

of the Turkish bondholders. The Administration has had other portions of the Turkish revenue made over to it to meet the interest on other loans issued since that time. In fact the larger proportion of the Sultan's revenue is now allocated to the purposes of the Council of Administration. The European Powers formally agreed to its plans, and it may be granted that these revenues are practically the property of the holders of the Turkish debts.

The outcome of the Balkan war has made it necessary for an International Financial Conference, to hold prolonged conferences in Paris. The Thracian and Macedonian territories taken from Turkey by the allies will diminish the ability of Turkey to pay her debts by so much, and there are direct imposts upon parts of them; for which they are, under the arrangements made with the Council of Administration, actually responsible. A precedent was established by Italy in Tripoli which suggested the plan proposed for a settlement by the Conference, at which by the way the Council of Administration was not represented. Italy capitalised the indebtedness resting on the Tripolitan districts it obtained by its successful war against Turkey, on a four per cent. basis, floated a loan on fair terms, and paid up the whole to Turkey. But will Ottoman Bondholders be willing that the same plan shall be followed now? Or will Turkey be willing that such payments, if made by the countries which have won territory from her, be paid over to the Council of Administration of the debt? Above all will the conquering kingdoms be willing to pay up Turkey's debts that way?

We can understand now that the demand of the allies of a war subsidy from Turkey of \$400,000,000 showed chiefly that in their understanding of the modern game of diplomacy they had got as far as appreciation of what is colloquially termed "bluffing"! evidently they expected such claims as we have hinted at to be made upon them, and discounted the possibility by their demands. It is, however, pretty well agreed that the Allies have gained all they are entitled to as the prize of war when they obtain the territories they have laid claim to. What the Balkan nations will say to this it is difficult to declare. They have their own heavy war expenses to pay up. According to rumours they have been financing their proceedings by Treasury notes, and other short loan or extension agreements, most of which are lodged in Paris. Interest rates of perfectly extravagant dimensions are being paid, and it will not be easy to make satisfactory flotations for the replacing of these on decent terms for some little time to come. To add from a hundred to a hundred and fifty millions of dollars to these war debts on behalf of the foreign bondholders, will seem to

those wearied warriors very like winning territory by war and paying for it in cold cash afterwards. The European powers will probably be willing to act as debt collectors once again, and the warlike little kingdoms of over-troubled ancient Greece may find themselves compelled to capitalise their acquired share of the old Turkish debts, and pay over the lump sum. In any case the conquered territories will add heavily to national debts, and the new kingdom of Albania will find itself already furnished with a debt which it might be wise to consider as the price of national freedom.

It will be seen that the matters to be settled by the Conference in Paris were largely of a political character, and went beyond the scope of the Council of Administration of the Ottoman Public Debt, which accounts for the successful organisation having been left out of it. That administration works, however, under the full recognition of the powers, and the Conference will after all be compelled to act in consonance with its rights and propositions.

In any case holders of the Turkish loan will find their rights protected for them by the European Powers, who never effect so perfect a solidarity as when they are guarding the rights of their people in questions having reference to money.

THE PARCELS POST.

The Government has at last yielded to pressure, and is about to establish a parcels post. The matter was only brought up in the closing hours of the session, and consequently did not receive the careful attention it merited. There is no doubt that but many amendments will be put into force from time to time, but it is of the greatest importance that a start has been made in this matter. Briefly stated, the Bill provides that parcels shall be limited in weight to 11 pounds and in length to 72 inches, and may contain farm and factory products, with some few minor exceptions. The zone system is to be adopted, each province constituting a zone, and other zones being created for special districts.

The parcels post was put into force in the United States on the first of January of the present year, and has proved an unqualified success. At first, local merchants and trade papers were bitterly opposed to it, and declared that the measure as it stood, would tend to bring the farmer and the large city departmental stores closer together, to the injury of the small retailer and the country store. The system has been successful beyond the anticipation of the promoters, and even those who bitterly opposed it, are finding the