

Fifteenth Day.

14 May 1907.

MAIL SERVICE
TO AUSTRALIA
AND NEW
ZEALAND via
CANADA.

(Mr. Deakin.)

the dues should be levied only on the amount of that accommodation actually occupied. Trade passing through the Suez Canal varies immensely at different seasons of the year, and the vessels which use the canal regularly require to provide a maximum carrying capacity for passengers. That, as I understand, does not involve a serious addition to the bulk of the vessel, but a larger superstructure and upon this they have to pay for some months of the year when the greater part of it is unoccupied. When the question of the rates in the Suez Canal comes up for consideration and relief is being sought, if it cannot be given to the whole extent and if we are compelled to fall back upon other minor reductions which may be made, surely it is a reasonable thing to propose that, so far as passenger accommodation is concerned, the dues should be paid only on that portion which is actually occupied. Then whatever the steamer received for passenger fares, the Canal would receive its proportionate dues. This would be a considerable relief in some seasons of the year when the passenger traffic is very small. This implies no retention of the cargo dues, but is suggested as the passenger accommodation stands on a different footing. This is one practical way in which a good deal of relief could be given to the vessels using the Canal. They include vessels whose cargo capacity is seldom used to the full, but on that they have to pay, consequently their charges are high. I would be glad if Mr. Lloyd George would be good enough to note that suggestion for consideration. Probably it has reached him before.

Mr. LLOYD GEORGE: Unfortunately, we have no real control, I forget what our holding is—it is something like four-tenths of the whole, but the control is practically in the hands of the shareholders, and His Majesty's Government have no proportionate voice in framing the schedule of rates. That has been our difficulty; in fact, the only thing we could do would be to refund a part of the rates. That would have to be by a contribution from the various Governments affected.

Sir EDWARD GREY: We have had complaints from our own shipowners of the way the dues are levied.

Mr. DEAKIN: I long since wrote despatches asking for a reduction of all the Suez dues, but certainly a preference for British ships would be better secured by remitting the dues on all ships. We could pay them ourselves for our own vessels. For the first proposal you would get support from other nations, because, although their shipping is smaller than ours, they must pay the dues at the same rate.

Sir WILFRID LAURIER: Would this be acceptable to Mr. Lloyd George? I dislike the word "inquiry." "That in the opinion of this Conference the interests of the Empire demand that, in so far as practicable, its different portions should be connected by the best possible means of mail communication, travel, and transportation; that to this end it is advisable that Great Britain should be connected with Canada and through Canada with Australia and New Zealand by the best service available under existing circumstances; that for the purpose of carrying the above project into effect such financial support as may be necessary should be contributed by Great Britain, Canada, Australia, and New Zealand in equitable proportions."

Mr. LLOYD GEORGE: What is the difference between that and the first resolution?