1907. **NEW ZEALAN**D

UNIVERSAL PENNY POSTAGE

(FURTHER PAPERS RELATIVE TO).

[In continuance of Paper F.-3, presented on the 21st day of September, 1903.]

Presented to both Houses of the General Assembly by Command of His Excellency the Governor.

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No. 1.

PRECIS OF PROCEEDINGS IN CONNECTION WITH UNIVERSAL PENNY POSTAGE AT THE ROME POSTAL UNION CONGRESS, APRIL, 1906.

ARTICLE V OF UNIVERSAL POSTAL UNION CONVENTION OF WASHINGTON, 1897.

1. 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 organized, 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 15 grammes;

APRIL 28.—FIRST COMMITTEE (SEVENTH SITTING).

Debate prior to Vote on New Zealand Motion.

Article V of the Convention being under discussion—Sir Joseph Ward, New Zealand, moved to the effect that in subsection (1) of section 1 "10 centimes" be substituted for "25 centimes" as the postage-rate for letters within the Union for 15 grammes weight. He supported the motion in the following speech:-

Mr. President and gentlemen, -- The motion I have to submit is one of very great importance, and I earnestly commend it to the favourable consideration of the delegates assembled at this Con-I shall endeavour without labouring the position to place before the Congress my reasons for submitting the proposals, and the motives which prompted me to do so. I have moved in the matter from a firm conviction that to have a system of universal penny postage would be an enormous advantage to the world at large from, first, a national; second, a commercial; third, an educational; and fourth, a domestic standpoint; and I recognise that the loss of revenue would be but temporary.

Can I justify myself in asserting that from a national standpoint it would be valuable? I

unhesitatingly answer in the affirmative

You gentlemen who had the privilege of attending the banquet tendered us by the distinguished Minister who controls the Italian Post and Telegraph Service must have been struck, as I was, with the unique gathering at the festive table. Practically every nation and country in the world was represented. Though in matters of great national importance there must naturally be differences of opinion, yet, seeing the representatives of nations with very different characteristics in happy accord, extending courtesies to each other, brought forcibly to my mind the fact that at this Postal Congress was to be found a Federation of Peace and Goodwill among Nations. Providing for our fellow-beings, no matter under what flag they live, a well-equipped postal service does not call for any distinction of country, and we can apply our intellects to heip each other to inaugurate reforms for the benefit of the world at large.

It is in that spirit that I approach, as I believe all the delegates do, the world-wide question covered by the resolution I am now submitting. I am persuaded that such a distinguished gathering as this, met to discuss, and, if possible, improve, the postal services of the world, must assist, through the machinery of the Post Office, to bring peoples of all nations into closer touch. It will, I think, be conceded that there is no organization outside the Post Office that could bring together such a truly representative gathering as that assembled here. I would not have been present as a delegate but for a desire to see consummated the introduction of universal penny postage. I feel sure it would give a greater opportunity to the peoples of different nationalities to more freely communicate with each other, and so, from the national standpoint, create a greater spread of knowledge. That, together with the education that is going on in different countries, would, I think, insure a broader recognition of the aims and aspirations of different nations, of which few

of us know as much as we would desire.

On commercial grounds the advantages of a penny post cannot for a moment be gainsaid. It will be admitted that the largest contributors to the postal revenue are the commercial community. The largest proportion of them are taxpayers, and the chief agency through which they, as individuals, are assisted to carry on their business is undoubtedly the Post Office. Though I am fully cognisant of the fact that the all-important question of finance requires to be carefully considered in dealing with a world-wide proposition of the nature I am submitting to you, yet, as delegates to this Congress, we should look at the matter from all sides. To my mind, the present system of extracting from the commercial and other sections of the community who contribute to the postal revenue an amount, in the aggregate, largely in excess of the cost of transacting the work, is penalising them twice over. They pay the same rate for taxation purposes as the non-users of the Post Office, and, in addition, pay for the cost of the service rendered by the Post Office. I shall endeavour to make clear what I wish to urge upon this point. Every country has its general system of taxation, and people pay taxes to provide for the government of their country. opinion, the Post Office ought not to be used as a taxing machine, though I recognise that in some cases this is, at present, unavoidable. The effect, however, is to handicap the units who for business, domestic, literary, or other purposes wish to make use of the Post Office to assist them to pay their way and provide for ordinary taxation. Would it not, as a matter of principle and policy, be more equitable and just to spread the greater part of whatever balance there may be, after all expenses of working the Post Office had been met, over the community generally, and establish for all classes the lowest postal rates possible, and assist them to extend their business and facilitate an extended exchange of opinions with their own kin and their neighbours in other countries instead of continuing to extract large sums beyond the cost of the service from those who actually use the Post Office?

If this is a sound principle, as I believe it to be, then all countries should work in the direction of establishing a minimum postal rate that would admit a letter being conveyed to the most remote parts of the world without material loss.

I am one who believes that the universal penny post would in a short time pay the several Postal Administrations, and still leave a balance of revenue over expenditure. It is generally admitted, as I have said, that the Post Office ought not to be regarded as a taxing machine. I quite recognise, however, that the postal delegates here are neither responsible for this, nor is it within their power to change the system unless the Administrations they represent deal with the matter on a comprehensive basis.

Am I justified in expressing the opinion that the universal penny post would in a short time pay the Postal Administrations and leave a balance of revenue over expenditure? I think so; and I shall place a few facts before you in support of the contention. For my own country, New Zealand, I have been a consistent advocate from the year 1886 for establishing the penny post, and it is unnecessary for me to state that I fully recognise the splendid work that others have done in advocating this great reform. In 1892 the opportunity presented itself to me, in my official position as Minister in charge of our Postal Department, to have legislation carried through Parliament authorising the Governor in Council to establish penny postage within or outside New Zealand when deemed advisable.

On the 1st January, 1901, I had the pleasure of announcing, with the consent of my colleagues in the Ministry, penny postage from New Zealand to almost every part of the civilised world.

New Zealand when instituting penny postage invited every country in the world to accept its letters at the penny rate, and also agreed to receive letters at a penny from every country agreeable to send them at that rate. New Zealand has now about the widest range of penny postage in the world, over a hundred responsible Administrations having agreed to accept its letters at a penny and to deliver them without surcharge. I am happy indeed to be able to state in Rome that the Italian Government was one of those that agreed promptly to accept letters from New Zealand at a penny. To-day my letters from New Zealand to Italy cost one penny, and I cordially wish that this rate were reciprocal. Several countries also agreed to send their letters to New Zealand at a penny.

It will be seen from the fact that, although the legislation authorising the establishing of penny postage to all parts of the world was passed in 1892, it was not until 1901 that our penny post came into operation, that it was not adopted without serious thought. The same financial considerations which up to the present have prevented many other countries in the Postal Union from adopting penny postage, and which still, doubtless, stand in the way of this great reform being applied to the whole world, were a stumbling-block to its earlier adoption in New Zealand. It was estimated that in the first year New Zealand would concede, at the lowest calculation, 2,000,000 francs of its revenue, though its population was then about 800,000 only. I was one of those who held most strongly the opinion that the reduced rate of postage would provide an enormously increased correspondence, and that the colony would recover the whole of its revenue in about three years. My predictions in that respect were fully justified.

The forebodings that I have heard since my arrival here of financial disaster, and which would seem to stand in the way of this great reform, have been familiar to me over a long period of years in my own land, and it is difficult to make the ordinary individual realise that if you have your postage cheap enough to encourage the people to make greater use of the Post Office many of the additional letters posted probably mean others by way of reply. To make penny postage a success, however, requires more than that, and in our case this was achieved. Many of our business people not only spent in additional postage the saving gained by the penny rate, but increased their business correspondence to such an extent that they actually contributed more to the postal revenue than they did prior to the introduction of penny postage. I have little doubt that this would be the experience in other parts of the world. The change of the rate in New Zealand from 25 centimes to 10 centimes upon all paid letters for the United Kingdom represented a reduction of three-fifths. The reduction from 20 centimes to 10 centimes on all paid letters to Australia represented a reduction of one-half, and the reduction on paid letters between country offices within the colony also represented one-half. The postage on town letters was already 10 centimes, and this, of course, was not disturbed. I may here say that the town letters equal about two-elevenths of the whole. I am therefore justified in putting the reduction on paid letters forwarded both within and beyond the colony at about one-half.

The first year after the introduction of the 10-centimes rate the increase in the number of our paid letters despatched was 11,705,109, or 35.47 per cent.; the next year 16,269,463, or 49.31 per cent.; the following year 19,207,712, or 58.51 per cent.; and the succeeding year 24,014,411, or 72.78 per cent.

Though the reduction to the penny rate is a heavy one, it should, however, be recognised that the increased correspondence immediately commences to restore the equilibrium. In the case of New Zealand the estimated loss of revenue (2,000,000 francs) was after the first year reduced to about 1,200,000 francs; and it may be assumed that proportionately similar results would take place in other countries adopting the penny post.

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Then, in New Zealand the increased expenditure involved in handling the larger amount of mail-matter was comparatively slight. It was estimated not to exceed 5 per cent., and this was found to be well within the mark.

By way of contrast, I may here remark that the year before the inauguration of penny postage the increase in the number of paid letters over the preceding year was 570,492, or an increase of only 1.76 per cent. In 1901–2 the postal stamp revenue was 5,813,075 francs (or 232,523 pounds sterling), and in 1904–5 8,159,200 francs (or 326,368 pounds sterling). It will therefore be seen that as between the years 1901–2 and 1904–5, after the introduction of penny postage, the postal-

stamp revenue increased by 2,346,125 francs (or 93,845 pounds sterling).

