It is of the first importance that the colonies should be able to protect themselves, if not against a siege, at all events against a coup de main. Mr. Stanhope states that he will be prepared with suggestions on the whole question of colonial defence; and, indeed, it is quite time that some measured and systematic scheme should be adopted. That the colonists can turn out fine bodies of fighting men we low from the experience of the Soudan campagin, and from the efficiency of the New South Wales contingent. We know also that the colonies are ready to come to the defence of the Empire in its hour of need, and that they have not been inclined to look at their relation with the United Kingdom as a one-sided relation, they getting all the defence and we making all the sacrifices. We hope and believe that a serious and businesslike discussion, such as is sure to take place when these experienced colonists come together in London, will lead to the best results in respect to this question of colonial defence. The Mother-country must show that she is not niggardly in the supplies of officers and military material that she is willing to provide, and the colonists must show themselves willing to fortify, to build the necessary gunboats or guardships, and to find the men to work them. Scarcely less important is the second head of Mr. Stanhope's programme. The means of communication between all portions of the Empire are very faulty. We want more cables—it is said that a new one is just about to be laid from Australia and New Zealand across the Pacific—and we want a cheaper post. Mr. Henniker Heaton will rejoice when he sees the Colonial Secretary hinting in so broad a way at his own pet scheme of an intercolonial penny postage. No one denies that such a postage is eminently desirable, or that it would do a very great deal towords the "drawing closer of the bonds which unite the various portions of the Empire." It is not for us at this moment to suggest the means by which it might be carried out without great loss—perhaps without any loss—to the revenue. It is enough to recall Mr. Heaton's calculations, which would show that the estimated increase in the number of letters and the alteration in the mode of carrying them would probably raise rather than lower the Post-office receipts. This is a matter for the impartial investigation of the conference, and we trust that such

an investigation would lead to the adoption of a scheme of penny postage throughout the Empire. No celebration of the Jubilee year could be more appropriate than the holding of the first conference of the representatives of the British Empire—of that Empire which has grown during the fifty years of the Queen's reign from a scale so comparatively humble to a scale so gigantic. To show that the Empire, instead of becoming unwidely with all this growth, has grown in force and in the power of concentration, will be a work of incalculable importance from the point of view of our international position. The conference will be one method of bringing about this desirable end; the establishment of a well-contrived Imperial Institute will be another. We are glad to find, from the authorized communication which we print this morning, that there were serious inaccuracies in yesterday's news from Melbourne. According to that the South Kensington site had been definitely fixed upon, and it suggested the possibility of carrying on the South Kensington Exhibitions to which we have been of late years accustomed in and about the building. We learn this morning that nothing of the kind has yet been decided; and that the only modification of the original scheme which is as yet determined on is the admission of the United Kingdom to a share of the building, side by side with the colonies and India. This, of course, is a concession, and a wise concession, to the claims of the home manufacturers and merchants, who were naturally jealous of a display of goods from colonies which tax their productions and which yet wish to compete untaxed in the English market. It is only fair that Englishmen should have the the opportunity of showing visitors that they can do as well as colonists, or perhaps better. For the rest, nothing has been determined; and we can well imagine that the difficulty which the Prince of Wales and the committee have to face are very considerable indeed. What funds will be at their disposal and how are they to be got? Will the public really take to the notion of an Institute and loosen its purse-strings to call the building into being? Clearly this question is one of the most fundamental importance; but, as yet, as far as Great Britain is concerned, there seems to be no clue to the answer. We can hardly imagine, however, that a scheme which was felt to be a good one for the Empire and which was known to be dear to Her Majesty, could meet with anything but yery wide Empire, and which was known to be dear to Her Majesty, could meet with anything but very wide and generous support in the year of her Jubilee.

No. 36.

The AGENT-GENERAL to the PREMIER.

7, Westminster Chambers, London, S.W., 30th December, 1886.

SIR,---On the 23rd instant the Prince of Wales's committee sent in their report to His Royal Highness containing the new scheme now proposed for the Imperial Institute. The committee thought it essential to make it public, without waiting for an answer from the Australian Governments, much as they would have wished to wait.

I enclose herewith some copies of their report, and also extracts from the *Times* and other newspapers, from which you will perceive that the scheme has been well received. It now remains to be seen what amount of money will be subscribed for it. I have, &c.,

The Hon. the Premier, Wellington.

F. D. Bell.

Enclosure in No. 36.

REPORT OF THE ORGANIZING COMMITTEE, APPOINTED BY HIS ROYAL HIGHNESS THE PRESIDENT.

To His Royal Highness the Prince of Wales, K.G., &c.

THE Committee appointed by your Royal Highness to frame a scheme for an Imperial Institute intended to commemorate the fiftieth year of Her Majesty's reign, beg leave to submit to your Royal Highness the following Report :--