

D-Day: Decimal Postage in the U.K.

by Lawrence Haber

*Let me tell you how it will be
There's one for you, nineteen for me
Cos I'm the taxman, yeah, I'm the taxman*

*Should five per cent appear too small
Be thankful I don't take it all
Cos I'm the taxman, yeah I'm the taxman*

- George Harrison, "Taxman" 1966

For most of us, the opening lines to George Harrison's Beatles song "Taxman" appear a bit obscure: "... one for you, nineteen for me ..." In 1966, the allusion was utterly apparent to a pre-decimal Britain. Harold Wilson's Labour government had just instituted a 95% supertax. In the days of shillings and pence a tax of 95% would have been clearly stated and understood as 19 shillings in the pound— 19 for the taxman with one shilling remaining with the tax payer. Later on in the song, so as to accommodate those living in a decimal world, the conversion was made easier, "... should five per cent appear too small..." This "peculiar" structure of British currency, comprised of 12 pence to the shilling and 20 shillings to the pound, would remain in place until February 15, 1971 replaced with a decimalized pound with 100 new pence.

The pre-decimal system was both ancient and quite well suited to a pre-digital age. It was remarkably simple and efficient in transacting daily tasks in the local marketplace. First, we must understand that the pound sterling was a very considerable amount of money until quite recently. The actual means of daily exchange with shopkeepers and the like was most commonly the shilling. 12 pence to the shilling made daily market math simple. Half, quarter and thirds of a shilling were quickly calculated at 6 pence, 3 pence and 4 pence. In contrast, despite all of its digital finesse, a third-of-a-dollar has never been fully satisfactorily transacted.

Whatever its advantages, pre-decimal systems had been disappearing from the world's economies, the United States being the first English speaking nation to decimalize in 1792. Canada followed in the mid-19th century. The South African rand was decimalized in 1961, Australia in 1966, and New Zealand following in 1967.

Prior to 1971, the UK certainly did entertain the possibility of decimalization. There were numerous commissions and proposals to evaluate the change as long ago as the 1820s. But no meaningful progress was made until the 1960s following the successful transition to decimal in South Africa. Since the South African transition went quite smoothly, there was added impetus back in the UK. The (Halsbury) Committee for the Inquiry on Decimal Currency was formed in 1961. After its report was rendered in