

application of their law. We want to affirm this resolution for further investigation.

Thirteenth Day.
8 May 1907.

COASTWISE
TRADE.

(Sir
Wilfrid Laurier.)

Mr. LLOYD GEORGE: I agree with you on the question of trade between Canada and New Zealand. I confess the facts which you have given me now, and the facts which Sir Joseph Ward has given, deserve close attention. I could not pretend that this question of coasting trade is new to me, and certainly it is not new to the department over which I preside, as they have gone into it over and over again. So far as the Mother Country is concerned, we have gone into it very carefully. I think it would be misleading if we said we would consider that question further, as if we had not considered it. Sir Wilfrid Laurier wants to consider the question of the trade between one Colony and another.

Sir WILFRID LAURIER: Between British countries.

Mr. LLOYD GEORGE: If you leave out trade between the Mother Country and the Colonies, and simply say coastwise trade between one Colony or British possession and another, that is where you seem to be hit. We here are not hit at all. The balance of advantage is enormously on our side. To pretend to look into a transaction which is so enormously in our own favour as if it were a grievance would be misleading. I agree that you are very hard hit as between Canada and New Zealand and Australia.

Mr. DEAKIN: Is it only when you have an immediate grievance that inquiry is justified or necessary? Ought there not to be a certain amount of protective preparation? Is not the fact that you are considering the various devices by which various nations endeavour to foster their own trade at your expense, a useful thing to be known? Should we not show that at all events you are following these things with close attention. You are not of opinion at present that they do you any substantial injury; but a proposition may be launched within the next month or two which would do substantial injury. Are you prejudiced in any way by inquiry? Are you not justified in letting it be known that your attention has been directed to this danger by the representatives of the Dominions beyond the Seas?

Mr. LLOYD GEORGE: But I do not want to alarm the shipping industry here. The balance is enormously in their favour. They do not want to call too much attention to it.

Mr. DEAKIN: This resolution has stood since 1902 without occasioning any alarm.

Mr. LLOYD GEORGE: I agree, as between one British possession and another there is a case; but there is no case to look into so far as our shipping trade with America is concerned. The advantage is overwhelmingly on one side. The same thing applies to Russia.

Sir WILFRID LAURIER: If this is an Imperial Conference, as we believe it is, questions have to be looked into, not only from the point of view of the United Kingdom, but all its Possessions. It does not affect you so far as the United Kingdom is concerned, but it affects us. We are part of the British Empire, and it seems to me, therefore, the question brought up justifies more inquiries, without at all alarming anybody. We say simply that it is desired to call attention to it.