

REPORT OF PROCEEDINGS OF THE CONFERENCE.

HON. W. M. HUGHES: Will you allow me to say that I think Sir Joseph Ward, while he is no doubt right in pressing this, in some respects is intentionally invading a very serious principle so far as the rights of the States are concerned. There can be no doubt in my opinion that we have a right to make laws regulating the condition under which people who live in the Commonwealth shall work. Now these are persons shipped in the Commonwealth or New Zealand, that is to say, they are citizens or residents of New Zealand, and we could say, "You shall not ship at all." No doubt Great Britain might protest, but we might say no Australian shall be shipped on a Norddeutscher-Lloyd vessel at all. We can make it a penal offence; it might be advisable. And the recognition by this Conference that Australia and New Zealand have those rights that belong to every self-governing State seems to call in question the fact that those rights are ours already without such recognition.

MR. COX: It is perfectly true what Mr. Hughes says as regards everything that occurs within the jurisdiction of the Commonwealth. Now what is going to happen in practice is that you get a ship coming down to Sydney and you force her to ship at your rate of wages, when she gets out of territorial waters she may never come back. What is the good of the clause? The wages won't be paid, and the Germans won't enforce them.

SIR WILLIAM LYNE: We can only deal with a case of that kind when they come back.

MR. COX: Then you make it an offence for the German vessel for having come into your port, and then what happens? There is correspondence with Australia and with Germany, and a tremendous bother and a tremendous lot of friction. Is it worth it?

SIR WILLIAM LYNE: I think it is. But I think from the answer you gave me last night that we have the power to do all we require.

MR. CUNLIFFE: Will you allow me to add to what Mr. Bertram Cox has said that you must also regard this principle as underlying everything between nation and nation. There is nothing to prevent any vessel entering into a contract under another scale, according to the law of the flag or the ship. If they deliberately do that, no Court would enforce some other law against them.

MR. BELCHER: The question we want established is this: We do not want the trade of New Zealand and Australia to be restricted to the coasting trade of these countries only.

THE CHAIRMAN: That is raising a very big constitutional issue, which is outside the purview of this Conference.

MR. BELCHER: I want to make the position clear. So far as the British shipowners are concerned, they oppose this *in toto*. They say they won't agree to it under any circumstances. We say in the interests of our country that local enterprise has built up these trades, and we want to see them protected, and we say it is highly essential that the Colonies should be given power to legislate against all and anything coming there and filching away the trade built up by them. I quite understand there are difficulties in the way; but we are met in order to overcome them.

SIR WILLIAM LYNE: This discussion was raised I think on the point I brought forward as to the extension of an attempt to be made to fix the line of demarcation where our laws extend. I think that originated it at first. I said yesterday, and if I may be permitted I repeat it to-day, that if we could do this by a line of demarcation, it would be very much better than making specific cases, though of course I should support Sir Joseph Ward if he said otherwise. But then comes in another question that I am not quite sure whether this Conference can deal with, that is the question of extending our territorial waters, and I feel somewhat disposed to think that it is a matter for the other Conference to deal with. I should like to see a line of demarcation as to the extent of our laws for coastal trade, but I do not think this Conference can do anything in that matter.

MR. COX: May I point out that Sir William Lyne alluded to the map yesterday. You will find that a

certain line is drawn outside the territorial boundaries of Queensland in the sea going around and including certain Islands. These Islands were made part of Queensland by annexation. There was a fear that foreign powers might come and annex small Islands near Queensland, and therefore the British Government annexed the whole lot, and drew a line round and said everything within that line was part of Queensland.

SIR WILLIAM LYNE: Do you not think it would be a good thing to draw a line and put it under the hands of the Commonwealth?

MR. COX: If you ask that question, I say "No."

THE CHAIRMAN: And I am afraid that is a question we could not discuss here. I should have to get Lord Elgin here, and Canada would have to be represented. That could be discussed at the Imperial Conference, but it could not be discussed here.

MR. COX: I believe it is one of the motions down for the Conference.

THE CHAIRMAN: I think on the whole, it is raising a very great constitutional question; it is a question of jurisdiction largely; and I understand now, for the first time, there is a difference between the Constitution of New Zealand and the Constitution of the Commonwealth upon this point. Well, as to an alteration in the Constitution, which is practically what Sir Joseph Ward is really aiming at—because there is no doubt about the right of the Commonwealth to legislate in a matter of this sort, and I do not know that there was a doubt about New Zealand, but it is hardly for this Conference to discuss it—I have suggested to Sir Joseph Ward that it should be discussed at another Conference, which is to consider questions of this kind. Personally, I do not see why New Zealand should not have the same right as the Commonwealth to deal with questions of this sort.

MR. MILLS: I should like to say, speaking as a representative of the shipowners, the question raised here is one of very great importance; whether it is the law or not; whether or not the Colonies have the power to enforce their provisions as regards wages and other matters on vessels beyond their own waters; it has become the custom for years past for all vessels trading from Australia or from New Zealand, between those two Colonies and also between those Colonies and the Islands of the Pacific, to observe the Colonial customs as regards wages, surveys, holidays, and many other matters. The Courts there rule that our custom as regards wages, holidays, and other things follow the ship to distant ports, and that has all been concurred in by shipowners, and has become the custom of the country.

THE CHAIRMAN: That, of course, refers to New Zealand ships.

MR. COX: That is not the case of ships registered in New Zealand.

MR. MILLS: Yes, and others. Sir Joseph Ward pointed out the other day that the Company which I represent in New Zealand had chartered a British ship to trade between Fiji and Auckland, merely touching at one port in each Colony, and she was compelled, before she could enter the trade in Sydney, to pay the rate of wages and ship her crew according to the custom there. She then went to Auckland, via Fiji, and there she was arrested by the officers of the Customs, and demand was made to have her surveyed, and she was compelled to carry six extra men under the law of New Zealand. She was a British ship, and was trading to Fiji from Australia and Auckland.

MR. COX: I would not rely too strongly on that decision.

MR. MILLS: I judge from what has transpired here, that the Colonies have not the right to do that.

MR. COX: If you read Sir Robert Stout's judgment, he said it was a very good thing for a judge to enlarge his jurisdiction.

MR. MILLS: It is really important to the great interests of the Colonies, and it will be more important in the future, that Colonial ships carrying large and highly-paid crews and under onerous stipulations and restrictions should have some measure of protection