Now, as an illustration of what a reduction in a rate for a service performed by the Post Office will effect if it goes far enough, I would mention what took place in the telegraph branch of our New Zealand service when a reduction of one-half was made in the rate for inland telegrams. On the 1st June, 1896, a rate of 6d. for twelve words in place of one of 1s. for the same number of words was introduced. The year following there was a decrease in the telegraph receipts of 0.94 per cent.; the second year there was an increase of 4.73 per cent.; the third year a further increase of 13.13 per cent.; and the fourth year an increase of 10.49 per cent., and the revenue has gone on increasing ever since. The result eight years after the reduction has been that the revenue shows an increase for the period of 96.26 per cent.

In these two branches of the service of the country I represent reductions were made in my time as Minister in charge of the Department in both postal and telegraphic rates equal to one-half, and in a comparatively short period the whole of the revenue was recovered and a credit balance earned as well. Of course, the element of the general trade of a country is an important factor in helping to make a success of a reform of such a widespread character as that of the penny post. I fully recognise that this has to be taken into consideration by every country, but it should not be lost sight of (always remembering the very large amount of the world's business transacted through the Post Office) that the greater the opportunities you give the greater are these opportunities availed of by the public; and, logically, the greater the business the greater is the use made of the Post Office. I am justified in saying that a factor in galvanising business activity in my country was the excellent postal facilities we gave the public, both within and beyond New Zealand.

Those who are not immediately concerned, or whose business does not call for examination of the working-out of penny postage, have little idea of what a deterrent the rate beyond the penny is. The public in New Zealand, from the date of the introduction of penny postage, if the old rate had continued and the same number of letters been posted, would have paid for letters posted for places within the colony 10,226,475 francs (or 409,059 pounds sterling) more than they did; and for letters posted for places beyond the colony they would have expended in postage, if the old rates had continued in force, 691,775 francs (or 27,671 pounds sterling) more than they actually did pay. So also with the sixpenny telegrams, the public would have paid 9,590,775 francs (or 383,631 pounds sterling) more for the same amount of business under the old rates than they did under the reduced ones. I have no hesitation, however, in saying that if the rates had not been reduced the public would not have made the extensive use of the post and telegraph service that they did. The cheapening of the rates, and going far enough in the cheapening, educated the public to make much greater use of the services, and hence the successful results were achieved. I would ask the Congress to consider for a moment what an enormous relief the figures I have quoted represent to the struggling merchant or trader who is endeavouring to build up or extend his business through the medium of the Post Office.

Then, again, apart from New Zealand, what has been the experience of Canada? Canada established penny postage within the Canadian Dominion in 1898, and in a few years recovered the whole of the revenue and had a surplus. I shall not trespass on the domain of Canada, as its representative is here, and doubtless may desire to express his own opinion so far as relates to his country. I may say, however, that a former Canadian Postmaster-General, Sir William Mulock, whom I met in Melbourne at the opening of the Federal Parliament of Australia, was as pronounced as I am, and held as strong views, that the postage-reduction in Canada gave an enormous incentive to people to make greater use of the Post Office. He had, at the initiation of this reform, unhesitatingly declared that the whole of the revenue would be recovered within a few years, as I had similarly anticipated would be the outcome in New Zealand. In both cases the results showed an extraordinary similarity, which I am justified in affirming makes the financial question of penny post not one of doubt, but one of reasonable certainty.

We further have the experience of Egypt, which, under the direction of its enterprising Postmaster-General, Saba Pasha, established penny post, and, as in the case of New Zealand and Canada, immediately had a very large increase in the number of letters posted. I shall not, of course, go into details as to Egypt: I leave that for its capable delegate.

I therefore express the hope that the experiences to which I have briefly referred may inspire

the delegates with a friendly feeling towards the proposal I am submitting to them.

It should not be forgotten that my country is one of small population. At the time this reform was instituted it contained, as I have stated, only some 800,000 people, and the population of Canada at the time of the introduction of penny post would be between four and five millions. The experiment was, therefore, in both instances carried out by countries not thickly peopled, and the recuperative power of a limited number of people to restore in a few years a reduction of one-half in revenue must, assuredly, be recognised to be less than that of a thickly populated country. The aggregate reduction in revenue in a thickly populated country would be proportionately higher, but any business man will confirm my declaration that he would prefer to carry on trade, if he desired to materially increase the volume of his business, in a thickly peopled area rather than in a sparsely settled one. The natural misgivings that present themselves to those who are dealing with a proposition of this kind can, I think, be moderated by a reference to those

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countries that have already adopted the system, and an examination of the remarkable financial results that have followed the admittedly heavy reductions made in the rates of postage on establishing penny post. I was exceedingly pleased to see in the annual report of the Postmaster-General of the United States of America for the year 1903 his opinion on this question, stated in the following language:—

"Reduction in Foreign Rates of Postage.—The International Postal Congress will convene at Rome, Italy, in March, 1904. Believing that the time has arrived for a reduction in the rate on foreign postage, our representative at the Congress will be instructed to urge upon the members of the Postal Union the propriety of a reduction in the foreign rates of postage, especially so far as it may effect the rate now obtaining between the United States and the great commercial nations of Europe. It is confidently expected that if the rates should be reduced from 5 cents to 3 cents, or even to 2 cents, it would result in a very short time in such an enormous increase in the interchange of communications as would bring greater financial returns than obtain from the present rate."

So that our friends in that great and progressive country realise, as I do, the advantage of reducing the postage-rate to as low as 2 cents, and I trust that the expectations so confidently expressed in that report may be voiced by the delegates representing the United States at this Congress. I hope to find them in accord with the expressions contained in the report of their Department, and giving me hearty support.

British postal reforms have already been very great. The British authorities have been the pioneers in establishing inland penny postage for Great Britain, and their adoption of the Imperial penny post shows that they are anxious to make still greater reforms, at least within the limits of their own Imperial possessions. It would be to me a matter of infinite pleasure to find that the British delegates assembled here were able to give this proposal their hearty support, and thus add another link to the chain of postal reform that their great country has already welded. It would be logical for Great Britain, having already established inland penny post, to crown its work by throwing its weight into the broader scale of universality, and I should dearly like to have the aid of its delegates at this Congress.

The world is progressing, and has in recent years progressed at a great rate. Every nation and every country is looking forward and not backward. Expansion of commerce, development of country, and improvements in arts and sciences are to be found on every side. Probably at no period in the history of the world has the all-important question of education, including that provided in technical schools, received such marked attention as at the present time. Is the postal world to lag behind in a reform that public opinion is demanding from all sides?

I do not for a moment urge that upon the carrying of a resolution such as I am submitting to you it should be mandatory upon the countries in the Postal Union that did not see their way to do so to immediately adopt the penny post. Each country must necessarily have the utmost freedom in deciding any matter that immediately affects its finance. I realise that every country requires to place the financial side in the forefront, and that, however valuable this great Postal Union may be for its adherents, it should not have an overriding authority in matters where the financial side affects the individual country. The affirmation of the principle, however, by the Congress would, I hope, insure to any country desiring to establish universal penny postage the right at least that all letters from that country shall be delivered to every other country within the Postal Union without a surcharge being levied by the delivering country, and, of course, exacted from the addressee of the letter. The affirmation of such a principle would be a great step in advance. Any country establishing universal penny postage would, as the originating country, alone be affected by the financial outcome of the reduced rate, and I would hope that it be allowed to send its letters to every part of the Postal Union without restriction.

It is not my intention to go into details regarding anomalies that are to be found in postal rates in various parts of the world, except to say that there is an incongruity, which the public are keen to recognise, in being able to despatch letters from some countries many thousand miles distant by land and sea for 10 centimes, passing through countries maintaining a 25-centime rate for the conveyance of a letter only a few miles from where it was posted. All these anomalies would disappear if a bold step were taken, and a universal rate established in place of the varying ones now in force.

I have been told that this Congress will not agree to universal penny postage. I shall be very sorry if this be the case, and I would ask the delegates not to come to a decision lightly. I am persuaded that it is only a question of time, and a comparatively short time, when a ripened public opinion will call for its establishment. What an excellent effect would be created if this Congress were in this matter to lead the world in declaring favourably for a universal penny postage!

That great country France has recently adopted penny postage within the boundaries of the French dominions. That surely is indicative of public sentiment.

Italy has reduced its internal rate to 15 centimes, and is moving in the right direction; and, with an odd exception or two, Britain and her dependencies have already declared for penny postage, at least within their borders, and in most cases within the dominion of the British Empire.

Inland penny postage exists at present within the German Empire, and between Germany and Austria and Hungary, and between the United States and Canada and Mexico. It was established in France on the 16th of this month, and operates in Britain, India, Egypt, New Zealand, and other places. The loss of revenue at the outset on inland penny postage, compared with the foreign postage, is much greater, so that the countries that have already established inland penny postage have much less to deter them from establishing the universal penny rate than those which have to face the whole question of an inland as well as an international reduction. That makes one regret

the more the possibility of deferring this reform until the next meeting of the Congress, as an adverse resolution here would involve a delay of at least five years before it could again come up for consideration.

