13 F.—5.

Several of the colonies have, in consequence of that communication, expressed a desire to enter the Union, and there can be no doubt that others will before long come to a similar determination.

But fiscal reasons may very probably prevent some of the colonies from taking that course for the

present at any rate.

The Government of the Cape of Good Hope has recently entered into contracts for the sea conveyance of the South African mails to and from Europe, and has engaged to pay to the Contractors the whole amount derived from the sea postage, at fixed rates, besides giving premiums for voyages performed within the contract time.

Any reduction, therefore, in the sea rates of postage now payable to the Colonial Post Office

would throw a serious charge on the general revenue of the Cape Colony.

The British Colonies in Australia and New Zealand have also entered into contracts for postal communication with Europe by means of expensive lines of mail packets, and they may in like manner find a difficulty in sacrificing any portion of the postage revenue which they at present receive for the sea conveyance of correspondence, in order to become members of the Union.

As regards foreign countries, the Postmaster-General will be ready on all occasions, so far as depends upon arrangements to be made with this department, to facilitate in every way their admission

into the Union.

His Excellency Dr. Stephan, Berlin.

I have, &c., JOHN TILLEY.

Sub-Enclosure 3 to Enclosure in No. 6.

The IMPERIAL GERMAN POSTMASTER-GENERAL to the GENERAL POST OFFICE, London.

(Copy Translation.)

Berlin, 21st March, 1877.

I have the honor to acknowledge the receipt of the letter from the British Post Office of the 6th

March, 123c, respecting the further extension of the General Postal Union.

From the contents of this letter I have observed, with great interest, that Her Britannic Majesty's Secretary of State for the Colonies has taken suitable steps respecting the entry of the British Colonies into the Union, and that the British Post Office is prepared to facilitate the entry of foreign countries into the Union so far as in it lies.

As regards the Cape Colonies, the Australian Colonies, and New Zealand, the British Post Office has shown that at present financial considerations would very probably hinder the entry of these colonies into the Union. The Cape Colony has only recently concluded contracts on the basis of which high sea rates of postage have to be paid, as well as special premiums for performing the voyage within the contract time. The Australian Colonies are in a similar position, as they also are fettered with the maintenance of expensive postal communications.

In reference to the above, I beg leave to offer the following observations:-

It is well known that formerly the efforts of postal administrations were constantly directed towards recovering from the public, in the shape of sea postage, the expenses which the sea conveyance entailed.

The British Post Office will, however, agree with me that recently such a course has very properly been regarded as no longer just. In fact, subsidies are in no way paid solely for postal purposes; the general interests of trade and commerce, as well as political objects, come into consideration in an important degree. This circumstance must, in my opinion, always be borne in mind, equally whether the companies which perform the service receive payment in the form of a subsidy, or in the form of sea postage. It appears to me, therefore, that the reasons which have been adduced on behalf of the colonies against joining the Union are not of such a nature as to justify the resolution to remain apart from a Union, which, without doubt, will, in a short time, include all other countries of the world, and the wide significance of which will tend more and more from day to day to promote the peaceful intercourse of all nations.

I do not doubt that, if the said colonies were to examine the question anew, and particularly with reference to its *universal* character, the great advantage of a Universal Postal Union would receive full recognition, and that, on the other hand, financial sacrifices, which, moreover, would probably soon be balanced by the increase in correspondence, would not present any real cause of hindrance to joining the Union.

Stephan.

Enclosure 2 in No. 6.

ARRANGEMENT concerning the Entry of British India and the French Colonies into the General Postal Union.

The Post Office of British India having, in conformity with Article 17 of the treaty concerning the formation of a General Postal Union, concluded at Berne on the 9th of October, 1874, signified its intention of entering the General Postal Union, and the French Government having made a similar declaration on behalf of its colonies, the undersigned delegates have agreed, subject to approval, upon the following provisions:—

Article I.

British India and the French Colonies accede to the stipulations of the treaty concerning the formation of a General Postal Union concluded at Berne on the 9th of October, 1874, as well as to the provisions of the detailed regulations for the execution of the said treaty.

Article II.

The correspondence originating in one of the countries specified in Article I., and intended for another country of the Union, and vice versa, shall be subject to the Union rates adopted by each of the administrations by virtue of clauses 1, 2, 3, 4, and 5 of Article III., and of clauses 1, 2, and 3 of Article IV. of the treaty concluded at Berne on the 9th of October, 1874.