REPORT OF PROCEEDINGS OF THE CONFERENCE.

Hon. DUGALD THOMSON: I do not know whether Sir William Lyne is in the position of saying whether his Bill would go to that extent, but it might go to that extent. However, I do recognise that there is one great difficulty in this matter, arguing from my stand-point—that is that New Zealand, which has a similar law, has already received assent to its Act. That creates a great difficulty. The law is in existence in New Zealand which has been assented to by Great Britain, and I recognise that that makes a difficult position for those who are against the provision; still for reasons given I must emphatically protest against the adoption of this resolution in its fullest form, and hope that there may be some opportunity—and I shall, if there is opportunity, raise the question later when we are dealing with the resolution—of some compromise, and that we shall not go to the extreme limits indicated by the motion.

MR. ANDERSON: Might I say a few words in supplement to what Mr. Hughes has said. I thought Mr. Hughes, with reference to the incidental wage provision in particular, spoke rather lightly. I think he was inclined to dismiss it as a piece of special pleading. Now I can assure him it is nothing of the kind. It is obvious for the purposes of this argument the oversea steamer is really two steamers. It is a large steamer carrying oversea cargo and passengers, and it is relatively a small steamer carrying coastal passengers. If instead of being one steamer it was two, nobody would suggest because a man had a small coastal steamer, and he also owned a large oversea steamer, that he should pay the coastal rate of wages on the oversea steamer, yet that is precisely the effect of the provisions of the Bill. In fact, take the case of an oversea steamer arriving at Fremantle. It has the whole of its cargo space occupied with oversea traffic and, say, of the provisions of the Bill. In fact, take the case of an oversea steamer arriving at Fremantle. It has the whole of its cargo space occupied with oversea traffic and, say, 75 per cent. of its passenger space—I wish it were always so—occupied by oversea passengers. And yet the moment that steamer gets to Fremantle you say that although it is oversea traffic, it becomes coastal traffic; and similarly on the voyage home you say that the oversea trade and passengers which the ship picks up at Sydney or Melbourne is not oversea trade until the vessel has left Fremantle In fact, in trying to redress a disparity which I do not believe exists, in trying to redress that apparent inequality you are going to create an infinitely larger disparity adverse to the oversea steamer. That is a concrete reason on that particular point. I should like to treat the subject a little more generally on the lines laid down by Sir William Lyne the other day. He said this is most important to Australia, and the Government of Australia must settle it with a desire to do the best possible for the Australian public and to harass as little as possible the oversea ship. Well, now, I am quite content to deal with it on these lines. But apply the test. Is it conceivable, from the point of view of the public interest, that it is a good thing to deny the Australian public all the coastal passenger facilities which you can secure? And from the point of view of the oversea shipowner, I say it is distinctly unfair to call upon him to submit to two sets of conditions; and, mind you, they are not all temporary conditions ike wages—that condition ceases at Fremantle—but many of the conditions, like accommodation, will be operative continuously throughout the voyage, and to the extent that immediately the ship gets off the coast these conditions are of a more stringent nature than those required of her oversea competitor. The unfortunate the extent that immediately the ship gets off the coast these conditions are of a more stringent nature than those required of her oversea competitor. The unfortunate incidental trader will be at a heavy disadvantage as compared with the oversea competitor who does not trade on the coast. I do not think, despite all that has been easily that the oversea stranger is a competitor in an on the coast. I do not think, despite all that has been said, that the oversea steamer is a competitor in an oppressive sense with the coastal lines, that the competition has had any detrimental effect on the coasting trade; in fact, the best evidence you can have of that is that the coastal companies shew excellent results. I can only say so far as the oversea shipowner is concerned, even in his wildest dreams he never expects to show equally good profits. I am speaking, of course, only of vessels in the Australian trade. But Mr. Hill has told you that the average result is under 4 per cent. over the whole field of shipping enterprise. I do not like to use the word, but if I may borrow it from Mr. Dugald Thomson, I should like to suggest that these provisions are conceived in a rather unfriendly spirit as towards the British oversea shipowner. I think it is a little hard to deny him that assistance to his oversea earnings.

Sir WILLIAM LYNE: The arguments that Mr. Anderson has used might just as well be applied to our laws regarding the allowing or not allowing persons to be brought into Australia under cheap wages.

Our laws are exactly the same, and this is hinged on very much to that. We do not allow a contract to be made outside Australia which would bind a person for two or three years to a cheap rate of wage, so we do not want shipping companies to be trading on our coast and employing men at a cheap rate of wage. The two go to a large extent hand in hand. I do not think Mr. Anderson is right in imagining that anything we are doing is done in a spirit of hostility to the shipping companies. That is not the case so far as I know; but I do know that the coastal shippers have expressed their opinion on more than one occasion to the fact that their trade is very seriously interfered with by the oversea boats. I do not know what their profits are; but it certainly seems that they have not been satisfactory. I do not know what they have not been satisfactory. I do not know what they have not been satisfactory. I do not know what so far as Australia is concerned, and I am quite sure Sir Joseph Ward would say the same for New Zealand, that it is not out of a spirit of hostility, but it is from a spirit of justice to our own people. That is the object we have in deciding this.

HON. DUGALD THOMSON: What about Western Australia?

Australia?

Sir WILLIAM LYNE: You know perfectly well that is a special case, and it cannot be brought up as dealing with this question at all. The reason for that, and this is the plain truth, is because we have got our West Australian Members in our House of Parliament; that is the real truth. And they are anxious to keep open that particular channel until such time as the railway is built. I have not any doubt that they have the idea that by keeping this open it will help to build that railway. That is a general case and nothing to do with the principle, and I think those who know the intricacies of this question will admit that the reason I have given is the right one, and it has nothing to do with the general principle at all. I only just wanted to say a word or two in reply to Mr. Anderson. I would like to say in reply to the speech made by Mr. Hill when he depicted such a terrible possible state of things, he did not depict the actual state of things. Now, we have heard that sort of thing in Australia and on other pieces of legislation that we have passed under the Commonwealth, but it has never come to pass, because we are still going ahead by leaps and bounds and Australia is wealthier than ever.

Mr. FERNIE: Except the shipowners.

 $\mbox{Hon.}$ W. M. \mbox{HUGHES} : The P. & O. have just put on four new cargo boats.

SIR WILLIAM LYNE: This state of things we often see. At the same time we are going on; we do not injure our own people, and we do not injure those who come and trade with us.

Mr. LILEWEILYN SMITH: May I say one word with regard to what Mr. Anderson and Mr. Thomson have said. I take it they have expressed very ably the practical objections to applying what we may call Australian conditions to the incidental coasting trade. This resolution really speaks of the classes of vessels to which the conditions imposed by Australian laws should be applicable. It does not express the opinion of this Conference that they should all be applied, but it asserts that it is for the Colonial Legislature to decide.

Hon. W. M. HUGHES: If the Conference thinks that some of those conditions are such that they ought not to apply at all to certain cases, then they can vote against it. If they think it a matter of expediency, they might vote for it and then introduce such other amending resolutions as they think fit.

Mr. LLEWELLYN SMITH: I am rather anxious we should be unanimous; it does not commit you to say every condition is applicable.

SIR WILLIAM LYNE: I do not think it is possible we are likely to be unanimous over this question, but referring to some of the remarks made by Mr. Anderson, I have had placed in my hands the passenger fares taken for the twelve months ending 1st October, 1898, and the 30th September, 1899, for these boats, and the total sum is £66,477.

Mr. ANDERSON: I should like to know what relation that has to the entire trade. Quite apart from that, I should like to point out that the passenger traffic