The trend, therefore, towards the consummation of universal penny postage throughout the world is distinctly marked. I should not be surprised to find before the next Congress meets that every civilised country will at least have established inland penny postage. I repeat, what a splendid thing it would be if in postal matters we could shut our eyes to the fact that there is any limitation of boundaries, or that there are wide seas between some of our countries, and anticipate

what public opinion will eventually force us to do!

I would here remark that since the Postal Union in 1874 fixed the rate of postage for foreign letters at 21d. practically nothing has been done in the way of a reduction. The cost of transit then, both by land and sea, as well as the cost of postal administration, was enormously greater than at the present day. Railway travelling was, to say the least of it, disjointed, and much more expensive than at the present day. Steamer communication was at comparatively long intervals. Take Australia as an example: The mail-steamer communication was then about twice a month, whereas it is now at least eight times. While many important improvements have taken place in the methods of rail and steamer communication throughout the world, and in transit generally, there has been no alteration in the Postal Union rates for foreign letters for thirty-two years. The rate still remains $2\frac{1}{2}$ d. as originally fixed. At the same degree of progress how long will it take to bring about a reduction to 10 centimes? At an equal rate of progress I fear the present population of the world will have all passed away before it becomes an accomplished fact.

Nothing really worth having can be obtained without fighting for it, and even the splendid reform of British Imperial penny postage had to be strenuously battled for. If I should find myself in small company at this Congress that will not depress me. I shall feel that I have done my duty, and rely with confidence upon this inestimable boon being conferred upon the people of the world

at an early period in response to the irresistible growth of public opinion.

I trust I have not trespassed too long on the time of my fellow-delegates, yet the subject is one to which I could scarcely do justice unless I were to speak at much greater length. The time I have occupied is quite insufficient to do justice to the matter. I have, however, endeavoured to place before the Congress, somewhat imperfectly, I fear, the views of a country that is the only one that so far has in operation the principles of a system of universal penny postage, which has worked well in every respect, nationally, commercially, domestically, and, above all, financially. In the belief that equally as satisfactory results would follow in other countries as in my own, I gave notice of this proposal, and came to the Congress to place it before the delegates; and, though the country I represent is far distant in the Southern Papies it will not I am sure he recorded as out of place I represent is far distant in the Southern Pacific, it will not, I am sure, be regarded as out of place that I should move in the matter.

I have submitted this proposal to the Congress from a strong conviction and in a sincere and earnest belief that the establishing universal penny postage would be one of the greatest postal reforms the world has ever seen, and would make the postal services of our countries infinitely more beneficial than they have ever been.

I fully recognise the magnificent work that postal administrations, especially those countries within the Union, have carried out, and I trust that the wisdom and discernment that have characterized the policy of postal progress will continue to be manifested in connection with this great reform, and that, in the expressive language of the Secretary of State for Italy at the opening sitting of this Congress, we shall, as delegates, show that we are in postal matters progressive "citizens of the world."

I move the resolution.

MAY 1.—FIRST COMMITTEE (EIGHTH SITTING).

The motion was seconded by Saba Pasha (Egypt), who, after paying a tribute to the spirit of progress and initiative of the New Zealand Postmaster-General, stated that the experience of New Zealand subsequent to the lowering of the postal tariff was similar to that of all other countries which had made reductions. In Egypt, each time the rates had been reduced the results surpassed all expectations. In addition to all the advantages enumerated by Sir Joseph Ward, the reduction of the international rate would confer a great benefit on the millions of emigrants scattered all over the world. Each of the proposals submitted to the Congress (in regard to postal rates) constituted an advance on the existing régime; but that of New Zealand approached the nearest to the fundamental principle of the Union-Article I-which pronounces that the countries of the Union form but one postal territory. This principle would only receive its full application when all differences between the international tariff and the internal tariff of each country disappeared. (Applause.)

The Japanese delegation, at this stage, supported its motion for a 20-centime rate for 15

grammes in a brief speech.

Sir Joseph Ward, replying for New Zealand, insisted on the serious and practical nature of his proposal. He fully recognised that the financial side must be carefully considered by every country; but he contended that the case he had developed in his previous speech was such as to dispel apprehensions of this sort and other objections and criticisms made in the debate. If, however, his motion was not adopted, he would vote for that of Japan, which marked a step in advance. Half a loaf was better than no bread," and he would do his best to secure the remainder later.

After some other proceedings the motion of New Zealand was put to the vote, and rejected by 18 to 3, and 4 abstentions.

Ayes: United States of America, Australasia, and Egypt.

Noes: Germany, Argentina, Austria, Belgium, Denmark, Spain, France, Hungary, Italy, Mexico, Norway, Holland, Portugal, Russia, Sweden, Switzerland, Turkey, and Uruguay.

Abstentions: Canada, Great Britain, India, and Japan.

The Committee then took up certain articles which had been deferred. At Article V, Great Britain moved to fix 1 oz. as the equivalent of 20 grammes (for letters), owing to the impracticability of a weight of $\frac{3}{4}$ oz. Hungary opposed the motion, contending that the concession would give British commerce an unfair advantage over that of Continental Europe. France and Germany supported Hungary, maintaining that in their case, in the past, special weights had to be provided to meet the exigencies of international services. The United States strongly supported the British motion. Austria appealed to Great Britain to compromise. It was suggested in debate that the general weight should be fixed at 25 grammes, but it was ruled that, Congress having passed the Convention, no such alteration could now be made. Finally, on the vote, the British motion was carried by 17 to 5, and three abstentions.

MAY 2.—FIRST COMMITTEE (NINTH SITTING).

[The provisions of the subsection finally enacted by the Congress are: 25 centimes for letters not exceeding 20 grammes, and 15 centimes for each succeeding 20 grammes or fraction thereof. Protocol allows 1 oz. = 20 grammes.]

No. 2.

His Excellency the Governor to the Right Hon. the Secretary of State for the Colonies.

(Telegram.) Wellington, 23rd April, 1906.
My Responsible Advisers inform me that my Government and people of New Zealand would be much pleased if Imperial Government saw their way to support penny postage through British representative, Postal Conference. [P.O. 06/263].

No. 3.

The Right Hon. the Secretary of State for the Colonies to His Excellency the Governor.

Downing Street, 2nd May, 1906.

I have the honour to acknowledge the receipt of your Lordship's telegram of the 23rd April, 1906, stating that your Government and the people of New Zealand would be much pleased if the Imperial Government could see their way to support penny postage through the British representative at the Postal Conference.

2. I have to transmit to you for communication to your Ministers a copy of correspondence with the General Post Office on the subject, and to express my regret that, under the circumstances, I should not feel justified in pressing for the support of His Majesty's Government in this matter.

I have, &c.,

Governor the Right Hon. Lord Plunket, K.C.M.G., K.C.V.O., &c. P.O. 06/263.]

ELGIN.

Enclosure 1 in No. 3.

The COLONIAL OFFICE to the SECRETARY, General Post Office, London.

Downing Street, 24th April, 1906. With reference to the letter from this Department of the 10th January last [not printed], and your reply of the 13th idem [not printed], respecting the proposals put forward by the Government of New Zealand for discussion at the Postal Union Congress now holding its sittings at Rome, I am directed by the Earl of Elgin to transmit to you, to be laid before the Postmaster-General, a copy of a telegram from the Governor of New Zealand with regard to the proposal I am, &c., H. BERTRAM Cox. made by his Government for universal penny postage.

The Secretary, General Post Office.

Enclosure 2 in No. 3.

The Secretary, General Post Office, London, to the Colonial Office.

General Post Office, 27th April, 1906. SIR,-With reference to your letter of the 24th of this month, enclosing a copy of a telegram from the Governor of New Zealand with regard to the proposal made by his Government for universal penny postage, I am directed by the Postmaster-General to acquaint you, for the information of the Secretary of State for the Colonies, that the question has already been represented

to the Treasury. The loss to British revenue which would be involved in the establishment of the system is estimated at about £500,000 a year, of which no part would be recovered by an increase in the amount of correspondence, as there would be no profit on the letters sent at the lower rate.

In view of these financial considerations, in which the Lords of the Treasury have expressed their concurrence, the Postmaster-General regrets that the British delegates will not, under present conditions, be able to support the proposal of the New Zealand Government.

The Secretary, Colonial Office.

I am, &c., H. Buxton Forman.

No. 4.

The Postmaster-General, Washington, to the Hon. the Postmaster-General, Wellington.

(Telegram.)

New Zealand letters prepaid penny rate delivered in United States without surcharge after November first. Letter follows.

(P.0.06/283(7).1)

No. 5.

The Postmaster-General, Washington, to the Hon. the Postmaster-General, Wellington.

Office of the Postmaster-General, Washington, D.C.,

Dear Sir Joseph Ward,— 20th October, 1906.

I am in receipt of your letter of the 8th September [not printed], accompanied with a

copy of the Budget, for which I thank you. I have given careful consideration to the question of a reduction of postage-rates between our two countries, referred to in your letter from London, dated the 16th June last [not printed], and would have been strongly inclined to favour such reduction if similar agreements had been found practicable between this country and certain other countries of the Postal Union with which our people also desire to have close relations. A reduction of postage-rates on letters authorised by the Rome Congress becomes effective on the 1st October, 1907. After that date, as you are aware, there will be such a substantial modification of postage-rates as will greatly relieve the situation, and be especially favourable to those countries which have not as yet adopted the metric system, the established rates of that Convention being 5 cents per ounce and 3 cents for each additional ounce. The rate which you have adopted, 2 cents for each half-ounce, will be fully met by the rates of the Universal Postal Union on letter packets weighing as much as 2 oz. It is true that the large proportion of letters will weigh less than 2 oz. (and perhaps less than 1 oz.), so that some advantage would be derived from the rate of 2 cents per half-ounce, which is now the rate between England and her colonies, and which rate you desire to avail yourself of in the despatch of letters to addressees in the United States. While I am not yet prepared to make any special agreement for the reduction of postage between the United States and other countries, I see no objection whatever to complying with your alternative request—namely, to allow letters originating in New Zealand for delivery to addressees in the United States and prepaid at the postage-rate of 1d. per half-ounce, to be delivered to such addressees without surcharge or the collection of additional postage.

