



MAGAZINE

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Which country has the most expensive postal charges?

By Ruth Alexander and Polly Hope
BBC News

The price of postage is going up sharply in the UK, but it still won't be the most expensive place in the world to post a letter, or not quite. Which countries earn that dubious honour?

The price of a British first-class stamp is going up by about a third at the end of the month, from 46p to 60p, and the price of a second-class stamp will rise almost 40%, from 36p to 50p.

But the Royal Mail says its "prices are amongst the best value in Europe". Is this true? It depends how you look at it.

The Royal Mail points out the UK will remain [the cheapest place in Europe to post a certain type of letter](#) - a heavy letter, weighing between 50g (1.76oz) and 100g (3.53oz), if you post it second class.

And that's if you adjust the price to take into account the fact that money goes further in some countries where goods and services are generally cheap, than it does in others. Goods and services are relatively expensive in the UK, so the 50p price tag looks cheaper after the adjustment.

But what if you post a standard letter - just one or two sheets of paper - first class?

Then UK prices are not among the best value in Europe. In fact, the UK is among the top 10 most expensive countries, though its precise position in the top 10 depends on how you do the sums.

If you convert the local price into dollars, the UK is the fifth most expensive in Europe. The 60p it will soon cost for a first class stamp is \$0.96, behind Finland, Switzerland, Denmark and, in first place, Norway - where a comparable stamp costs \$1.67 (£1.05 or 9.5 Kroner).

If you adjust for the relative purchasing power of the different countries, the UK is in seventh place among European countries. Ahead of it are Denmark in sixth place, Norway in fifth, then Poland, Latvia, Slovakia and, in the top spot, Bulgaria. Posting a letter in Bulgaria only costs 0.85 Lev (£0.43 or \$0.68) but to most Bulgarians, that's a lot.

When the Royal Mail does these calculations, using slightly different purchasing power calculations, it places the UK in ninth position.

That's Europe's 10 most expensive countries to post a letter. What about the world's?

In the BBC's survey of 65 countries around the world, Norway's \$1.67 (£1.05) postage still comes out on top.

The post office there, Posten Norge, told the BBC its prices reflect competition from new technology, such as email, and the country's geography.

"We deliver to almost two million letter boxes six days a week, in a country with a relatively dispersed population, meaning it is expensive to distribute mail here," says spokeswoman Hilde Ebeltoft-Skaurgrud.

"Norway is also one of the countries in Europe where the volume of mail is dropping most sharply, a trend we cannot reverse. When volumes fall dramatically, we only have two options - to increase our prices and adapt our products and services."

Like some other nationalities, Norwegians also complain about price increases.

"We also have the highest petrol prices in Europe, but if postal prices keep rising it might soon be cheaper to drive over and deliver the mail yourself," says one post user, Kjetil Kooyman.

If, once again, you adjust for relative purchasing power, posting a letter would feel most expensive for people living in Jamaica.

The minimum cost of posting a letter there is 120 Jamaican dollars (£0.88 or \$1.39) - though for that price you can choose a destination not just within Jamaica, but most of the Caribbean, Central, South America and North America.

The next most expensive place in the BBC's survey is Peru. It costs three soles (£0.71 or \$1.12) to put a stamp on a standard long-distance letter. There is no second-class service, although there is a cheaper regional service which costs 2.4 soles.

"To put it into context, for three soles, an average Peruvian in a poor neighbourhood could buy a whole meal - let's say soup, chicken and rice and a soft drink," says the BBC's Mattia Cabitza in Peru.

"Or you could travel across the Peruvian capital, Lima, three times in a bus, so that's a lot of money for Peruvians. One third of the population is poor - making less than \$3 (£1.89) a day - so if they have to spend a dollar and a few cents just to send a letter, you can imagine it's quite a lot to ask."

Cabitza says that if people want to send heavier mail, like a large parcel, they sometimes put it on the national bus service because it can be a cheaper option.

The BBC contacted the Peruvian postal service, Serpost, for comment, but the staff were on strike. One worker who answered the phone did point out that the organisation has to deliver letters along the Amazon and across the Andes.

The cheapest place to post a letter is Bangladesh, where it costs four Taka to send a letter - about five US cents. Thailand, Pakistan, Vietnam, and India are also relatively cheap.

But to be fair, these are not straightforward comparisons. As the Peruvian and Norwegian examples show, postal services around the world have to serve countries of vastly different size and geography.

And assessments of value for money should also take into account how fast and reliable the service is. International surveys of this kind are hard to come by, though there is revealing information about how the services perform across Europe.

In defence of its prices, the UK's Royal Mail has said that its service is among the highest quality in Europe. Its next-day delivery target is the highest for any major European country - it aims to deliver 93% of first-class post on time, and points out that France's minimum standard is 84%.

But the last time the European Commission checked up on national postal services, in 2009, the Royal Mail was failing to meet its target, achieving 85% - only just above France's target rate.

Romania and Poland were also found to be significantly missing their next-day targets, while Luxembourg and Sweden were found to be the very models of efficiency.

The Royal Mail's own reports, however, show it has done better recently, achieving more than 90% of next-day deliveries in the past three quarters of 2011.



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