route have still to be reckoned with.

The Post Office must reform that.

At any rate it must not over-charge correspondence to meet its unnecessary extravagance.

There are material distinctions between this scheme and others hitherto placed before the public.

Whether the Colonial Governments will adopt these rates or not, the United Kingdom should lead the way alone.

## V.

### SUMMARY.

As the object of this paper has been to present a general view of the whole question, and as it was desired to make the case intelligible to general readers, among whom not much previous acquaintance with the subject was to be presumed, it has necessarily run to a considerable length. On that account it will perhaps be useful to conclude with a brief summary of the whole.

(1) The principle and mainspring of the whole argument is the immense importance—on high grounds of Imperial policy affecting our commercial, political, and social development—of increasing to the utmost the facilities of communication between the scattered communities of the British Empire. This principle was recognised and partially acted upon in the reform of Colonial postage rates recently introduced by the Chancellor of the Exchequer, when the old policy, obstructive of such inter-communication, was partially departed from.

(2) The reduction of rates then made involved the admission of two fundamental principles hitherto officially opposed. One of these is the surrender by the Exchequer of a substantial portion of the growing Post Office surplus, for the purpose of giving increased postal facilities to the public, instead of devoting the whole of it to the relief of general taxation; the second being the admission of the right of correspondence within the Empire, but outside the United Kingdom, to share in the advantage thus afforded. Though these points were conceded in principle, the application of the principles was partial only and insufficient.

(3) The existing distinction for postal purposes between the United Kingdom and other parts of the Empire is an anachronism. The expansion of England and the growth in facilities of locomotion demand the extension of Rowland



Hill's principles over the wider geographical area of to-day. Those principles, so far as material to the present purpose, were (1) the recognition of the preponderance of terminal charges for letters over the cost of their transportation, and the consequent justice and advantage of equalising postal rates over long and short distances, (2) "taking the rough with the smooth" and "making the good pay for the bad." Those principles are as applicable to the whole Empire to-day as they were to the United Kingdom fifty years ago. But to apply them without pecuniary loss the Post Office must get out of many traditional habits of conducting the Ocean Packet service.

(4) The adhesion of all parts of the Empire to the International Postal Union whereby the Imperial rates would necessarily be and remain assimilated to and regulated by the Postal Union rate, is the solution aimed at by the Post Office authorities. The principal groups of Colonies at present outstanding are South Africa and Australasia, and these are invited to attend a Conference of the Postal Union in May of this year with a view to joining it. The effect would be to make it more difficult than at present to shake off the trammels of the Postal Union. The Postal Union Convention, as it stands at present, presents a fatal barrier to the realisation of a uniform Imperial system. There are other obstacles to be dealt with before this is discussed.

(5) The standing obstacles to a uniform Imperial post within and without the United Kingdom are :

(a) The unwillingness of the Exchequer to surrender revenue. This has been partly overcome, but the unwillingness to make further concessions may continue, and therefore the pressure must not be relaxed. The right of Colonial correspondence to share the postal facilities made possible by the surrender of revenue has also been admitted in principle. But it yet remains to carry this to its legitimate conclusion.

(b) The payment out of Post Office revenue of enormous subsidies to steamship owners and companies for political and military purposes, the charging of these payments to debit of the working expenses of the Post Office,

and then seeking to make up for that by charging high rates on the ocean service to the correspondents who use them.

(c) The onerous obligations undertaken by the Post Office in providing mail facilities for international as well as Imperial uses under the Postal Union, and the enormous tax paid by it to France and Italy in respect of the transcontinental mail service.

(d) The contention on the part of the Postal Union, apparently acquiesced in by the Post Office, that between different countries belonging to the Postal Union, even through parts of the same Empire, nothing less than the Postal Union letter rate of  $2\frac{1}{2}$ d. and other regulation rates for other matter may be charged. The correctness of this view seems open to question; but if it is correct the Convention must, in British Imperial interests, be amended in this respect.

(6) Even under existing postal arrangements, the loss to be incurred by making the rates to the other parts of the Empire uniform with those in the United Kingdom is admittedly small. And whether small or great, to charge it to the particular branch of the correspondence that now pays it is indefensible in principle. Without any complete change of system, by ceasing to regard the whole of the subsidies as part of the cost of postal administration, only a small proportion being properly so accountable (whether or not they continue to be paid out of the postal surplus is immaterial), and by effecting retrenchments in respect of the Postal Union undertakings, the present apparent loss could be wiped out or materially reduced.

(7) But something better still might be done by a radical change in the traditional method of treating mail matter in the Ocean Packet services. The fixed contract system at present in vogue should be abolished, and contracts for the carriage of the mails made upon ordinary commercial principles and at freights approximating to those current for other first-class and valuable cargo, based upon the amount carried. Some additional remuneration would still be necessary in consideration of special privileges to be accorded to mail matter, and the assumption

by shipowners of certain special obligations, but this, for reasons given, would not be large.

(8) The reforms here advocated rest on grounds of Imperial policy and are in every particular the logical, natural, and practical development of Rowland Hill's principles. In these respects and in others the views of the Imperial Federation League and the scheme here advanced differ from the proposals of Mr. Henniker Heaton.

(9) The objection that the Colonies are not likely to reciprocate is susceptible of two answers. If they see their way to doing so without further loss they will certainly reciprocate at once. Even if they do not, "half a loaf is better than no bread," and the Mother Country should lead the way in establishing the cheap and uniform rate outwards, leaving the Colonies to follow suit when they see their way to doing so.

Finally, what is aimed at is the attainment of a great object, most beneficial in every respect commercial, political, and social, to the United Kingdom itself and to the Empire as a whole, even though the super-surplus of the Post Office be diminished to pay for it. But if the Post Office will abandon some bad bargains and some worn-out traditions there need be no loss at all. The Postmaster-General should be pressed from all sides to keep Imperial requirements in view in the negotiations to be entered upon at the Conference that meets in Vienna next month.