An order to this effect will be issued, effective on and after the 1st November, 1906.

A cable message has been sent you to-day as requested.

Yours, &c.,

GEO. B. CORTELYOU, Postmaster-General.

Hon. Sir J. G. Ward, K.C.M.G., Postmaster-General, Wellington, New Zealand. [P.O. 06/263(7).]

No. 6.

The Hon. the Postmaster-General, Wellington, to the Postmaster-General, Washington.

(Telegram.)

Sincerely thank and congratulate both United States and New Zealand upon establishment of penny rate from New Zealand. Hope day will soon arrive when you will establish it with the world.

[P.O. 06/263(7).]

No. 7.

The Hon. the Postmaster-General, Wellington, to the Secretary, General Post Office, London. Sir,—

General Post Office, Wellington, 27th October, 1906.

Penny Postage between New Zealand and the United States of America.

I have the honour to inform you that the Postmaster-General on the 20th instant received a cablegram from the Postmaster-General of the United States announcing that letters from New

Zealand prepaid 1d. per half-ounce would be accepted without surcharge as from the 1st proximo, and arrangements have accordingly been made to introduce the penny rate as from that date.

I have, &c., W. GRAY.

The Secretary, General Post Office, London. TP.O. 06/263(7).]

For the Postmaster-General.

No. 8.

The Assistant to President, Oceanic Steamship Company, San Francisco, to the Hon. the Prime Minister, Wellington.

San Francisco, 2nd November, 1906. Enclosed please find copy of communication from Postmaster-General Cortelyou, relative to penny postage.

F. S. SAMUELS,

The Hon, the Prime Minister, Wellington. [P.O. 06/263(7).]

Assistant to President.

Enclosure in No. 8.

The Postmaster-General, Washington, to Mr. John D. Spreckels, jun., Oceanic Steamship Company, San Francisco.

Office of the Postmaster-General, Washington, D.C., 20th October, 1906. SIR, Your letter of the 3rd October [not printed] has been given careful consideration in connection with a letter from Hon. Sir J. G. Ward, of Wellington, dated the 8th October [? September. Not printed].

The Administration of New Zealand prefers a reduction of postage-rates on all letters exchanged between the two countries. A similar request from any of the republics of South America or from England would be equally entitled to favourable consideration, but it has not been deemed practicable to reduce postage-rates between countries of the Union generally, especially pending the date when the Universal Postal Convention recently concluded at Rome will become operative, 1st October, 1907. The alternative proposition suggested by Sir Joseph Ward, and strongly urged by yourself, seems unobjectionable—in fact, desirable—and a cablegram has been sent to Sir Joseph Ward to-day in these words:—

"New Zealand letters prepaid penny rate delivered in United States without surcharge after

November first. Letter follows."

On and after the 1st November, 1906, letters originating in New Zealand and prepaid at the penny rate of postage—namely, 2 cents for each half-ounce—will be delivered to addresses in this country without surcharge or collection of additional postage; the postage-rate on letters originating in this country for delivery to addresses in New Zealand to remain as at present— 5 cents for each half-ounce—pending the general reduction of postage agreed to by the Rome Convention, effective on and after the 1st October, 1907.

Yours, &c.

GEO. B. CORTELYOU, Postmaster-General.

Mr. John D. Spreckels, jun., Oceanic Steamship Company, San Francisco.

No. 9.

The Hon. the PRIME MINISTER to the HIGH COMMISSIONER.

Wellington, 7th November, 1906. POSTAGE to United States reduced to one penny half-ounce from first instant. Advise Imperial Post Office and Heaton. Also inquire if date yet fixed for ounce minimum, Imperial penny post. [P.O. 06/263(7).]

No. 10.

The Hon, the Postmaster-General, Wellington, to the Postmaster-General, Washington.

General Post Office, Wellington, 8th November, 1906. SIR, I have the honour to acknowledge the receipt of your telegram of the 20th ultimo as follows: [No. 4], and to confirm my telegram of reply of the 22nd idem in the following terms: [No. 6].

It is difficult to adequately express the satisfaction I feel at the influential recognition which your great country has thus given to the principle of the penny post. It realises one of my most 2—F. 7,

SIR,-

ardent wishes, and I shall pursue more vigorously than ever what I believe to be one of the most important of modern reforms. As I said in my telegram, I hope the day will soon arrive when you will establish the equivalent of the penny postage with the world.

I have, &c.,

JAS. McGowan,

The Postmaster-General, Washington, D.C. $[P.O.\ 06/263(7)]$

For the Postmaster-General.

No. 11.

The Hon, the PRIME MINISTER to the HIGH COMMISSIONER.

Prime Minister's Office, Wellington, 8th November, 1906.

Penny Postage.

I have the honour to confirm my telegram of the 7th instant, announcing the agreement of the United States Government to receive New Zealand letters prepaid 1d. the half-ounce as fully prepaid.

It will no doubt be a matter of as much gratification to yourself as it is to the Government

to hear of so important a recognition of the principle of the penny post.

I have, &c., Jas. McGowan,

For the Prime Minister.

The Hon. W. P. Reeves, High Commissioner for New Zealand, London. (P.O. 06/283(7).)

No. 12.

The High Commissioner to the Hon. the Prime Minister.

(Telegram.)

In answer to your telegram of 7th November Postmaster-General states first October, nineteen hundred and seven, has been proposed to British colonies date for ounce minimum.

[P.O. 06/283(9).]

No. 13.

The High Commissioner to the Hon. the Prime Minister.

Sir.— Westminster Chambers, 13 Victoria Street, London, S.W., 16th November, 1906.

Referring to your cablegram of the 7th instant, I beg to transmit copy of letter from the General Post Office stating that the 1st October, 1907, has been proposed as the date at which the unit of weight under the Imperial penny-postage scheme shall be raised from ½ oz. to 1 oz.

I have, &c.,

WALTER KENNAWAY,

The Hon. the Prime Minister, Wellington. [P.O. 06/263(7).]

For the High Commissioner.

Enclosure in No. 13.

The SECRETARY, General Post Office, London, to the High Commissioner.

Sir,—

I am directed by the Postmaster-General to acknowledge the receipt of your letter of the 7th instant [not printed], announcing that the rate of postage on letters sent from New Zealand to the United States of America was reduced to 1d. the half-ounce, from the 1st November.

With reference to the last paragraph of your letter, I am to state that it has been proposed to the Governments of British colonies and protectorates to raise the unit of weight under the Imperial penny-postage scheme from $\frac{1}{2}$ oz. to 1 oz. on the 1st October, 1907.

I am, &c.,

The High Commissioner for New Zealand.

H. BUXTON FORMAN. .

No. 14.

The Right Hon. the Secretary of State for the Colonies to His Excellency the Governor.

Sir.—

Downing Street, 23rd November, 1906.

I have the honour to transmit to you, for the information of your Government, a summary, prepared by the General Post Office, London, of the principal results of the deliberations of the Congress of the Universal Postal Union held at Rome in April last.

It will be seen that, while the initial postage-rate for letters remains 25 centimes or $2\frac{1}{2}d$., the rate for each successive unit or fraction thereof is to be 15 centimes or $1\frac{1}{2}d$., and that the unit

of weight itself has been raised from 15 to 20 grammes, 1 oz. being regarded as the avoirdupois equivalent of 20 grammes. His Majesty's Government are prepared to raise the unit of weight for outgoing letters from ½ oz. to 1 oz. on the 1st October, 1907, when the new Postal Union Convention and the charges introduced by it are to come into operation; and I shall be glad to learn that your Government are prepared to adopt the increased unit of weight as from that date.

This increase of weight has an important bearing on postal relations within the British Empire; and I share with the Postmaster-General the hope that under the Imperial penny postage scheme your Government will agree to the penny rate of postage being applied to all letters not

exceeding 1 oz. in weight posted to or from places within the Empire.

I have agreed to the adoption of this increased minimum weight both for foreign and Imperial

letter postage on behalf of the following colonies:

Ashanti, Gibraltar, Malta, Straits Settlements, St. Helena, Trinidad and Tobago, Ceylon, Gold Coast, Falkland Islands, Hong Kong, Seychelles, Turks Islands, Fiji, Labuan, Sierra Leone, Windward Islands. Leeward Islands. Gambia. Southern Nigeria,

and on behalf of the following protectorates:-

British Central Africa, Northern Territories of the Gold Somaliland, East Africa Protectorate, Coast, Southern Nigeria Protectorate, Gambia Protectorate, Sierra Leone Protectorate, Uganda.

Northern Nigeria,

I have also agreed on behalf of the Federated Malay States and Cyprus.

Copies of the new Postal Union Convention, with an English translation, which is in course of preparation by the Postmaster-General, will be transmitted to you at an early date.

I have, &c. The Officer administering the Government of New Zealand. ELGIN.

P.O. 07/236(1).]

