

America will not be allowed to enter the Australian coastwise trade. In fact, Australia will hit us harder than even France in that respect. If Australia wants to help British shipping, far and away the most effective way would be to treat us a little more generously in the matter of merchant shipping legislation. I am bound to say that, because the resolution comes from Australia.

Thirteenth Day.

8 May 1907.

COASTWISE
TRADE.

(Mr.
Lloyd George.)

Mr. DEAKIN : Quite right, and I think there will be every desire to do it. The only question is how far can we do that consistently with maintaining the standard, as we propose it, for our own shipping owned in Australia, or at all events running entirely in Australian waters. We shall fix a certain standard which will be, or believed to be, fair and just, and require them to live up to it. Having done that, how can we destroy their whole trade to others by omitting those others from the same obligations?

Mr. LLOYD GEORGE : I am not complaining so much about the vessels which trade exclusively along your coast. I agree there is a good deal of reason in what you say now, that if you impose these very heavy regulations upon your own ships, you have a right to demand that British ships should also conform, otherwise they would enter into your coastwise trade under conditions which would handicap your own shipping. But take a case of this sort, take a great liner proceeding from this country to Australia. She calls say at Fremantle; she picks up a couple of passengers who find out that that particular liner is much more convenient and perhaps more comfortable than the boats that may be trading between Fremantle and Sydney, and they say : "We will go on from Fremantle to Sydney in that British ship, which happens to sail at the very time we want to proceed." According to your new proposals, as interpreted by Sir William Lyne, the moment a ship picks up even a couple of passengers, every regulation of your coasting trade will apply. She will have to put on the same number of stewards, the same number of hands, as your ships must in your coasting trade. Not merely that, but supposing a couple of passengers are picked up at Fremantle and that, but supposing that there is not the same kind of accommodation which you demand on your ships, the whole structure of this big liner has to be altered, because a couple of passengers are picked up at Fremantle and dropped at Sydney, for the convenience of the Australian people. That, I consider, is a far worse sort of regulation that you impose upon us, than anything we have to contend with in any foreign part of the world.

Mr. DEAKIN : As a matter of fact, the recommendations of our own Commission exempt the voyage from Fremantle to Adelaide.

Mr. LLOYD GEORGE : Perhaps I have taken the wrong port. I hear there is something about a railway from Fremantle, and ships are to be exempt until the railway is made. But take any other port. If a liner calls at any Australian port and picks up a couple of passengers and drops them at another Australian port—I need not necessarily take Fremantle—the whole of those obligations which are most onerous and ruinous to British ships, will apply, and the result will be that they will be driven altogether out of the Australian trade.

Mr. DEAKIN : The coastwise trade.

Mr. LLOYD GEORGE : The only thing we got passed at the Conference after some difficulty, was that the same obligation should be imposed upon