## POSTAL DECIMALISATION BULLETIN №3



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FRONT COVER:
The "bridging" postal orders which will be used before and after D-Day are shown with £sd stamps before D-Day.

Bulletin No 1 outlined the reasons for the change to decimal currency, how the new system will work and, broadly, how the postal business has planned the changeover.
Bulletin No 2 provided more detailed information on the banking systems' changeover to decimals, the effect on the high-value postage stamps and franking machines, decimal instructions and training plans.
This Bulletin gives information on decimal coinage, the new low-value stamps, stock distribution arrangements, machines and publicity plans.

## DECIMAL COINAGE AND GIVING CHANGE

The new decimal system will be based on the pound sterling and the present $£ 1, £ 5$ and $£ 10$ notes will remain the same in value, colour size and design. A $£ 20$ note has already been introduced this year.

From D-Day the pound will be divided into 100 new pence instead of 20 shillings each of 12 pence.


There will be six decimal coins ( $\frac{1}{2}$ p, 1p, $2 \mathrm{p}, 5 \mathrm{p}, 10 \mathrm{p}$ and 50 p ). The $5 \mathrm{p}, 10 \mathrm{p}$ and 50 p coins are already in circulation; but because they have no exact £sd equivalent the $\frac{1}{2} \mathrm{p}, \mathrm{lp}$ and 2 p coins will not be introduced until D-Day.

Because £sd coins will continue to be legal tender during the changeover period our customers will still be able to pay for goods at the counter with £sd coins after D-Day. The 6d, 1s and 2 s coins have exact decimal equivalents ( $2 \frac{1}{2} \mathrm{p}, 5 \mathrm{p}$ and 10 p ), but the 1 d and 3 d coins do not and therefore can be accepted only in multiples of 6 d .


Any 1d and 3d coins received over the counter in multiples of 6 d will be kept apart from decimal coins and withdrawn. They will not be given out again in change.

Posters summarising these arrangements will be on display in all Post Offices. The posters will look something like this:

## THE POST OFFICE WORKS IN DECIMALS

We accept your $£$ sd currency BUT
I. Old pennies and threepenny pieces can be used only in multiples of six pence
2. We do not exchange coins
3. Threepenny pieces and pennies will not be given in change

This may be a typical situation on D-Day:


The new bronze (coppers), the $\frac{1}{2} \mathrm{p}, 1 \mathrm{p}$ and 2 p are in weight/value relationship: the $\frac{1}{2} p$ is half the weight of the $1 p$ and the $2 p$ is twice the weight of the 1 p . (This was not the case with £sd pennies and halfpennies).

The $6 d, 5 p$ and $10 p$ coins are also in weight/value relationship just as sixpences, shillings and florins are now. The 10 p is twice the weight of the $5 p$ as well as twice its value, and four times the weight and value of the sixpence. (The 50 p coin is not in weight/value relationship with the $5 p$ and $10 p$ coins).

Thus bags of bronze or silver coins (but not bags of 50 p coins) can be valued by weight.

( 356 gms or 12.6 ozs )

( 565 gms or 1 lb 3.9 ozs )

## THE LOW-VALUE STAMPS

Bulletin No 2 gave details of the decimal high value stamps issued on 17 June.

The low-value range cannot be issued earlier than 1971 because only three of the new stamps have exact £sd equivalents. In order to avoid confusion, therefore, all the new low-values will be issued on D-Day, though there will be a limited sale of the stamps for philatelic purposes from 10 February.

The decimal range has 12 denominations:
$\begin{array}{llllllllllll}\frac{1}{2} p & 1 p & 1 \frac{1}{2} p & 2 p & 2 \frac{1}{2} p & 3 p & 3 \frac{1}{2} p & 4 p & 5 p & 6 p & 7 \frac{1}{2} p & 9 p\end{array}$
The stamps will be printed in sheets of $200(10 \times 20)$. The value of a sheet or part-sheet can be easily obtained. The examples below are of 3 p stamps.


To reduce philatelic pressure at counters on D-Day, the stamps will be sold from Wednesday, 10 February, 1971, at the Philatelic Bureau and all special philatelic counters in minimum quantities of quarter sheets (all of which have exact £sd equivalents). They will also be available at all Head Offices and other offices with philatelic posting boxes from the same date, but only in special packets containing at least one of each of the new low-value stamps.

Although the decimal stamps will be valid for prepayment of postage before D-Day it will be discouraged. Philatelic first day of issue cancellation will be available only on D-Day.