Enclosure in No. 14.

POSTAL UNION CONGRESS OF ROME, 1906.

Principal Results and Practical Outcome.

Increase of voting-power.

1. Although on this occasion there were no new accessions to the Universal Postal Union, considerable modifications were decided on in connection with the voting-powers. A separate vote was given to the British Colonies of South Africa (including the Transvaal and the Orange River Colony), and the vote previously allotted "to the rest of the British colonies," and assigned to the South African Colonies, was thus set free, and has now been assigned in the final protocol of the Rome Convention to New Zealand, with the Cook Islands and other dependencies. New votes in respect of colonial possessions were accorded to the United States, France, Germany, Holland, Italy, and Portugal.

Statistical accounts, rates of transit.

2. Statistics are to be taken every six years for the purpose of calculating the payments due for the transit of correspondence. The process of taking statistics has been considerably simplified as compared with that which obtained formerly. Closed mails will be weighed in the bag or wrapper, and from the gross weight 10 per cent. will be deducted in respect of packing and of correspondence entitled to pass free of charge. During the statistical periods, of which the first will be in November, 1907, letters and post-cards must be packed separate from other articles. The Union transit rates have been reduced. In the case of closed mails, the fundamental landtransit rate will be 1fr. 50c. per kilogramme of letters and post-cards, and 20c. per kilogramme of other articles; and it was decided to apply multiples of these rates to all transits of exceptional length, and to restrict the category of extraordinary services giving rise to special rates to the Indian mail-service and (temporarily in all probability) the transit across the Isthmus of Panama.

Under this arrangement the scale of land-transit rates will be-

Letters and Articles.

1f. 50c. and 20c. for transits not exceeding 3,000 kilometres.

and 40c., from 3,000 to 6,000 3f. ,, 6,000 to 9,000 4f. 50c. and 60c.,, and 80c.,, above 9,000 kilometres.

The sea-rates will be

Other Letters and Post-cards. Articles.

1f. 50c. and 20c. for transits under 300 miles.

and 50c. for transits across the North Atlantic Ocean and Mediterranean, &c., 4f. and if the distance does not exceed 1,500 miles.

8f. and 1f. for longer distances.

In the case of correspondence sent à découvert, the retransmitting country will be entitled to uniform credits of 6 centimes for each letter, and $2\frac{1}{2}$ centimes for each post-card or other article, irrespective of weight or destination. During a statistical period, therefore, the number of articles sent à découvert will in future be counted.

Letter-postage.

3. The unit of weight for letters has been raised from 15 to 20 grammes; and for countries which have not adopted the decimal metric system the avoirdupois equivalent of 20 grammes may be fixed at 1 oz. The initial rate for letters remains 25c., or $2\frac{1}{2}$ d.; but after the first unit of 20 grammes, or 1 oz., the rate is to be 15c., or $1\frac{1}{2}$ d., for each successive unit or fraction thereof.

Reply coupon.

4. As a means of enabling the sender of a letter addressed to a place abroad to prepay a reply, the International Bureau will issue to Postal Administrations special coupons exchangeable for a postage-stamp of 25 centimes or its equivalent by the Post Office of any country which adopts the scheme. In order to prevent speculative transactions through the purchase of coupons in countries where the local equivalent of 25 centimes is low in order to obtain at a reduced rate postage-stamps in countries where the equivalent is high, the coupons are not to be sold for less than 28 centimes. In countries with sterling currency, 3d. will probably be the usual sale price.

General facilities for the public.

5. There are to be various relaxations of the existing regulations for post-cards, which have proved somewhat irksome since the development of the traffic in picture cards. The title "Post-card" will not be obligatory except for official issues; and the presence of that title on a card will not render it untransmissible at the reduced rate of 5c., or $\frac{1}{2}$ d., if it is otherwise in conformity with the printed-matter regulations. Written communications will be permitted on the left-hand half of the address side of all post-cards, whether picture cards or not, and it is not for-bidden to attach the postage-stamps to the reverse side, although the new regulations contain a recommendation that they should be placed in the upper right-hand corner of the address side. Engravings or photographs on thin paper may be affixed to post-cards, provided that they are entirely adherent; and the sender may also affix a gummed label (not exceeding 2 centimetres by 5), giving his own name and address, and not only as now a label with the name and address of the person for whom the card is intended. The addition in manuscript to Christmas and New Year cards of expressions of good wishes, compliments, &c., limited to five words, will not debar them from transmission at the printed-matter rate. As before, post-cards may not exceed in size 14 centimetres ($\frac{51}{2}$ in.) by 9 centimetres ($\frac{21}{4}$ in.); but hereafter they must not be smaller than 10 centimetres ($\frac{3+5}{16}$ in.) by 7 centimetres ($\frac{24}{4}$ in.).

The privileges of the sample post have been extended to keys sent singly, consignments of fresh flowers (provided that they are not sent for commercial purposes), tubes of serum and pathological specimens rendered innocuous by their mode of preparation and packing. The practice of allowing old letters and post-cards which have served their original purpose to pass as commercial papers was expressly sanctioned. In printed notices relating to the movements of ships, the date of arrival and the name of the ship may be inserted in manuscript, and not only the date of departure as heretofore; and similarly the date of despatch of goods may be written in printed

advices of despatch.

Prisoners of war.

6. With the view of giving effect to the provisions of the Hague Convention of 1899 respecting the laws and customs of war on land, it was decided that correspondence and parcels sent to or from prisoners of war should be exempted from payment of postage and insurance fees (and incidentally from all transit charges), and that the money-order service should be available free of charge for remittances to and from prisoners of war.

Responsibility of Post-offices and postal machinery.

7. Responsibility for the loss of registered articles was rendered obligatory. A simplification of advantage to the Post Office and one likely to prevent misunderstandings on the part of the public is embodied in a new regulation, whereby the amount to be marked by the despatching office in French currency on unpaid and insufficiently paid correspondence will be double the deficiency, or, in other words, the full charge to be collected on delivery, and not the single deficiency as heretofore. A uniform procedure was laid down for the return of empty mail-bags.

The work of officers dealing with registered correspondence will be lightened by the abolition of the regulation providing for the registration of advices of delivery on their return to the office of origin; and the treatment of applications for missing registered letters and parcels will be accelerated by a new provision that, in relations with countries beyond sea, the inquiry is to be pursued from office to office, following the course of the article concerned, instead of being communicated in the first instance directly from the office of origin to that of destination. Under

no circumstances are registered articles to be sent mixed with ordinary correspondence.

Postage-stamps.

8. The number of specimen postage-stamps, &c., of new issues to be furnished by the issuing office through the International Bureau to the other offices of the Union has been reduced from five to three; and it will be obligatory for all countries to adopt the colours prescribed for stamps representing the typical rates of 25, 10, and 5 centimes, and to indicate the value in Arabic figures.

F.-7.

Insured-letter agreement.

9. The accounting for insured letters and boxes is to be effected on a statistical basis, instead of piece by piece as formerly.

Operation of new Convention.

10. The new Postal Union Convention signed at Rome and the changes set forth above are to come into force on the 1st October, 1907.

Next Congress.

11. The next Congress will meet at Madrid. General Post Office, London.

26th July, 1906.

No. 15.

The Hon. the Postmaster-General, Wellington, to the Postmaster-General, Washington.

DEAR MR. CORTELYOU,-General Post Office, Wellington, 18th December, 1906.

I have your letter of the 20th October last, anent your accepting our penny letters for delivery within the United States, and note the reasons why you were unable to apply the penny rate in both directions.

The reduced Postal Union rates, which become operative on the 1st October next, will be a considerable relief to the public, and at the same time should do much to hurry on universal penny postage, wihch I hope your Administration will assist to see consummated.

Yours, &c.,

Jos. Geo. Ward, Postmaster-General. George B. Cortelyou, Esq., Postmaster-General, Washington, D.C. $[P.O.\ 06/263(7).]$

No. 16.

The SECRETARY, General Post Office, London, to the Hon. the POSTMASTER-GENERAL, Wellington

General Post Office, London, 19th December, 1906. SIR.

I am directed by the Postmaster-General to acknowledge with thanks the receipt of your letter of the 27th October, announcing that arrangements have been made to introduce a postage-rate of 1d. the half-ounce on letters posted in New Zealand addressed to the United States I am, &c., E. W. FARNALL. of America.

The Hon. the Postmaster-General, Wellington. [P.O. 06/263(7).]

No. 17.

The Hon. the Acting Prime Minister, Wellington, to His Excellency the Governor.

Wellington, 11th February, 1907. (Memorandum.) THE Acting Prime Minister presents his compliments to His Excellency the Governor, and begs to inform him, in connection with paragraph 2 of the accompanying despatch of the 23rd November last from the Secretary of State for the Colonies, that New Zealand will be prepared to raise the unit of weight of letters admissible at the minimum rate to 1 oz. as from the 1st October next. This Government also agrees to the penny rate of postage being applied to all letters not exceeding 1 oz. in weight posted to or from places within the Empire, and has already raised the weight to 4 oz. within the colony.

His Excellency the Governor.

WM. HALL-JONES.

[P.O. 07/236(1).]

No. 18.

The Director, International Bureau, Universal Postal Union, Berne, to the Secretary, General Post Office, Wellington.

[Translation.]

