

REPORT OF PROCEEDINGS OF THE CONFERENCE.

through the negligence of the officer, started unseaworthy, the shipowner has amongst other things to be responsible for inherent defect, quality, or vice of goods.

HON. DUGALD THOMSON : May I point out this, that there must be somebody responsible in that case. The owner of the goods, or the shipper of the goods, has no power to save that loss or avoid it. If there is to be insurance against that loss, who is the party that ought to be insured? Is it the party that cannot exercise any control over it, or prevent it, or is it the shipowner?

MR. ANDERSON : The Bill goes further. If a ship starts unseaworthy owing to a certain latent defect, and is lost owing to a cause which has nothing whatever to do with that latent defect, then the exemptions which are mentioned under A, B, and C sub-clauses would not apply for the protection of the owner.

HON. DUGALD THOMSON : I do not think that is so; but, if so, it is quite a proper point to raise as a suggestion for any amendment.

MR. ANDERSON : That is my reading.

MR. LLEWELLYN SMITH : Another great difference between that Act and the Harter Act is that the Australian Sea-carriage of Goods Act does not exempt a shipowner from faults or errors in the management of the vessel which the Harter Act does.

HON. DUGALD THOMSON : Faults or errors in navigation.

MR. LLEWELLYN SMITH : Yes, but not in the management of the vessel. That is a material difference of course.

HON. W. M. HUGHES : The Sea-carriage of Goods Act was passed during the sitting of the Royal Commission, and we then had evidence from the merchants and shippers as to the effect of that Act, and some of them objected to it, and they recommended the Harter Act. But in our opinion the Sea-carriage of Goods Act was quite sufficient, and the Commissioners did not feel justified in recommending any amendment.

THE CHAIRMAN : I can see the differences are quite irreconcilable over this, and I think the only thing we can do is to vote upon it. I do not think there is the slightest chance of securing anything like unanimity over this, and if we do prolong the discussion I do not think we would arrive at any practical issue which would be generally acceptable, and I am afraid, therefore, we will have to vote upon it. The Board of Trade could not at the present moment accept it. There has been an amendment moved by Mr. Norman Hill.

HON. W. M. HUGHES : Will the British delegates consider the Harter Act?

MR. LLEWELLYN SMITH : Oh, certainly.

HON. W. M. HUGHES : In its entirety. That is the American law.

MR. LLEWELLYN SMITH : We will certainly consider it.

HON. W. M. HUGHES : That is better than the existing law, a great deal.

SIR WILLIAM LYNE : We are not going to alter our law.

HON. W. M. HUGHES : Of course we are not.

THE CHAIRMAN : We are not considering your law and the New Zealand law. This is a suggestion for Imperial law, which is a different matter. We could not accept the resolution. It is perfectly clear that the shipowners resist it, and at the present moment there is no demand from the merchants here.

MR. DUNLOP : They are absolutely against it.

HON. DUGALD THOMSON : I think there is an objection. I saw several resolutions recorded of the chambers of commerce recently in favour of a better bill of lading.

THE CHAIRMAN : But there is no real demand here, and you know very well that where there is no real demand for a thing, and you have a powerful interest affected, legislation is perfectly impossible. I am not discussing the merits because it is no use. As practical politicians, you know what the position is here.

SIR JOSEPH WARD : May I point out just one or two matters, and then I am done; and so far as I am concerned we can take a division and have done with it. I think Mr. Norman Hill's amendment is based on a misconception of what it is I am suggesting. The assumption is that this resolution if it is carried is going to alter the whole tone of the bill of lading. I am suggesting nothing of the kind. I have in my mind's eye what was done in New Zealand, and I think also in the older country where we put on record a set of model by-laws for the acceptance of municipal bodies. They not infrequently go on with their own set of by-laws which are outside the model set. Why should there not be an opportunity for people to adopt a particular bill of lading, the conditions of which they know have the approval (if you like) of shipping people and the Board of Trade, in contradistinction to what the system is now? I have very little hesitation in saying that I could go to different importers in New Zealand and produce half a dozen different bills of lading with different conditions, although all are ostensibly to cover the same thing, and none of those people in New Zealand know at the time of shipment what the conditions of those bills of lading are. It is very common in the commercial world and in the shipping world, too, for a shipper at this end to make large shipments and for the other man at the other end to carry out his own insurance without knowing the terms of the bill of lading. This is just one of the cases where the whole commercial community in our country at all events (and they are not more intelligent there than elsewhere, so I assume that other people will have the same ideas) would regard the interposition of the Board of Trade as a very valuable thing for the development of British commerce. I am exceedingly sorry personally—although I am perfectly prepared to see the amendment carried if the majority decide it—I am sorry that there is no effort on the part of the shipowners and the Board of Trade combined to introduce a model bill of lading. I have not suggested interference with the charter party. That amendment does. I have not suggested that we should impose disabilities upon the shipowners, such as Mr. Norman Hill's amendment proposes. I am merely urging that the modern condition of affairs requires modern treatment. If we had over our railways in our country documents for the carriage of goods of any class that come by any of the ships to New Zealand containing conditions similar to what they are in these bills of lading, the merchants would be in revolt. They want to have reasonable conditions in the bill of lading provided so that they may know what they are doing. They do not know what they are doing now. I am not prepared to take the suggestion that we should take another Act as against what we have in New Zealand.

MR. PEMBROKE : I have the misfortune to be the chairman of the Documentary Committee of the Chamber of Shipping of the United Kingdom, and I can assure you that we have the greatest difficulty in getting anything agreed between the shipowners and merchants. It would take a lifetime to get a bill of lading agreed between them such as you suggest.

SIR JOSEPH WARD : Suppose we went to independent people outside.

MR. PEMBROKE : We have various documents agreed which are now in constant use, but the subject bristles with difficulties.

THE CHAIRMAN : I know there are certain things which one may be able to put through, but there are certain things which in the present condition of thing, it is absolutely impossible to put through. The merchants even are perfectly satisfied with the present system on the whole.

MR. DUNLOP : They prefer it.

THE CHAIRMAN : Where you get merchants and shipowners agreeing, it would be impossible for us to alter it.

HON. W. M. HUGHES : But the merchants of Australia have not agreed.

THE CHAIRMAN : You have carried your Act. I will put the amendment first : "That legislation restricting