Great care has been taken to ensure that the colours will be a positive aid in identifying the different values. This has not been easy:

12 really distinct colours would not be easy to find even if there were no restraints on choice. There are in fact a number of such restraints and the most important of these are:

The need to ensure as far as possible that the colours chosen are artistically attractive;

Machine considerations; and
Manual sorting requirements.
Dark shades are the most pleasing to the eye partly because of the design of the present range of definitive stamps and partly because dark stamps look best against white and light-coloured envelopes.

But these artistic considerations are in some respects opposed to machine considerations, which in the last two or three years have become a vital aspect of stamp design. More and more of the facing and segregating of first and second class mail is now being done by machine, and the ALFs distinguish the two classes of mail by "reading" the phosphor signals emitted by the stamps.

These signals vary in strength according to the background colour against which the phosphor appears on the stamps and in general the phosphor used on our stamps does not show up well against dark shades, or against certain colours such as yellow or orange.

The first task was therefore to consult the mechanisation experts on a very wide range of colours which were treated with phosphor and tested by Post Office engineers.

As a result of these tests the Post Office's physiological consultant conducted a series of "confusability" tests on 25 colours at the Applied Psychology Research Unit at Cambridge. Housewives who had volunteered to take part in the tests were shown one stamp, mounted on a white card, for a couple of seconds and then either another stamp or the same again. They had to say whether the two stamps shown were the same or different, and to indicate the degree of confidence (on a five-point scale) with which they made their decision. The lighting was poor in a deliberate attempt to make the test harder. The tables compiled as a result of the tests showed which colours were the most distinctive.

After further tests at Cambridge, on two sets of 14 stamps each, and in which postmen as well as housewives took part, it was possible to begin to put together the new decimal series of definitive stamps. Consultation with people in Regions and Head Offices about the proposed new colour scheme was also carried out at this stage.

In the end some compromise has been necessary between artistic, phosphorisation and manual sorting requirements but the new colour scheme will, it is believed, be of real use in helping both staff and customers to distinguish easily between stamps of different value. The value figures themselves will be bolder than those now in use.

## DECIMAL STOCK \& Esd STOCK

The distribution of decimal stock (such as postage stamps, rolls,
books, stamped stationery, National Insurance stamps and final decimal forms) will be the largest distribution ever made by the Purchasing and Supplies Department, and will pose special problems.

Some offices with limited storage facilities will have difficulty in accommodating double stocks for any length of time, especially over the Christmas period; others with staffing difficulties need decimal stock as early as possible so that it can be broken down well before D-Day into sub-office remittances. It is hoped that the distribution programme will be sufficiently flexible to meet both needs. But detailed plans cannot be made until decimal postage rates are known. As soon as they are, PHQ Circulars and PO Gazette notices will give details of when to requisition, the quantities and distribution dates.

All stocks of purely £sd items will become obsolete on 15 February, 1971. For security reasons National Insurance stamps will be the first items returned to P \& SD. Because of the quantities involved for other items there will be a phased return on a territorial basis, arranged so that offices with severe accommodation difficulties will be among the first to return stock.

## OFFICE MACHINES

The Post Office uses more than 11,000 office machines designed to operate in £sd. They include the familiar Plus Adder, Add-Listing machines, coin handling equipment, cash registers and accounting machines. All these machines must be capable of working in decimals from D-Day.

In 1968 we discussed with the machine manufacturers our general requirements. They were advised that all new machines purchased before D-Day must be capable of working in both £sd and decimals and of being switched to fsd and decimals by the operator.

Some machines now in use have many years of useful life. It would be bad business to simply replace them and many where economical will be modified to work in decimals.

A survey of all machines in the Post Office was made and manufacturers advised of the probable size of the orders. Manufacturers' books were steadily filling up and it was decided that, to save time, each office would determine its own needs for the less-complicated machines, thus enabling orders to be placed more quickly with the machine companies and offices to be supplied direct from the manufacturers. The time saved meant that we could be certain that our orders would be met and that we should not find ourselves at the end of the queue.

Payroll machines were another story. To ensure that all offices would be equipped either with a computer or decimal payroll system it was decided to underwrite the computer programme by placing a special contract with NCR Ltd which allowed the Post Office to cancel orders at low cost.

A schedule was drawn up to co-ordinate the computer pro-
gramme, the machine replacement programme and the machine modification programme. Any machines needing modification will be rebuilt to work in £sd and decimals and a standby machine provided until the original machine is returned. A visit to our offices by a technician to carry out a further minor modification just before D-Day is all that will be needed to complete the changeover.

Smaller offices have recently been re-equipped with Olivetti Payroll machines which can be switched from £sd to decimals.

