

Mr. C. TODD (S.A.): Allow me to say that one of the most important matters for the consideration of the next Conference will be the careful revision of the Vienna Convention. Letters are coming to us frequently from Berne and other places, calling our attention to difficulties pointed out by different countries belonging to the Union. We shall need to revise the Convention most carefully at our next Conference, and I would suggest that the permanent heads, between this and our next meeting, go carefully through the Convention, with the view of bringing up a report for the consideration of Ministers.

Motion put, and carried unanimously.

REPORT BY THE PERMANENT HEADS OF DEPARTMENTS.

The Conference then proceeded to consider the Report of the permanent heads of Departments (*vide* Appendix B) in detail:—

On the paragraph—

2. P. AND O. AND ORIENT CONTRACT, 1895.

Subsidies.

“The present contracts held by the P. and O. and Orient Companies will expire on the 31st January, 1895.

“The total subsidy paid is £170,000 per annum, of which the sum of £95,000 per annum is paid by the Imperial Government and £75,000 by the colonies of New South Wales, Victoria, South Australia, Queensland, Tasmania, Western Australia, and Fiji, the colonies contributing on the basis of population.

“The following were the amounts paid by the colonies for the year 1891:—

	£
New South Wales	26,767
Victoria	26,595
Queensland	9,425
South Australia	7,483
Tasmania	3,506
Western Australia	1,224

“In view of the necessity for speedy and regular communication between the United Kingdom and Australasia, we are of opinion that the system of subsidies should be continued, and the Mail Service maintained by the United Kingdom and the colonies as at present”—

The HON. J. KIDD (N.S.W.) said: I beg to move the adoption of this report, so far as it refers to the continuation of the payment of subsidies. This matter has been fully discussed previously, and I know that views opposed to mine are held by some. I find, so far as New South Wales is concerned, and the other colonies also, that up to the time of the reduced postage, the postage rates received actually paid us—left us without any loss, except perhaps some few hundred pounds. The present loss is due to the reduced rates of postage, but I suppose that in the course of two or three years the increased amount of postage paid will enable us to carry on the service without loss. In asking you to agree to a continuation of subsidies I do not propose that we should subsidise our mail services at the present rate. (Hear, hear!) The view that is taken by some, especially those connected with mercantile or other important business, is that they are able to wait; that there is no urgency for a faster mail service such as we have, and is likely to continue. That is that the mails will be carried without the inducement of a subsidy with as much expedition as at present. I rather doubt that. I think that unless the mail carrying companies are bound, as they are by a subsidy, we shall not have that regularity that we have now, and which we expect to be improved upon in future. It will be in the interests of the colonies to continue to make arrangements with what I may term English companies, because we are not likely to accept a tender from any but English companies; and there is no doubt that the thanks of the Australasian colonies are due to the two enterprising companies that have been carrying our mails so satisfactorily up to the present—the P. and O. and the Orient Companies. So far as the colonies in the continent of Australia are concerned we could not have a better service than we have at present, and the question for this Conference to decide is whether the subsidy should be continued or not. We have undoubtedly more control when we pay a subsidy; but we should endeavour to reduce that subsidy as much as possible—to a sum that will enable us to carry on our services without loss. It is not expected that the postal departments in these or any other countries will be profitable, and we do not desire that. But we want to give people in the colonies the best possible service, to be worked in the most economical way, and with full control. That is the object we should have in view and which we should give full consideration to. It may be a matter of indifference to some people whether their letters are two or three days earlier or later, but on behalf of the people generally, and particularly those who are not in a position to use the cable, we should desire to have our mail service carried out with the greatest possible expedition. I believe that we shall achieve that by continuing the subsidy system, although perhaps not at the present scale. It is not due to the subsidy charged that we are making a loss now, but simply because the rate was reduced from 6d. to 2½d. I need not allude to Mr. Heaton's proposal to have a universal penny postage. Those who know anything about the cost of carrying mails in the interior of sparsely settled colonies such as Queensland, South Australia, and Western Australia, and even Victoria, the smallest of the group, will know that it is impossible to give an expression of opinion at all favourable to universal penny postage. We might have a penny rate between the mother country and the colonies; but the necessity for charging 2d. within the colonies is apparent. My principal object now is to point out that no serious loss has been sustained owing to any fault on the part of the companies, the subsidies to which have been of great advantage to the colonies in getting their mails carried as expeditiously and regularly as possible, while giving them a control which they would not otherwise have. I therefore think the system of subsidies should be continued.

The HON. A. WYNNE (V.): I support this proposal most cordially. We have been served very well by our mail-carrying companies in the past, and we cannot do better than follow a good precedent. The regularity of our mails has become a bye-word, and these companies have served us so well that