Berne, 6th April, 1907. Referring to my circular of the 25th August, 1905 [not printed], I have the honour to forward you herewith a translation of a letter which the Postmaster-General's Department of the Commonwealth of Australia has just forwarded me:-

Melbourne, 23rd February, 1907. Referring to communication of the 12th July, 1905 [not printed], in which I informed you that an agreement had been entered into for the admission and distribution, without surcharge, in the Commonwealth of Australia, of letters originating in the United Kingdom of Great Britain and Ireland addressed to the Commonwealth of Australia and prepaid at the rate of 1d. per $\frac{1}{2}$ oz. and the reduction from $2\frac{1}{2}$ d. to 2d. per $\frac{1}{2}$ oz. on letters from the Commonwealth for the United Kingdom of Great Britain and Ireland, and that as the result of requests which have been addressed to this Administration by the Administrations of a certain number of countries belonging to the British Empire, it had been decided to extend the agreement in question to include correspondence exchanged between Australia and these countries, I have the honour to inform you that authority has just been given to extend at once the above agreement to the undermentioned

British Central Africa (Protectorate), British East Africa (Protectorate), Canada, Ceylon, Cyprus, Egypt, Falkland Islands,

Malta, Natal, Fiji, Gambia, Gibraltar, Gold Coast, Rhodesia,

Hong Kong, and British agencies in China,

Labuan, Leeward Islands. Lord Howe Island, New Guinea, British, Nigeria, Northern, Nigeria, Southern, Norfolk Island, Orange River Colony,

India,

Jamaica,

The Secretary, General Post Office, Wellington. [P.O. 07/820(2).]

St. Helena. Seychelles, Sierra Leone, Somaliland, Straits Settlement, Transvaal, Trinidad and Tobago, Tristan da Cunha, Turks Island and Cayman, Uganda, United Kingdom, Weihaiwei,

Windward Islands.

I have, &c., Ruffy, Director.

No. 19.

[Extract from the New Zealand Times, Wellington, of the 11th May, 1907.]

Universal Penny Postage.

London, 10th May. [Telegram.] The Imperial Conference resumed its sittings yesterday. Mr. Sydney Buxton, British Postmaster-General, was among the delegates present.

On the motion of Sir Joseph Ward the following resolution was adopted:-

"That in view of the enormous social and political advantages, and the very material commercial advantages to accrue from a system of international penny postage, and of the further fact that any depression in postal revenue resulting from the adoption of such a system has now been proved to be only temporary in duration and inconsiderable in amount, this Conference recommends to His Majesty's Government the advisability, if and when suitable opportunity occurs, of approaching the Governments of those States, members of the Universal Postal Union, which have hitherto declined to agree either to an interchange of letters at a one-penny rate for the minimum rate or to the receipt of letters from abroad at the same rate, with a view to a more general, and if possible a universal, adoption of the penny rate.'

In support of his resolution Sir Joseph Ward argued that the Post Office was not a taxingmachine. Approval by the Conference of universal penny postage would favourably influence other countries. It was absurd that a letter from New Zealand to England could be carried for a penny, while a letter across the English Channel cost $2\frac{1}{2}$ d. New Zealand's and Canada's experience showed that the loss in instituting penny postage was recouped within three years.

Mr. Buxton favoured universal penny postage, though he was unable to say when England would be able to give effect to it, as if put into operation it would involve a reduction in revenue of £450,000, in addition to £190,000 per annum recently conceded.

Sir Joseph Ward said he feared some fine morning Britain would awake and find that America and France or America and Germany had entered into a subsidiary agreement for penny postage. He urged Mr. Buxton to be ready for a reform which must come.

[P.O. 07/820.]

No. 20.

The Secretary, General Post Office, Wellington, to the Director, International Bureau of the Universal Postal Union, Berne.

General Post Office, Wellington, 31st May, 1907. SIR,— I have the honour to acknowledge the receipt of your letter of the 6th ultimo, forwarding copy of letter from the Postmaster-General's Department of the Commonwealth of Australia, notifying that the arrangement under which that Administration accepted without surcharge from the United Kingdom letters prepaid 1d. per ½ oz. and passed letters in the opposite direction bearing 2d. postage had been extended to include correspondence exchanged between Australia and British Central Africa Protectorate, British East Africa Protectorate, and certain other countries belong-I have, &c.,
D. ROBERTSON, Secretary. ing to the British Empire.

The Director, International Bureau of the Universal Postal Union, Berne. [P.O. 07/820(2).]

F.-7.

No. 21.

The Director, International Bureau, Universal Postal Union, Berne, to the Secretary, General Post Office, Wellington.

[Translation.]

Berne, 20th June, 1907. Referring to my circular No. 2082/94 of the 6th April, 1907, I have the honour to inform you, on behalf of the Postmaster-General's Department of the Commonwealth of Australia, that the agreement mentioned in the above-mentioned circular is now likewise extended to letters exchanged between the offices of the Commonwealth and the offices of the British colonies of Bahamas, Honduras, Bermuda, Mauritius, and Guiana.

I have, &c.,

RUFFY, Director.

[P.O. 07/820(7).]

SIR,-

No. 22.

The High Commissioner to the Hon. the Prime Minister.

(Memorandum.)

Westminster Chambers, 13 Victoria Street, London, S.W., 26th June, 1907. As requested by your letter of the 30th April [not printed], I have obtained three copies of Return No. 117, on the subject of universal penny postage, which was ordered by the House of Commons to be printed on the 9th April, 1906, and beg to enclose them herewith.

The Hon. the Prime Minister, Wellington.

W. P. Reeves.

[P.O. 07/820(1).]

Enclosure in No. 22.

PENNY POSTAGE.

RETURN to an Order of the Honourable the House of Commons, dated 3 April, 1906, for copy "of Letters addressed to the Postmaster-General by the Hon. Member for Canterbury, dated October, 1904, and February, 1906, on the Subject of Universal Penny Postage (in continuation of Parliamentary Paper No. 34 of Session 1887)."

General Post Office, April, 1906.—Sydney Buxton.

(Mr. Henniker Heaton.)

Universal Penny Postage.

To the Postmaster-General of Great Britain.

MY DEAR POSTMASTER-GENERAL, ---

London, October 31st, 1904.

Permit me to call your earnest attention to the most important subject that can possibly come before you—that of establishing cheap postal and electrical communication with the outer world.

With pride we hear our gracious sovereign spoken of as "Edward the Peacemaker," and all would further his beneficent aims; the Englishman who can do most to further them is the Postmaster-General.

Nations, like individuals, are less likely to quarrel if in free communication than if they wrap themselves in savage isolation. The gentle Elia remarks on two men who had never seen one another before meeting and instantly fighting. The chief reason, no doubt, was that they were strangers.

In any case, the existing foreign postal tariff is a disgrace to civilisation; it is doomed; and it is to be hoped that the voice of an English Minister will first be heard calling for its abolition. What will Macaulay's New-Zealander say, on hearing that we pay 1d. for sending a letter 12,000 miles via Calais to Australia, and 2½d. for sending a similar letter twenty-one miles, from Dover to Calais?

After ascertaining his author's reputation for veracity, will he not conclude that our rulers had observed something noxious to our national character, a sort of normal absinthe, in unrestricted communication with France?

The glaring injustice of the 2½d. rate to the Continent and the United States is shown in other ways. In Austria, where I was recently, I could send a letter right across that country and Germany, from the Russian frontier to the North Sea, for 1d., by virtue of a "restricted" Postal Union between the two Empires. Such restricted unions have long existed between groups of neighbouring European States, and between the great North American Powers.

Why have we alone refrained from forming these graceful and profitable alliances with our

neighbours?

It will be objected that the $2\frac{1}{2}$ d. rate is necessary to meet the exorbitant transit charges of the Continental railways. This argument was used to defend the old 5d. and 6d. postal rates to India and the East. It does not apply at all to our American correspondence; but even there excessive charges are made in one direction. The question is not how to benefit British writers to the relative but to have fit our Continental friends equally with correspondence. In the light of this the colonies, but to benefit our Continental friends equally with ourselves. In the light of this

new fact—fait nouveau—you would probably find the Frenchman, German, or Italian much more disposed to examine these rapacious railway charges with an open mind.

A Congress of the Postal Union will meet at Rome early next year, at which a resolution for universal penny postage will be submitted, with the fervent good wishes of the most enlightened and trusted of European statesmen.

The experts recognise the railway difficulty, and despise it. A Postmaster-General of long standing writes to me, after expressing himself in favour of the proposal, "The principal difficulty is in the utterly absurd transit dues, which, if swept away, would render penny postage instantly possible."

That such a measure would have the happiest effects on our foreign trade and international relations, the most pessimistic of cynics will admit. That it would, in view of the certain development of correspondence, entail permanent loss on any of the Governments concerned is more than doubtful. Even in the first year, and allowing the railway shark his full pound of flesh, it would cost us—this grand step towards the brotherhood of nations—but £250,000—one-fourth the cost of a battleship.

The subject of cheap electrical communication with the outer world is, if possible, of still

greater urgency.

This heavily taxed industrial community, subsisting by its trade over-sea, is mulcted some four millions sterling annually for a cable service which ought not to cost £100,000. This huge sum is a first charge on our commerce, and fatally handicaps our merchants in various directions. It is hardly necessary to argue that competition with the cable company is as justifiable as with a telephone company.

The sole question with you will be to secure fair treatment for the public. I say we have not such fair treatment, either from companies or the Post Office.

