

18. *Consideration of Mr. Jules Renard's letter respecting Telephonic Communication between the capitals of Australia.*

This is a matter that requires careful consideration. The first cost would be more than double Mr. Renard's estimate for connecting Brisbane, Sydney, Melbourne and Adelaide, and the charge that would have to be made for conversation would be so large as to be almost prohibitory. The population of the Colonies is not sufficiently developed to enable an expensive work of this nature to be carried out so as to be remunerative at a reasonable charge to the public.

The line from Brisbane to Sydney alone would cost £41,750, or presuming that the existing poles could be used (which is impracticable) the estimate might be reduced to £24,250.

Even making no allowance for maintenance of the line or for working expenses, the interest and sinking fund on a 15 years' purchase is 10 per cent. of the capital cost (really £9 12s. 8d. per cent.) Therefore, for the line to be justifiable, a revenue of £4,175 will require to be guaranteed on the Brisbane and Sydney line alone. It must also be borne in mind that telephonic communication between the capital cities of Australia would materially interfere with the telegraph revenue.

We are, therefore, not prepared to recommend Mr. Renard's proposal for favourable consideration.

S. H. LAMBTON.

C. TODD.

JOHN McDONNELL.

General Post Office,
Sydney, 19 November, 1896.

REPORT BY PERMANENT HEADS OF NEW SOUTH WALES AND SOUTH AUSTRALIA ONLY.

17. *Intention of Queensland to rescind, so far as that Colony is concerned, so much of Article 12 of the Australasian Postal Convention as relates to the admission of merchandise to the packet post; and*

21. *Charges intended to be levied by Queensland on Intercolonial newspapers.*

These two subjects are brought forward, as Queensland has notified its intention of withdrawing from those provisions of the Australasian Convention which refer to the transmission, intercolonially, of small packets up to 1 lb. in weight, and of requiring all such packets containing merchandise, other than samples, to be sent by parcel post only. The great objection we see to this is that it restricts the sending of small packets to those offices only to which the parcel post system extends, and besides this, whilst small packets can now be sent at 1d. per 2 oz., the public would have to pay a minimum postage of 8d., however small the value and weight of the packet. The reasons assigned by Queensland for this action are; that "there are obvious objections to the exchange of merchandise intercolonially as packets." "In most instances," it is stated, "the enclosures in such packets are dutiable, and as the declaration of value is not compulsory, it is often difficult to correctly assess the value of the goods enclosed, for Custom's purposes. It is also considered that dutiable articles can be more readily dealt with if confined to one channel, and the use of the packet post limited, as in the case of the Universal Postal Union, to *bonâ fide* samples and patterns having no value beyond their mere use as trade samples or patterns. There is also a serious objection to the transmission of articles of value by packet post because such packets cannot be traced."

The present practice of permitting articles of value to be exchanged by packet post between the Australasian Colonies has been in operation for many years past, and to deprive the public of a privilege which they have so long been permitted to enjoy, and in its place to substitute a system which (to them) will, in most instances, be more troublesome and costly, will no doubt be looked upon as a hardship and give cause for complaint. Moreover, the policy of the times seems to be to grant increased postal facilities to the public where practicable instead of curtailing those already existing.

The maximum weight of an Intercolonial packet is 1 lb., the postage being at the rate of 1d. per 2 oz., whereas the minimum postage on an Intercolonial parcel is 8d. It will thus be seen that the Queensland proposal is of a very restrictive character, as packets containing articles of trifling value, often sent as presents, on which no Customs duty would perhaps be payable, and which can now be forwarded for 1d. or 2d., will, in future, if the Brisbane office adheres to its determination, be subject to a postage of 8d., which seems unreasonable.

Moreover, it is thought that the Australasian Postal administrations will be put to considerable trouble in examining the contents of packets addressed to Queensland for the purpose of ascertaining whether merchandise is enclosed therein, and in taking the necessary action where such is enclosed to transfer such articles to the parcel post. Further, the uniformity in postal matters for which the Colonies have so long been labouring will again be retarded.

With regard to subject No. 21, Queensland intimates its intention to charge $\frac{3}{4}$ d. per 2 oz. in lieu of $\frac{1}{2}$ d. per 10 oz. (as at present fixed by the Australasian Convention) on newspapers for other Colonies, and to surcharge at double the deficient postage those addressed to Queensland which are not prepaid at the higher rate; also to exclude from transmission at the rate of 1d. per lb. bulk parcels of newspapers.

We regret that the Queensland Post Office has seen fit to withdraw from the Convention in respect of these matters, as we consider the existing rates are fairly reasonable. It is well known that nearly all of the daily and all the weekly newspapers considerably exceed 2 oz. in weight, and we think it would be unwise to impose so high a rate upon them.

We therefore advise that Queensland be asked to reconsider these questions.

We also take this opportunity of bringing under Ministers' notice the fact that the Queensland Post Office has further notified that from the 1st January, 1897, newspapers received from other Colonies will not be delivered if they contain any advertisements relating to sweeps, consultations, or indecent advertisements.

S. H. LAMBTON.

C. TODD.

General Post Office,
Sydney, 19 November, 1896.