

two countries shall continue, 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.

9. This arrangement 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 unto the other.

SUMMARY OF POSTMASTER GENERAL'S REPORT.

Number of Post Offices in Dominion 1st Jany., 1877:

Ontario.....	2,170
Quebec.....	999
N. Brunswick.....	63
Nova Scotia.....	915
Manitoba.....	46
B. Columbia.....	49
P. E. Island.....	208
N. W. Territory.....	5

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Miles of Post Route.....	38,391
Miles travelled in year...	14,878,663
Letters sent by post	41,800,000
Post Cards do	4,646,000
Registered Letters.....	1,774,000
Free Letters.....	1,059,292
Newspapers, &c.....	38,549,000
Books and other articles.	4,539,912
Parcels.....	70,774
Revenue for Fiscal year..	\$1,484,886
Expenditure do do	1,959,758
Amount of Money Orders issued do do	6,866,618
No. of Money Order Offices 1st Jany., 1877.....	712
No. of Savings Bank Offices do	278
No. of Depositors Fiscal year.....	24,415
Amount Deposited do	\$1,726,204
Amount of Deposits and Interest 30th June, 1876..	2,749,952

Of the 278 Post Office Savings Banks 232 are in Ontario; 45 in Quebec and one in Manitoba.

INTERNATIONAL POSTAL UNION.

Under the 17th Article of the Postal Union Treaty, any member is enabled to exclude any proposed member, and France exercised this power against Canada, by requiring the rates for sea transit to be the same as for British India and French Colonies beyond the sea, which would make the general postage rate between Canada and Europe 6 pence sterling the half ounce. Pending another meeting of the Postal Congress, the charges on all postal matter between Canada and Great Britain have been assimilated to Union rates, and a Convention was arranged with Germany from April 1st, 1877, by which the postage rates between the Empire and Germany are to be the same as between Canada and the United Kingdom.

THE NEW POST OFFICES

At Montreal, St. John, N. B., and Ottawa were completed and occupied during 1876. The Post Office Divisions of Ontario were

re-constructed, that of the Ottawa Inspector being increased and those of Toronto and London being divided into three instead of two Divisions.

THE FREE DELIVERY

System has proved very successful, being very much facilitated by the adoption of prepayment of letters. The increase during 1876 of letters delivered by carriers was 29 per cent., of papers 44 per cent. The weekly average of city letters delivered in December, 1876, was 39,531, producing a revenue of over \$20,000 a year. The total weekly average of letters in December, 1876, was 120,796, and of papers 42,506; number of carriers employed 130, being an addition of 8 in the year.

The RAILWAY MAIL SERVICE increased during 1876, 310 miles, the mail being carried on railways, in November of that year, 4,486 miles. There were 64 Travelling Post Offices on the road travelling daily a distance of 9,991½ miles, and 6,515 miles were travelled over daily by bags in charge of company's servants, making the total postal travel by railway daily 16,506 miles, and for the year 5,166,534 miles, an increase in the year of 619,543 miles. By the opening of the Intercolonial throughout, the time occupied by the transit of mails between Halifax and St. John and the western provinces was reduced by about 12 hours.

REVENUE AND EXPENSES.

Although there was a marked increase in the number of letters and papers sent by post, the revenue from postages declined over \$50,000. This is, according to the P. M. Gen'l's report, due to the reductions made in the rates of postage to the United Kingdom and the United States, the increased correspondence arriving from these reductions not yet having had time to make up the deficiency. The expenditure for the year was \$1,959,758, an increase of \$36,576. This increase consists of service on the Prince Edward Island Railway \$5,130; of increased charges in ordinary land conveyance in Ontario, Quebec, Nova Scotia and Manitoba \$20,335; of increases in salaries and commissions \$57,145, and of miscellaneous items \$7,896. There was a decrease of \$7,062 for steamboat conveyance and of \$5¼ for mail bags.

PACKET SERVICE WITH UNITED KINGDOM.

There was a decrease in the number of letters sent from Canada to the United Kingdom by the Quebec and Portland route, the number being 1,042,928 against 1,074,616 in 1875. The number of newspapers sent was 1,145,805, an increase of nearly 150,000; of books 32,566, an increase of 2,758; and of samples, &c, 11,616, an increase of 3,663. From the United States by this route were sent 137,376 letters, and 149,469 newspapers. To Canada from the United Kingdom were sent 1,093,308 letters; 1,550,710 newspapers; 99,446 books, and 26,020 samples, &c., in the first three a large increase, in the last a small decrease. To the United States were sent 2,019 letters, and 2,905 newspapers, in both a decrease. By the Halifax and the Queenstown mail packets were sent to and from New Brunswick and Nova Scotia in 1876—

239,554 Letters	6,538 Books.
190,788 Newspapers,	3,120 Samples.

An increase in all but newspapers.