To begin with, why do you charge four times as much for telegraph communication with a Frenchman as with an Irishman? We can telegraph from Hull to Galway, across the stormy channel of St. George, for ½d. per word; but from Dover to Calais (twenty-one miles) you insist on 2d. The French Government, more compunctious, offers an international penny rate, but you object. Do you suppose our 'cute Parisian friends are blind to this curious illustration of our sincerity in advocating the entente cordiale? In Australia, a poor country, we can telegraph 3,000 miles for 1d. But your exactions sink into insignificance before the gigantic demands of the cable companies. The whole of their lines could be laid at an expenditure, involving interest, of, say, £100,000 per year, and they net £4,000,000 a year. Their tariffs swarm with significant anomalies.

Thus, the annual stream of 200,000 travellers via the Suez Canal complain of having to pay 1s. 10d. and 1s. 7d. a word to England, though from Gaza, several hundred miles higher up the Mediterranean, the charge is $6\frac{1}{2}$ d. From El Arich, sixty-five miles from Gaza, the charge is 2s. 10d. One company transmits telegrams to Australia, as far as Bombay, for 1s. $3\frac{1}{4}$ d. a word, but charges 2s. 6d. a word for messages to Bombay. The Russian Government conveys telegrams from St. Petersburg to Vladivostock, 6,000 miles, past our Indian Empire, for about $4\frac{1}{2}$ d. a word; but we charge 2s. 6d. to India.

Let me suggest that you come to our aid. Summon a conference of European Postmasters-General, point out the vast interests at stake, and invite them to establish a general penny-a-word rate all over Europe, or, as a compromise, to agree that the total charge for an international message shall not exceed the sum of the inland rates of the countries traversed.

In concluding this letter, which is necessarily of a general character, let me add that I do not ask you, a Cabinet Minister and Postmaster-General, to commit yourself to definite approval of any suggestion or statement contained in it. But, as one representing a widespread interest in the subjects here dealt with, I trust I may reckon on your careful examination of all facts and arguments laid before you, and, I believe I may add, on your sympathy with the policy of working the freest, cheapest possible communication between the peoples.

I am, my dear Postmaster-General,

Very faithfully yours,

The Right Hon. Lord Stanley.

J. HENNIKER HEATON.

II.

Dear Mr. Postmaster-General,— Carlton Club, London, 28th Feb., 1906.

The duty falls to me, on the very eve of the Postal Union Congress, of laying the case for universal penny postage before a new British Postmaster-General. I do so with the more confidence because your well-known sympathy with postal progress will effectually supply any deficiencies in the arguments I may advance. You will certainly not think them less weighty because of the place from which they are dated and addressed. The ship's watch is changed, but all are satisfied that the engines are in good hands. I trust I may add, without being suspected of any arrière pensée, that your great office is just now one of enviable importance and responsibility.

At this critical moment in the world's history, when nations long divided are fraternising, and a vague yearning for peace and goodwill is working and fermenting in the mind of humanity, any reasoned proposal for developing and facilitating international communication claims serious attention. Ignorance is the breeding-ground not only of discord and war, but of every plague that afflicts us. How impotent for evil are bellicose Ministers when the masses of the governed peoples

thoroughly understand, and, as a necessary consequence, esteem, one another!

A POPULAR SCHEME.

The attitude of our countrymen towards the general penny-postage rate is beyond all question favourable. A glance at the long and brilliant array of names on the enclosed paper, published in the *Times* of Oct. 10th 1905, will suffice to show how widely and enthusiastically the scheme is supported. "The idea," said the *Times*, "steadily and deservedly grows in public favour. Every one can see its personal and commercial uses; every one can imagine in some

degree the enormous boon it would constitute to the folk of modest means. . . . Here in England we shall not stand in need of much detailed reasoning to convince us of the genuine advantages promised by such a scheme."

I have before me a resolution passed by the Common Council of the City of London on Oct. 19th, 1905, as follows:—

"That this Court, fully appreciating the great advantage to commerce, international concord, and social intercourse, which would result from the extension of the penny postal system, desires to express its hearty support of the movement now being organized to secure its future universal adoption; and further expresses its earnest hope that His Majesty's Government will take into its favourable consideration the best means of accomplishing an object so well calculated to promote the best interests of the Empire."

Before long I hope to send you a general resolution to the same effect, of the Municipal Councils throughout the kingdom.

FOREIGN SUPPORT.

Foreign opinion, so far as it has been elicited, is also decisively in favour of worldwide penny postage. The European commercial class, as might be expected, sees in it a peaceable extension of workable area, equivalent to the conquest of a new Morocco or China, for trade. Foreign statesmen, publicists, and other thinkers recognise its vast potentialities for the promotion of friendly intercourse; while the working-men of all lands intuitively hail it as a sorely needed stimulus to productivity, an impartial, all-round influence for good.

stimulus to productivity, an impartial, all-round influence for good.

The suggestion has not, so far, been rapturously welcomed by foreign Governments; but their acceptance of it is merely a question of time, and the approval of it by a single great Power will decide the rest. More than one American Postmaster-General has advocated foreign penny postage, when the loss on free, or almost free, transmission of American book-post matter has been put an end to.

And the German Emperor has declared that if we establish penny postage to the United States Germany will do so—he might have said must do so. The cogent logic of the subjoined appeal of eading German commercial men cannot have failed to impress a monarch so sagacious:—

[From the Great Merchants of Germany.]

"A petition in favour of a reduction of the postage-rates within the limits of the Universal Postal Union:—

"On the 6th of June of the present year 1905 the Association of Senior Merchants of the City of Berlin submitted the following petition to the Secretary of the German Imperial Post Office—that is, the German Postmaster-General:—

"The postage-rates now in use throughout the Universal Postal Union have for the main part been established by the Postal Treaty of Berne in 1874 and the Universal Postal Treaty of Paris in 1878. They are thus for nearly three decades in use. During this period, as is proven by the statistics, the international postal affairs have vastly increased, and it appears that the moment has again arrived when a reform, in the sense of a reduction of the postage-rates throughout the Union, might be introduced.

"It has ever been considered as the greatest merit of Dr. Von Stephan, the former Postmaster-General, that he took an active part in the organization of the Postal Union, with its—for those days—cheap uniform rates. In a like manner, the present German Postal Administration might obtain for itself both the praise of the country as well as that of the outside world if it would take the lead in recommending a universal reduction of the present postal rates. The idea of such a reduction is all the more feasible as agreements have been formed in the course of the last years between the postal authorities of Great Britain and Ireland on the one hand and those of the British colonies on the other, in consequence of which the penny postage, which was valid only for postal intercourse between Great Britain and Ireland, has been extended over almost the whole British Empire. This is in reality and with due reference to the enormous development of British settlements in all quarters of the globe, a reduction having already a certain universal character, and which must be looked upon as a precursor for the general introduction of a similar reduction of the world's postage-rates. As long, however, as this advantage only redounds to the benefit of England and its colonies, the other countries are in a disadvantageous position, and the longer this differentiation is kept up the more keenly this disadvantage will make itself felt, and will prove an obstacle to the development of international trade.

"For Germany in particular the question of the postage-rates is of a greater importance in consideration of the fact that our position on the world-market will be a decidedly more unfavourable one than hitherto owing to the new commercial treaty.

"Our petition to Your Excellency is, then, to this effect, that you will propose at the next Congress of the Universal Postal Union a general reduction of the universal postage-rates, probably to those rates in use now for the inland service of the individual countries, and that you will begin with the preliminaries for such an agreement at once. Independently, however, whether such an

agreement may be arrived at or not, we furthermore petition Your Excellency to enter upon negotiations with the neighbouring countries for the purpose of obtaining a reduction of the postage-rates in use within these countries themselves.

"We are firmly convinced that our intercourse with our neighbours will thus receive an enormous increase. We are aware that negotiations undertaken with the Netherlands some years ago to this effect came to nothing. This, nevertheless, we believe to be no reason why similar negotiations should not be recommenced with the Netherlands, as also with Belgium, Switzerland, Italy, &c. Such considerations as the prospect of a momentary and transient reduction of the receipts should, in our opinion, have no bearing upon your decision in this respect.

"It is solely a question of progress in the postal service, the results of which will doubtless surpass all expectations."

TAXING POSTERITY.

Several passages in this document will have peculiar interest for you. To begin with, there is the suggestion that a rate which was moderate in the seventies may now be oppressive, in face of the prodigious development of commerce. Is there any mysterious virtue in this antiquated "twopenny-halfpenny" rate? Certain experts abroad seem to regard it as a golden butterfly, not to be touched without catastrophe. They venerate it as the deacon did his

> wonderful one-horse shay, That was built in such a logical way It ran a hundred years, to a day.

TEUTONIC ADAPTATIONS

Next, there is the tempting invitation to the German Postmaster-General to distinguish himself by taking the lead in proposing universal penny postage, on the ground that it is the inevitable corollary of our Imperial penny postage. None could envy the British Postmaster-General who should suffer himself to be thus forestalled. It is, I am sure, sufficient to direct your attention to the matter.

The rule that each State should levy the same rate on inland and outgoing (domestic and foreign) letters is one that I have frequently recommended. For many years Canadians paid their inland rate of 3 cents on a letter to the United States, while the reply was delivered in the Dominion for 2 cents, the American inland rate.

RESTRICTED UNIONS.

The petitioners ask the German Government in the alternative to establish penny postal unions with the neighbouring countries—Holland, Belgium, Switzerland, &c.; "&c." meaning France and Russia. Such "restricted unions" are, as you know, already in existence, under clause 21 of the Postal Union Convention; Germany and Austria, Canada and the United States, have long been linked up in this way. But the latest and grandest of the restricted unions is that embracing the whole extent of the British Empire.