After November, 1970, two types of payroll machine will be in use. The first type will be capable of being switched by the operator and examples of these are illustrated.


A word of warning however, before any machine is switched to decimals, or, back to £sd: all the machine registers must be cleared twice. If this is not done, the machine's accuracy may be affected.

The second type will need a further modification, carried out "on site" by the manufacturer. Once these machines are modified they can no longer work in £sd. The manufacturer has contracted to carry out this work in the two weeks prior to D-Day and our staff associations have agreed that staff in offices equipped with this type of machine will receive two weeks pay in advance of D-Day to enable the machines to be taken out of service.

Some manufacturers, mainly those producing coin-issuing and coin-counting equipment, could not produce a complete range of machines that could be switched from £sd to decimals by our operator and these will be modified in our offices by a company mechanic. Because these machines are used mainly to count call
office collections and the conversion of the call offices will take some time, local Post Office managers are being asked to advise the machine manufacturers when the final modification is to be made.

The introduction of decimal currency will give us greater opportunity with machine purchases. Offices will not in future have to be supplied with machines that operate both in-£sd and in units of 10 , and access to manufacturers who at present produce mainly for the continental, and hence decimal, market will produce greater competition between manufacturers, helping to bring down prices.

## PUBLICITY PLANS

To ensure a smooth changeover to decimal currency effective publicity will be all-important.

The Decimal Currency Board is responsible for educating firms and the public on all general aspects of decimalisation such as the expression of amounts, coinage, conversion tables, accounting, the legal position and arithmetic, and has produced numerous useful booklets and newsletters. The Board planned its publicity campaign in three stages: until February, 1969, it concentrated on management, from February, 1969, it has concentrated on retailers and in January and February, 1971, the Board's main publicity effort will be directed at the public generally, using all media available, including press, TV and a leaflet for every household in the country.


The sixpence


The Post Office has been in close contact with the DCB to co-ordinate the publicity effort and avoid any overlapping or duplication of effort which could irritate and confuse the public.

Firms planning their own changeover obviously want details of how tariffs and services are affected as early as possible and a Business Guide will be widely distributed by Head Postmasters.

This publication, covering both the postal and telecomms businesses, will reduce the number of enquiries at Post Offices and instil confidence that Post Office plans for conversion are well in hand.


A similar but simpler booklet will be provided for the general public in January 1971 and will also be issued to Post Office staff. It will be accompanied just before D-Day by posters on vans and in offices and newspaper advertisements to tell the public of the closure of Post Offices before 15 February 1971, that the Post Office goes decimal on D-Day, about the change-giving principle (multiples of 6 d ), and a poster in each office of the whole new penny conversion table.

A decimal version of the Post Office Guide will be available shortly before D-Day. In this way the Post Office is confident that its customers will be fully conversant with the changes on D-Day.

## RECENT DECIMALISATION DEVELOPMENTS

## POSTAL ORDERS

The "bridging" version postal orders described in Bulletin No 2 have now begun to be introduced at offices, beginning with the 8 s denomination. All postal orders will be of this type soon and they will continue to be sold after D-Day until stocks are exhausted and they are replaced by final decimal orders. 1s 6d, $2 \mathrm{~s} 6 \mathrm{~d}, 3 \mathrm{~s} 6 \mathrm{~d}$, and 4 s 6 d orders are being withdrawn.

As a result of representations from some of our largest customers it has now been decided to allow $\frac{1}{2}$ p stamps on postal orders from

D-Day. At the same time orders will be introduced in $7 \frac{1}{2} \mathrm{p}, 12 \frac{1}{2} \mathrm{p}$, $17 \frac{1}{2} \mathrm{p}$ and $22 \frac{1}{2} \mathrm{p}$ denominations.

## RETENTION OF 6D

The Government has decided to retain the 6 d for at least two years after D-Day. After this period its use will again be examined. As a result of the decision the Postal Decimalisation Instructions and training programmes will be amended. The 6 d will, in effect, be treated after D-Day as a working coin of $2 \frac{1}{2} \mathrm{p}$. It will now be given out in change in the normal way instead of being kept on one side for payment into banks as originally intended.

## THE HALF CROWN

Although the halfcrown was demonetised on 1 January 1970 the Post Office continued to accept it for postal services. This period of grace ended on 30 June and the halfcrown is no longer generally acceptable at Post Offices.

