

tative there in a position to seriously discuss the question. It could not be dealt with, with a view to practically arranging for it, without the sanction of the Cabinet. So far as New South Wales was concerned, he could say the matter had not been considered by the Cabinet, and he assumed that his honourable friend Mr. Duffy, representing Victoria, was in a similar position. Under these circumstances he must request Mr. Ward to withdraw his resolution, though he, himself, felt assured that the day was not far distant when the mail-service *via* Canada would be established, with or without the support of Australasia, because, besides benefiting Australasia, it would also benefit the great countries outside of this continent. When the time arrived all the colonies would sink minor differences and aid in the establishment of such a valuable line of communication.

The Hon. J. G. Ward: Although the matter had been brought up by himself in the Conference, it really emanated from Mr. O'Connor. It was rather early in the day to raise any argument, because they had not had an opportunity of obtaining the assent of their Governments; that they should, therefore, not allow the matter to go beyond the initial stage, and obtain a division upon it. He was prepared, however, to submit to the will of the majority, while still adhering to the opinion he originally expressed, that there was nothing in the resolution that bound any of the colonies, New Zealand included. It merely asked the Conference to express an opinion favourable to the negotiations now going on between the Pacific Railway Company and the proposed company in England to carry out the service. And with all deference to his honourable friend, Mr. Duffy, when he stated that New Zealand was anxious to be excessively generous in this matter, he would point out to Mr. Duffy that in speaking to the resolution he had candidly stated that New Zealand was not desirous to bring this about unless it was going to be of some material benefit to that colony. However, he would be content with the expression of opinion he had obtained from the delegates, and hoped that when they next met the resolution might be approached with a view to bring it to a consummation.

The resolution was, by consent, withdrawn.

The Cable Guarantee.

The Hon. J. Gavan Duffy moved, "That the various colonies contracting with the Eastern Extension Company enter into an agreement among themselves with regard to the time, manner, and terms of the payment of the guarantee." This was a matter only affecting the contracting colonies, and as they were about to enter into an agreement with the Eastern Extension Company regarding the guarantee they had promised to give under certain conditions, it became necessary for those colonies to have an agreement binding among themselves as to the guarantee, the terms and time of the payment, &c. He presumed the understanding would be that the Colony of South Australia, as it was the colony that already dealt with the company in other matters, would undertake the whole business. It would be proper for her to have an indemnity as regards the sums of money she paid, and to provide for their being recouped. He had prepared such a draft agreement, but instead of considering it to-day it would be as well if the various Postmasters-General took the matter into their consideration; there might be some little alteration needed, and it could be afterwards agreed to by correspondence between the colonies. If the principles were all agreed to, it would be only a question of technicality, which could no doubt be better dealt with by the lawyers of the Cabinets and the Postmasters themselves. He therefore, by leave, submitted the resolution without notice.

The Hon. B. S. Bird seconded the resolution, but, to make it more complete, he would add something to it. He had prepared a resolution which would not only cover what Mr. Duffy had proposed, but would also mention one or two other matters.

The Hon. J. Gavan Duffy said he would be glad to withdraw his motion in favour of that preferred by Mr. Bird.

The Hon. B. S. Bird then moved, "That an agreement be entered into between the Colonies of New South Wales, Victoria, South Australia, West Australia, and Tasmania, in regard to their joint contribution to the Eastern Extension Company for the reduction of cable rates to Europe on the terms approved between the colonies and the company, and in regard to the joint contribution of the said colonies to the payment of a cable subsidy to the Eastern Extension Company, including the Tasmanian cable subsidy; and in regard to the joint contribution of the said colonies to the guarantee against loss by South Australia by reduction of the rates through that territory; and, further, that the Government of South Australia be requested to act for the other contracting colonies in concluding the agreement with the Eastern Extension Telegraph Company, and in collecting and paying the joint subsidies and contributions to that company."

The Hon. J. Gavin Duffy seconded, and the motion was carried.

Adjournment.

The Hon. J. Gavan Duffy proposed that the Conference should adjourn till next day, in order to allow the Secretary time to bring up the official report. A short formal sitting would then finish up the whole of the business; perhaps by that time they might have a reply from Sir John Pender to their letter sent that day.

The Hon. T. Unmack said that strong reasons compelled him to leave that afternoon, but he would be wanting in a sense of duty and pleasure if he allowed the opportunity to pass without making some formal recognition of the universal kindness and courtesy with which he had been treated. He felt, it having been his duty at the Conference to oppose several of the proposals brought forward, that he might in the hands of less experienced men of the world have exposed himself to less courteous treatment than had been extended to him; but, in spite of all the opposition he had unfortunately deemed it his duty to offer, the more strongly had the kindness and good feeling of other delegates been manifested towards him. He tendered them, both personally and