

States Government has treated the colonies very badly in the attitude which they have adopted for many years towards that service, and if we had a service which would be in the position of a competitive service it would put them on their mettle, and then in the first time in the history of American mail services we would find America subsidising the present service to enable them to compete with an opposition service. I look to see the Canadian and San Francisco services running side by side, competing with one another, and I think a great deal of good to the colonies will result by such competition. Now, if this resolution is carried, it will then, I assume, be necessary for the various colonies to consider how far they will go towards subsidising the service. My own opinion is that if a good service was proposed the whole of the colonies would give some assistance. I therefore move the resolution standing in my name.

The PRESIDENT: I shall be very glad to second the resolution, to induce discussion on the subject.

The Hon. J. KIDD (N.S.W.): As this will not commit the colonies to anything at the present time, I think it is worthy of consideration. Of course we are all aware that it has had consideration for some years past, and that has been brought about more particularly by the Canadian Government itself. They evidently would encourage an enterprise having for its object the establishment of a good line of steamers between the Australian colonies and Vancouver, so as to have a great deal of the trade diverted that otherwise goes to San Francisco. Therefore, I think, it behoves the colonies, especially those on the eastern seaboard, to do something towards opening up negotiations in the direction indicated. Of course the Hon. Mr. Ward, who has submitted this resolution, has laid nothing before the Conference to be dealt with. It is simply an expression of opinion from him that it would be well to open up negotiations with a view to having a better mail service through America, and I presume he desires that it should go through Canadian territory. He has a further resolution later on, referring to the manner in which the United States Government have dealt with the mail service between the colonies and San Francisco to England. However, I will not touch upon that now, because I think he will be able to show us that we will be taking a proper course in trying to encourage negotiations being opened up for the purpose of securing a better service from the colonies to Vancouver and through Canadian territory. I have heard that there are steamers crossing from Japan to San Francisco doing the distance, I think, in about twelve or fourteen days. If we could get a line of powerful boats by giving them some encouragement to run a mail in that direction, we may bring about considerable trade with Canada. I have very grave doubts about expecting much from the United States, as they seem to hedge themselves round so much with tariffs. I have much pleasure in supporting the resolution moved by the Hon. Mr. Ward, and I think negotiations might be opened up between the colonies and Canada with a view of holding out some inducement for a better service than we have at the present time. I think the present service is a very unsatisfactory one. The company has not been able to put faster boats on for the reason that it has had no encouragement. If we are to have the service continued it will be necessary to have a much better service than the present one.

The PRESIDENT: As far as Queensland is concerned, I need not say that we should be very pleased indeed to see this proposed mail service established, because while it may not be so urgently required as a mail service, the commercial advantages to be derived from such a service by the Australian colonies are so important that it must be admitted that it is desirable to give reasonable encouragement to any company that will undertake its establishment. The resolution goes no further than to affirm that it is desirable to negotiate for such a service, and that does not bind us to anything, but at the same time it may open up the subject and lead to the development of a scheme which will probably run concurrent with the establishment of a Pacific cable. If we could get such a mail service as that referred to, it would go a long way towards securing the immediate laying of a Pacific cable, because once regular mercantile and mail service is established between Canada and Australia, a cable service is bound to follow. Therefore, looking at the question from that point of view, we shall be doing a very wise thing in affirming "That it is desirable to negotiate for a Canadian Pacific postal service."

Question put and passed.

#### THE UNITED STATES AND THE SAN FRANCISCO MAIL SERVICE.

The Hon. J. G. WARD (N.Z.), in moving, pursuant to notice—

"That this Conference directs a communication to be sent to the Postmaster-General, Washington, regretting the continued non-participation of the United States in the matter of the subsidy to the present San Francisco Mail Service, and also directs his attention to the excessive overland transit rates between San Francisco and New York, and respectfully requests him to urge the Pacific Railway Company to give more favourable terms"—

said: It is known to every one who takes an interest in postal matters that the United States Government has not contributed anything towards the cost of the San Francisco Mail Service since its initiation many years ago. The Imperial Government have contributed to a certain extent, but the principal part of the burden has fallen upon the colonies. The burden did not fall so heavily upon the colonies before the reduction of the letter postage to 2½d. as it has done since that reduction came into operation. When the subsidy formerly paid was abolished, payment by weight was substituted for it; but the railway authorities in the United States have not seen their way to reduce the overland transit rates between San Francisco and New York. I think those rates are excessive, and that the Postmaster-General at Washington should co-operate with the colonies in an endeavour to secure a reduction in them. The time is coming when the United States Government, if they wish to insure a continuance to America of the advantages derived from this mail service, will have to do a great deal more in the way of supporting it than they have ever contemplated doing; and when they will have to decide whether a line of steamers shall continue to ply between San Francisco and the colonies, or be abandoned in favour of a Canadian service. I think that argument may be used as a lever in making representations to the Postmaster-General at Washington, and that the time is opportune for such a representation. I move the resolution.

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