The Hon. J. G. WARD (N.Z.) moved that all the words after "subject" be omitted. As it was entirely a matter of policy, the Conference should give no expression of opinion upon the matter. A movement in the direction of a penny postage might lead to the political heads being driven by the force of public opinion to advocate a different line of policy. Undoubtedly it is a matter of policy, and we as a Conference should not do anything which may perhaps in the future be used for or against a proposal which will affect the whole of the colonies.

The Hon. J. KIDD: It would be very proper to give a reason for agreeing that it is undesirable to make any recommendation on this subject. The ground of the recommendation is that we would lose very heavily by such a reduction. I would suggest that we omit all reference to its being a matter of policy, and I therefore move the omission of the words, "It is a question which, in our opinion, can only be considered as a matter of policy, but."

The Hon. J. G. WARD: I cannot support that amendment. It will be admitted that there is no great probability of such a reduction in the postage rates as that proposed by Mr. Henniker Heaton being brought about during the next few years. Who is going to support such a statement as is contained in the paragraph, if amended as suggested by the Hon. Mr. Kidd, when within a few years the postal business may have so increased, and the cost of conveyance may have so decreased, that the introduction of the penny postage may result in no loss whatever? I consider that Victoria has now a penny postage. If we had in New Zealand the Victorian system of penny letter cards, which close up similar to an envelope, we would consider we practically had a penny postage. These letter cards fold up, and in New Zealand we insist that everything that is enclosed in an envelope shall be charged at the rate of 2d. The permanent heads are fully justified in supplying all the data in their possession to their respective Ministerial heads for the purpose of guiding them in any action that may be taken in the future. I do not think it is desirable to put on record something that is not likely to be applicable for some years, when the whole of the circumstances may be changed altogether. We should not make a recommendation adverse to the proposal, and we should stop at the word "policy." It is a question that can only be considered as a matter of policy, and if the permanent heads stop there they will have done their duty.

The Hon. J. KIDD (N.S.W.): I would like to point out that this question has been raised and dinned in the ears of the Home authorities, who are trying to bring about this universal penny postage as applying to England and its dependencies. It is said that there is a necessity for us to express an opinion from the standpoint of the colonies. The colonies are not in a position to go in for universal penny postage, inasmuch as it will be some years before they can expect to be able to have an intercolonial penny postage. I was of a different opinion twelve months ago; and if we were all in the same position that New Zealand is, I might be of that opinion still. It would be ridiculous for us to go in for penny postage now, because we cannot carry letters inland at that rate, even if we had an over-sea penny postage.

The Hon. J. G. WARD (N.Z.): Why not stop at the word "policy," and make no recommendation?

The How. J. KIDD (N.S.W.): I am not speaking on the question of policy at all, but am simply making reference to the justification of the permanent heads in bringing down this report. They know what would be the loss of revenue to the various colonies. In fact, in Victoria they have had to go back to the twopence rate. We would be very glad to have a penny rate in New South Wales; but we cannot afford to do it. We do not want to make a profit out of the Post Office; but we want it to pay its expenses. That is the position we are in, and I expect the other colonies are similarly situated. Why should we hesitate to approve of the recommendation of the permanent heads, and say that this Conference sets its face against the reduction, for the present time at least.

The amendment proposed by the Hon. Mr. Kidd was then agreed to; and question, as amended, put and passed.

The following recommendations were formally agreed to:-

31. INDECENT PHOTOGRAPHS.

This question was brought under notice by the Representative of South Australia, who submitted some objectionable photographs which had passed through his office.

We consider many of these to be of an obscene character, and we think that the Post Office should not be the means of circulating matter of such a demoralising tendency.

32. Compulsory Registration of Articles of Jewellery (Value less than £1).

This matter was carefully considered at a Postal Conference held in Melbourne in August last year, when the following decision was arrived at:—

- "Having considered this question, we would point out that compulsory registration is required by the postal laws of the colonies, and the principle is recognised by the regulations of the Universal Postal Union. It would, in our opinion, lead to friction and endless disputes between the officials and the public if it were made a function of the former to fix the value of articles of jewellery, &c., with a view to determine whether an article should be registered or not.
- "In those colonies where the system has been in operation for several years, we find no difficulties have arisen, and we maintain that the additional security afforded by registration, even of articles of small value, is provided at a very reasonable cost."

We recommend that this decision be adhered to.