This has already proved an unqualified success. Since 1898 the mails to and from the colonies have more than doubled in volume, and if the exorbitant transit charges between Calais and Brindisi and Naples were reduced, your revenue would have benefited considerably. It is needless to expatiate on the benefits of Imperial penny postage to our commerce, and its interest in promoting the happiness of the poor emigrant class. Every man who affixes the tiny label to his letter home, or to the colonies, feels that he is setting his seal anew to the unwritten bond of British unity.

A TRANSIENT PHANTOM.

These long-headed burghers add a pregnant sentence, which may be commended to every Postal Minister concerned. They say, "Such considerations as the prospect of a transient and momentary reduction of the receipts should, in our opinion, have no bearing on your decision." "The results," they assure him, "will doubtless surpass all expectations." A "transient reduction of receipts" will not deter a farmer from laying out money on seed, or an omnibusproprietor from adopting motors, or a steamship-owner from fitting turbines.

AN ANGLO-SAXON UNION.

What I ardently desire to see is an extension of the British Penny Postal Union to include also at least one great and friendly nation. The more nations combine for peaceful objects the less likely are they to find causes of quarrel, and the Postal Federation of the world, now within sight, may well prove the germ of universal peace. If we are to choose a first partner, the name of the mighty Transatlantic Republic starts to our lips. One fact dominates our thoughts. Of the fifteen millions who emigrated from our shores in the last century no fewer than ten millions went to the United States. They and their descendants never forget that they are our own flesh and blood. Last year they sent to poor relatives in the British Isles no less than £1,250,000, mostly in small remittances—a pious tribute which makes every one of us, rich or poor, personally grateful. It is doubtful if His Majesty's Government could propose a more popular measure than a Penny Postal Union with the United States, embracing all Anglo-Saxondom in its beneficent activity. Who among us would object? Not the merchants, manufacturers, and operatives, who

19 F.→7.

dispose of 3,500,000 pounds' worth of goods annually in the American market. Certainly not the humble folk who keep up correspondence with sons and brothers living under the Stars and Stripes. The first year's cost would be a comparative trifle, but the rapid ensuing multiplication of correspondence would in a short time raise the postage receipts to the present total. For there is here no costly land transit to pay for.

AN ANGLO-FRENCH UNION.

So far the *entente cordiale* has produced a certain quantity of speeches, more or less eloquent, and some excellent music by the band of the *Garde Républicaine*. Has not the time arrived for establishing an object-lesson of a more solid character?

Let us have one that will touch the imagination of the dullest, that will benefit equally trading Britain and thrifty Gaul, that will be familiar in every home, and repeated in every transaction of international commerce and travel.

ADVANCE AUSTRALIA.

At this moment the Postmasters-General of Australia (Mr. Austin Chapman) and New Zealand (Sir J. G. Ward) are on their way to attend the Postal Union Congress to be held in Rome. Their mission is to ask, on behalf of Australasia, for universal penny postage, the motion for which will be proposed by Sir J. G. Ward and supported by Mr. Chapman. It is natural that the "Great Lone Land," isolated in the pathless ocean from the sister States of civilisation, should plead for the means of closer and more frequent intercourse with them. It is gratifying to know (Lord Cromer will be proud of it) that the appeal is to be backed by Egypt, which we remember a helpless prey to Ismael, Arabi, and the Mahdi in turn, and which is now one of the most prosperous, and, from a postal point of view, most progressive, countries in the world. But the view of Englishmen will undoubtedly be that expressed by the Dean of Norwich in the eloquent letter appended: "The great England of to-day should set this matter going. . . . We should not suffer this honour to be won by any other power on earth." We look to you to table the proposal, and if it be for the moment unacceptable this wide Empire of ours can well afford to be, not for the first time on great questions, in a minority on the council of the nations.

AT THE CONGRESS.

The probability—let us say the certainty—that many States would object is no reason for hanging back. On every conceivable ground—because our mails are the heaviest; because England is the pioneer and torch-bearer of postal reform; because we have already almost worldwide penny postage—the first, as well as the last, word is with us. I, for one, am confident that the gifted and accomplished dialecticians on the Secretary's staff would be more than competent to defend the universal penny rate on its merits. The bigoted foreign official's mind is like the pupil of the eye: the more light we pour on it the more it contracts. But one may suspect his opposition to be based on the foolish fear that the reduction would benefit England almost exclusively; or, in the case of France and Italy, that the existing exorbitant railway transit charges would be cut down.

An ALTERNATIVE.

Let us assume, however, that England's magnanimous offer of the penny rate is misunder-stood and rejected. Following what is likely to be classical strategy in face of a stout resistance en bloc, we can still secure universal penny postage "by instalments." We may regret the aloofness of Persia or Turkey, but we may console ourselves by arranging restricted Unions with the United States, France, Germany, Japan, and a goodly number of minor States, such as Belgium, Holland, and Denmark. The knowledge that you are prepared to take such action if necessary may induce the Congress to grant the request of New Zealand, and in any event such a declaration on your part would but anticipate near history. For cheap postal communication between two friendly peoples is now as inevitable as it is between the oceans separated by an isthmus.

THE "FOREIGNER" ARGUMENT.

It may be confidently assumed that you are not likely to sympathize with the objection to an extension of the benefits of Imperial penny postage to "foreigners." As is pointed out in the enclosed copies of my letter to the *Times*, the extension must benefit both senders and receivers of letters; and the "foreigners" include more millions of British blood in the United States than there are in all our colonies. On this question of the untaxed exchange of thought I am a free-trader. If penny-postage facilitates commerce with British possessions it cannot fail to stimulate commerce with foreign countries.

Roles REVERSED.

In this connection may I draw your attention to the striking contrast between the recent attitude of your Department and that of the Egyptian Post Office? When Imperial penny postage was established between this country and Egypt, certain notices were issued on either side which I have set out in parallel columns, as taken from the *Times* of Dec. 6th, 1905.

England.

"In view of the special and exceptional relations which exist between the Government of the Khedive and His Majesty's Government, it has been arranged to extend the penny-postage scheme to Egypt and the Soudan. On and after the 15th instant letters posted in the United Kingdom for those countries need no longer be prepaid at the foreign postage-rate of 2½d. the half-ounce. The letter-postage to be prepaid will thenceforward be 1d. the half-ounce.

"By command of the Postmaster-General,
"General Post Office, London,
"5 December, 1905."

Egypt.

"A partir du 15 du 15 décembre, 1905, la taxe d'affranchissement des lettres expédiées de l'Egypte et du Soudan au Royaume-Uni de Grande-Bretagne et d'Irlande, dont le poids n'excèdera pas 5 grammes, sera de 5 (cinq) millièmes seulement.

"L'affranchissement des lettres du Royaume-Uni pour l'Egypte et le Soudan sera d'un penny.

"LE GOUVERNEMENT ÉGYPTIEN EST PRÊT À OFFRIR UNE RÉDUCTION SEMBLABLE À TOUT PAYS QUI SERAIT DISPOSÉ À LUI ACCORDER LA RÉCI-PROCITÉ.

"Ministry of Finance,
"Cairo, Egypt.
"5 December, 1905.

These notices are obviously meant for the eye of the "foreigner." It might be supposed that I had inadvertently prefixed the word "England" to the Egyptian notice and vice versa, but they are taken from the official journals of each country. So we find the ancient kingdom of the Pharaohs once more after thousands of years, under the strenuous Cromer dynasty—once more, I say—in the van of civilisation; addressing to all nations a sort of genial manifesto, such as some wise, mighty, benevolent Thothmes might have issued to the less advanced contemporary races. It is as if Father Nile were seeking a new additional outlet to the sea—to turn still more of the desert into fertile delta.

How different is the haughty proclamation of England, grown great by foreign trade, as she announces the admission of Egypt to her postal alliance! It is the tone adopted by some frigid dowager granting an obsequious parvenu a card for her reception. George the Third jealously restricted the right of driving through the Horse Guards to a select circle of the privileged. When a rising statesman asked permission to drive home that way His Majesty could not see his way to throw open St. James's Park to him, but offered him an Irish peerage. These contrasting notices suggest Macaulay's lines—

And those in rear cried "Forward, And those in front cried "Back."

WHAT IS ASKED.

To sum up: We have here a potent means of linking up the nations, great and small, for peaceful and beneficent ends; of fostering kindly intercourse, irrespective of distance; of opening up millions of channels for commerce; of securing a universal blessing for humanity. And all this at a comparatively insignificant cost.

What you are asked to do is—

(1.) To propose universal penny postage at the Rome Congress.

(2.) If the proposal be rejected, to open negotiations with the United States, France, and Japan for the formation of a Restricted Postal Union with the British Empire.

I remain,

Your obedient servant,
J. HENNIKER HEATON.

The Right Hon. Sydney Buxton.

P.S.—In the foregoing letter I ventured to foretell French Imperial penny postage. Since I wrote it this prediction has been happily fulfilled; and I congratulate you on the removal of an obstacle to the universal rate. A French king proudly boasted to the effect that he had abolished the Pyranees. It is for you to cap this by abolishing the Channel. Our French neighbours confer penny postage on 77,000,000 of men. The penny stamp runs from the Orkneys to the Society Islands, from Vancouver to Annam; it is fast becoming the "Open sesame" of civilisation.—

J. H. H.

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