## POSTAL FORMS

Nearly 4,000 national postal forms have been examined in the last year to decide whether any amendment was necessary for decimalisation. Approximately 700 which fell into this category have now been amended and are being printed. The vast majority will be "Bridging Decimal" forms that can be used before and after D-Day and the first of them should have begun to appear in offices by now. The rest will be "Final Decimal" and introduced on D-Day to replace existing £sd forms. This is how the various layouts should be used:

Old

| $£$ | $s$ | $d$ |
| ---: | :---: | :---: |
| 68 | 18 | - |
| 105 | 12 | 6 |
| 174 | 10 | 6 |

Before D-Day

Bridging Decimal

| £ |  |  |
| :---: | :---: | :---: |
| 68 | 18 | - |
| 105 | 12 | 6 |
| 174 | 10 | 6 |

Local variants of national forms have not been covered in this exercise; they will have to be redesigned by the people responsible.

## POSTAL DECIMALISATION INSTRUCTIONS

Postal Decimalisation Instructions described in Bulletin No 2 have already been issued to Head Postmasters and local decimalisation officers so that detailed planning could begin in each office. The general distribution to counter and writing staff will begin in the autumn shortly before training begins.

## TIMETABLE FOR <br> CONVERSION TO DECIMALS

| 1. POSTAL <br> DECIMALISATION <br> INSTRUCTIONS; | To HPMs, Local <br> Decimalisation officers and <br> staff associations <br> To all staff | May 1970 <br> September 1970 |
| :--- | :--- | :--- |
| 2. FORMS | Bridging Decimal <br> introduced <br> Final Decimal introduced | February 1970- <br> 15 February 1971 <br> 15 February 1971 |
| 3. POSTAL <br> DECIMALISATION <br> BULLETINS; | No 1 General Introduction <br> No 2 Banking, Training <br> No 3 Stamps, Machines, <br> Publicity <br> No 4 Stamped Stationery, <br> G roll machines <br> Run down for D Day | September 1969 <br> May 1970 |
| 2. HIGH VALUE (10p, 20p, 50p) issued <br> High Value 'To Pay' labels <br> issued September 1970 | November 1970 |  |


| 7. DECIMAL COINS | $\left(\frac{1}{2} p, 1 p, 2 p\right)$ received: <br> For training <br> For counter stocks | September 1970 <br> Jan-Feb 1971 |
| :---: | :---: | :---: |
| 8. TRAINING | For Instructors | September 1970 |
|  | For P \& TOs, Sub Pmrs and Sub-Office Assistants: |  |
|  | Session 1: Programme 1 \& 2 | Oct-Nov 1970 |
|  | Session 2: Programme 3 | January 1971 |
|  | Writing Staff | Jan-Feb 1971 |
|  | Postal Staff (Booklet) | January 1971 |
| 9. PUBLICITY | Booklets; |  |
|  | Business Guide (and press campaign) | October 1970 |
|  | Public's Guide | January 1971 |
|  | Posters; PO closure | Jan-Feb 1971 |

PO Works in Decimals
(change giving)
February 1971
Whole penny conversion tabl: February 1971
Press campaign on above subjects

Jan-Feb 1971

| 10. STOCKS | Distribution of Decimal Stock <br> - 1st Phase <br> - 2nd Phase <br> Return of £sd Stock | Sep-Nov 1970 <br> Jan-Feb 1971 <br> February-May 1971 |
| :---: | :---: | :---: |
| 11. MACHINES | Office (either a. replaced by switchable decimal or b. ready for simple conversion) Automatic letter scales (4A and 4B) - converted Parcel scales - converted Franking Machines replaced by decimal type G Roll Machines - introduced | by November 1970 <br> from 1 Feb 1971 <br> 13 Feb 1971 <br> 1969-15 Feb 1971 <br> Feb 1970 onwards |
| 12. PO GUIDE IN DECIMAL FORM (No July 1970 edition) | To Offices (sale copies) All Staff | January 1971 <br> January 1971 |
| 13. WAGES AND SALARIES | Main Offices - Computer pay roll conversion to decimals Machines switchable to decimals - conversion Machines requiring on site modification | by 13 Feb 1971 <br> 13 February 1971 <br> 1-15 February 1971 |
| 14. TELEPHONE BILLS | - in dual currency <br> - in decimal currency | December 197019 February 1971 from 19 Feb 1971 |
| 15. CONVERSION OF TELEPHONE KIOSKS | (Priority to those in and near POs) | 17 February 1971- <br> 30 April 1971 |
| 16. RULE BOOKS | Amendment to final decimal working | By end of changeover period |
| 17. DEMONETISATION OF £sd POSTAGE STAMPS |  | At end of changeover period |
| 18. DEMONETISATION OF £sd COINS | 1d and 3d | At end of changeover period |

This timetable is tentative only, to give a broad outline of what will happen and when. In practice it may be altered to meet particular needs.

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