2. Article 7.—Administrations agreeing thereto may exchange registered correspondence marked with trade charges, up to 1000 francs (£40) to be collected on delivery; the proceeds (less charges of collections, &c.), to be remitted to the senders of such correspondence.

The Colonies decided in 1892 not to adopt the system, and again at the present Conference.

- 3. Article 8.—This provides for the payment of an indemnity of 50 francs (£2) "in case of the loss of a registered article and except in cases beyond control," but under Article 3 of the Final Protocol, "it is agreed, as a temporary measure, that Administrations of Countries outside Europe whose legislation is at present opposed to the principle of responsibility, retain the option of postponing the application of that principle until they shall have been able to obtain from the Legislature authority to introduce it. We recommend the adoption of this provision, and that it be extended inland and intercolonially from 1st January next.
- 4. Article 9.—Where the legislation of a country permits, the sender of a letter or other article can have it withdrawn from the post, or have its address altered, so long as such article has not been delivered to the addressee.

No objection to this, it being our present practice.

5. Article 13.—In countries which consent to undertake the service in their reciprocal relations a system may be adopted under which, at the request of the senders, and on their paying in advance a sum of 3d. for each article, all classes of correspondence are sent to the addressees by a special messenger immediately on arrival in the country of destination.

We do not recommend the adoption of this system, as it is not practicable in sparsely populated districts.

6. Regulation 6.—It will be necessary for the Colonies to consider whether they are in a position to make up their postage stamps in the stipulated colours:—

 $2\frac{1}{2}d$ . in dark blue,

 $1\tilde{d}$ . in red,

 $\frac{1}{2}d$ , in green.

We see no objection, and recommend accordingly.

7. Regulation 11.—Administrations, whose Inland Regulations do not admit of the use of labels (R) in connection with registered articles, may postpone their introduction, and continue to use stamps for the indication of registered articles.

The present practice is to mark registered letters with a blue or red cross, and impressed with the letter "R," which we find answers every purpose, and we advise its continuance.

No. 68.—"Cable Subsidies and Guarantees, time of year closing."

We recommend that this matter be referred to the Postmaster-General, South Australia, to arrange, if possible, with the Eastern Extension Telegraph Company that the year close on the 31st December.

No. 87.—"The question of abolishing the system of 'Urgent' Intercolonial Telegrams, or of overcoming the delays to which ordinary Telegrams are subjected in Colonies in which such system is in operation."

We recommend that the system of urgent telegrams be discontinued with regard to Intercolonial and International Messages. Queensland and Tasmania dissenting.

No. 88.—" Urgent Telegrams with West Australia."

It is suggested that this Question be withdrawn, as it is disposed of by the recommendation of No. 87.

No. 102.—" Establishment of Telephonic communication between the Capital Cities of the Australian Continent."

In 1896 several letters were received by the Sydney Office from Mr. Jules Renard, respecting the establishment of Telephonic communication between the capital cities of the Australian Continent (Adelaide, Melbourne, Sydney, Brisbane), it being pointed out that such a system of communication existed between Brussels and Paris; Paris, Lyons, and Marseilles (537 miles); Chicago and New York (1500 miles\*); as well as in other places. It was represented that the line from Adelaide to Brisbane could be constructed for a sum not exceeding £40,000. The Sydney Chamber of Commerce also wrote, enclosing a copy of a letter received by that body from Mr. Renard, and suggested that the subject might be considered at the next Intercolonial Postal Conference.

The matter received attention at the 1896 (Sydney) Conference, when the following Report of Permanent Heads was adopted; viz.:—

"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,