

companies the wants and desires of the Colonies as regards the new tenders. If we do not do that—if one Colony gives way upon one point and another Colony upon another, we will never get any concessions. Whereas if we say, "These are our terms, take them or leave them," I trust satisfactory arrangements may be brought about.

The motion was put and passed.

*Mr. Henniker-Heaton's Postal Reduction Proposals.*

The Secretary, Mr T. C. Just, read the following letter on the proposals of Mr Henniker-Heaton to reduce the Postal charges between Great Britain and the Australasian Colonies:—

"26, London, 25th January

*The Postmaster-General, Melbourne.*

SIR,

THE Australian Postal Conference, which sat last year at Wellington, New Zealand, discussed the proposal for which I am responsible, that penny postage should be allowed from the United Kingdom to the Colonies represented, the return postage from the Colonies remaining unaffected. Although I had not the privilege of addressing the Assembly, I have studied the views expressed by the Delegates, and in the event of the subject coming up again at Hobart, I have to ask that you will request the Conference to do me the honour of listening to this brief statement of my case.

1 In the first place, I would call attention to the undisputed fact that the people of the three Kingdoms unanimously and earnestly desire this favour of the Colonies, namely, that a British letter bearing a penny stamp shall be accepted by the Colonial Post Office delivery. The associated Chambers of Commerce have repeatedly pressed for the adoption of the scheme, the most eminent leaders of opinion and the most distinguished statesmen have recommended it, Parliament has ratified it, and the Ministry now in office only awaits the assent of the Colonies to give effect to it. Canada is willing, but Australia hangs back.

2. It must be obvious that the rejection of such a proposal will, in the absence of sufficient grounds for rejection, wear a singularly ungracious air. Articles have appeared in the London press complaining of the new tyranny of the Colonies in this matter, and expressing not only genuine surprise, but something like indignation at the curt refusal of the "Mother country's unselfish offer." They will borrow more of our money, it is said, and try and sell us more of their goods, but they don't want any more of our letters than they are now troubled with. Without endorsing these complaints, I would beg permission to comment on the objections raised to the plan at Wellington.

3. It was feared that the measure would compel the Colonies to reduce their inland and inter-colonial rates from 2d. to 1d., involving a probable loss to them of a quarter of a million per annum, &c. Admitting the compulsion, it is evident that while the whole community would have to make up the loss, the whole community would share the benefit of a reduction of inland and intercolonial postage. The effect would be similar to the transference of a purse from one pocket to another, but compulsion could only be applied by the votes of Australians. Is it likely that they will inflict a loss of a quarter of a million a year on themselves? The argument under examination reflects severely on the intelligence of perhaps the acutest population in the world.

4. Granting, however, the alleged denseness of the Australian intelligence, it may be pointed out that by adopting the 2d. inland postage as the rate for letters to England, all danger of loss would disappear. This step would be strictly according to precedent. Canada and the United States have thus exchanged their correspondence for a generation, the inland rate of each country being one penny in the case of the States and three halfpence in the case of the Dominion franking a letter to any part of the other. These restricted unions, at less than the Union tariff, are expressly authorised by the Postal Union Convention, and several are in operation. I respectfully urge that a new one should be formed between the United Kingdom and the Colonies.

5. I observe that a delegate said the mother country had no right to inflict what he thought would undoubtedly be a great amount of inconvenience and dissatisfaction by adopting the penny rate from herself to the Colonies, unless the latter were able to reciprocate. This bold claim (which has already been answered in par. 3 of this letter) is in singular contrast with other statements made—thus, it was observed that we are now doing a large trade in butter, and at present London is our only market, and then followed a scheme for reaching the provincial towns also; indeed, the dominant note in the discussion is the necessity of encouraging the export of Australian products to England. "All the Australian Colonies," said a delegate, "are largely indebted to the British people for borrowed money, and it is necessary that we must increase our exportable products." Accordingly the mail steamship owners are to be required to provide not only strong rooms for the mails, but "cold storage" for mutton, butter, and apples. The mails are dismissed in a sentence or two, and each speaker who does mention them hastens to return to the mutton.

6. I am thus led to remark that the prime cause of differences of opinion on this subject is the confusion as to the cost of conveying mails by sea. The real cost is the same as that of carrying merchandise, which does not exceed forty shillings a ton for any distance. True, immense subsidies are paid to the shipping owners, and rightly paid, but they are wrongly charged against the post offices, and wrongly described as the cost of carrying the mails. Every well-informed man knows that subsidies are paid to encourage trade and shipbuilding, and in the case of England to maintain a reserve fleet of swift convertible cruisers. These are not postal objects. Let me, with much.