

latter obligation the Post Office, when two years ago it decided to open the cheaper alternative "all-sea route" to Australasia, found itself precluded from using for this purpose its own mail steamers going direct through the Mediterranean, already under contract to carry any amount of mails entrusted to them, and had to be content with the longer and slower route round the Cape. Could anything more glaringly show up the helpless state to which the Postal Union Convention has reduced our Administration in respect of Imperial communications?

At present we pay to France and Italy an enormously enhanced price for the actual railway services over and above the price received by the railways themselves, the two Governments concerned themselves getting the benefit of the difference. They, so to speak, farm the railway mail service in their own countries for their own great profit. If the lines that are used to transport the mails across the Continent were the only ones available for the purpose, there might be no help for this; but such is not the case.

An alternative and equally convenient route is open as far as the Italian frontier, by way of Ostend, through Belgium, Luxembourg, and so down through Switzerland and the St. Gothard tunnel, and thence, *via* Milan, to Brindisi. What is there to prevent our Post Office availing itself of this competing route? Under the Postal Union (and in this respect probably no complete revision of the principle could be effected) it must still continue to deal with the Postal Administrations of the countries concerned, but arrangements might perhaps be made, on payment of a royalty to these Governments, for passing closed mails through their territories under "bonded seal," so to speak, the actual carriage being paid for upon terms made direct with the railway companies. We should at any rate give France the go-by; and it is the French Office that proves so exacting, and is the cause of the present attitude of the Italians also. Dealing with Italy directly and in conjunction with other countries more inclined than France to deal in a liberal and friendly way with us, we might obtain vastly better terms.