

The total number of letters sent to the United Kingdom in 1874 was—
913,291 from Canada.
230,561 from U. S.

Total	1,123,851
and of Letters received	
In Canada	993,041
In U. S.	4,679
Total	997,720
From Halifax were sent and received	
From New Brunswick	21,893
From Nova Scotia	235,269
making a total of	257,162

Letters by the Halifax and Queenstown mail packets.

The postage on letters passing between Canada and the United States during the year ending 30th June, 1874, amounted to \$478,516.91, of which \$246,923.79 was collected in Canada, and \$231,593.12 in the United States.

Since the 1st February, 1875, the new postal arrangements with the United States have come into operation, by which a uniform rate of postage is established between the two countries, all letters being prepaid at the office at which they are mailed and delivered in either country free of farther charge.

The system of free delivery established in Montreal and Toronto, has during the year 1875, been extended to other cities, and the number of street boxes for reception of letters has been largely increased with greater frequency of collection.

A slight change has taken place in the management of Dead Letters. All dead letters now from persons in Canada being returned to the writers, and those from foreign countries being returned unopened to the P. O. Department of that country. The number of Dead Letters received during the fiscal year was 508,160, of which 438,643 were from Canada. Among these were 3,577 registered letters. A special record is kept at the Post Office of the return of all registered letters, and of all enclosures of value. The No. of registered letters during the year was 1,544,000.

The issue of Postage Stamps and Post Cards during the fiscal year was—

To Ontario and Quebec	\$388,565 75
New Brunswick	73,975 00
Nova Scotia	94,565 00
P. E. Island	21,940 00
B. Columbia	12,391 00
Manitoba	6,082 50

\$1,098,888 25

An increase over 1873 of \$118,812.50.

An alteration has been made in the mode of dealing with the sale of postage stamps. Instead of the City Postmasters selling stamps from the Post Office, and receiving from stamp vendors the payment for stamps sold by them, the sale at the Post Offices will be discontinued, and stamp vendors be required to pay into the Bank, to the credit of the Postmaster General, the purchase money for such stamp. The vendor will present the Bank certificate to the Postmaster, and receive the amount in postage stamps. It is hoped that this will secure the more prompt collection of this large item of revenue, as well as lessen the responsibility of Postmasters. We append a copy of the Postal Convention with the United States, already mentioned, signed at Ottawa and Washington, Feb. 1st, 1875:

Postal Arrangements between the United States and the Dominion of Canada.

Article 1—Correspondence of every kind, written and printed, embracing letters, postal cards, newspapers, pamphlets, magazines, books, maps, plans, engravings, drawings, photographs, lithographs, sheets of music, &c., and patterns and samples of merchandise, including grains and seeds, mailed in the United States and addressed to Canada, or vice versa, mailed in Canada and addressed to the United States, shall be fully paid at the domestic postage rates of the country of origin, and the country of destination will receive, forward and deliver the same free of charge.

Article 2—Each country will transport the domestic mails of the other by its ordinary mail routes in closed pouches through its territory, free of charge.

Article 3—Patterns and samples of merchandise, not exceeding the weight of eight ounces, may be exchanged in mails between the two countries, under such regulations in regard to the forwarding and delivery of the same, as either of the Post Office Departments shall prescribe, to prevent violation of the Revenue laws. They must never be closed against inspection, but must always be so wrapped or enclosed that they may be readily and thoroughly examined by postmasters. The postage on each pattern or sample shall be ten cents, prepayment obligatory.

Article 4—No accounts shall be kept between the Post Office Departments of the two countries in regard to international correspondence of any kind exchanged between them, but each Department will retain to its exclusive use, all the postage it collects on mail matter of every kind sent to the other for delivery.

Article 5—The Post Office Departments of the United States and Canada shall each return to the other all dead letters, unopened and without charge, monthly or oftener, as may be best suited the regulations of each Department.

Article 6—The expense of transporting mails between the frontier exchange offices where the conveyance is by water, shall be borne equally by the two Departments; but when the transportation is by land, the expense shall be borne by each in proportion to the distance travelled over the territory of each country. All contracts for such transportation shall, before they go into operation, be approved by the Post Office Department of each country.

Article 7—All offices now exchanging mails shall continue to act as offices of exchange under this convention. The two Departments may at any time, by mutual agreement, discontinue any of the said offices of exchange or establish others.

Article 8—The existing arrangement for the exchange of registered letters between the two countries shall continue in full force, but the registration fee on registered letters sent from the United States to Canada shall be the same as the registration fee charged in the United States for domestic registered letters.

Article 9—This arrangement, except so far as it relates to letter postage, shall take effect from the first of January, 1875. The reduced letter rate will come into operation on the first of February, 1875. It shall continue in force until terminated by mutual agreement; and it may be annulled at the desire of either Department, upon six months' previous notice given to the other.