

REPORT OF PROCEEDINGS OF THE CONFERENCE.

THE CHAIRMAN: I must say that Sir William has used a very judicious expression. He has used the word "encouragement."

MR. FERNIE: What about free trade?

THE CHAIRMAN: If we are going to have free trade, surely we ought to encourage British industries. That is not incompatible at all with free trade.

HON. W. M. HUGHES: Will you allow me to direct attention of the Conference to Section 18 of the Royal Commission's Report in connection with this matter. It is headed:—"Encouragement to British producers and shipowners." I am sure the shipowners here will be quite surprised that we considered their welfare.

THE CHAIRMAN: I should be very glad to see them get financial encouragement too; I do not suppose they would object to that.

HON. W. M. HUGHES: I may say that I proposed it, but my colleagues voted me down. In the last paragraph, what we say is this: "The Commissioners are strongly of opinion that preferential treatment should be given to British ships trading with Australia if manned by a substantial proportion of British citizens or carrying cargo of which a substantial proportion is of British origin or manufacture." Then they say:—"But in the absence of any detailed information they are not prepared to commit themselves either to the suggestion put forward by the Chairman, or to any definite scheme. As the matter is one affecting the Empire as a whole, it is held by the Commissioners as peculiarly proper for consideration by the proposed Imperial Conference."

THE CHAIRMAN: That, of course, I would have to rule out, because that is certainly a question for the Imperial Conference.

HON. W. M. HUGHES: They meant this particular Conference.

THE CHAIRMAN: Oh, we could not discuss it here.

HON. W. M. HUGHES: I know because I wrote it. You will allow me to say what I knew when I put those words down on paper. This is the Conference to which we alluded.

SIR WILLIAM LYNE: Yes, but the President says we cannot deal with it.

HON. W. M. HUGHES: All I wish to say is this: Sir William has agreed to the words, "by legislation or otherwise." I merely wish to say that the legislation hinted at here is the legislation which proposed to remit 20 per cent. of the Light and Harbour and Pilotage Dues, and so on in reference to vessels carrying, say, 80 per cent. of British crew and with British cargo, and so on. We conceived that would really encourage the shipowner and encourage him to employ British seamen. I will say nothing further about it now except that it is a matter upon which we feel very strongly, and I do not think this Conference can do wrong in affirming Sir William's motion without reservation.

MR. NORMAN HILL: We would support it, sir, as you have varied it; we are quite prepared to affirm, as strongly as we can, that it is our wish and desire to encourage the employment of British seamen on British ships, but we want it made perfectly clear that, in affirming that principle, we do it on the understanding that it is without imposing on British shipowners, in the conduct of their business, any obligations or restrictions as to manning, other than such as are necessary to secure the safety of life and property, which, by increasing the cost of carrying on their business, will prevent their competing successfully with their foreign rivals.

SIR WILLIAM LYNE: I do not think I could accept that.

THE CHAIRMAN: My opinion is that this will certainly not be restrictive legislation.

SIR JOSEPH WARD: I hope that the representatives of shipowners will take what I have to say in the spirit in which it is offered. There is an impression, rightly or wrongly, in our country, that there is not sufficient attention paid to the employment of British seamen when they can be obtained at the same rates. This is a motion simply recommending that encouragement should be

given by legislation or otherwise to the employment of British seamen. Now, if it gets about that the representatives of the shipowners are opposed to proposals of that kind, it will give colour to what I do not believe to be the case myself, but it will give colour to that feeling that British shipowners are opposed to the employment of British seamen. I should be sorry for that to happen. We do not want to interfere in the conduct of British shipowners' business, but our people feel that, as a British community, where we are carrying on a very large British business—doing nine-tenths of it with the Mother-country and between the Mother-country and the colonies—we have a feeling that we ought to lend our moral support to the recommendations to have British seamen employed. With all due deference to the shipowners, who have enormous responsibilities I know, I put it to them that it will convey a very wrong impression from their standpoint if this is not passed.

MR. ANDERSON: In answer to that, I should like to say that the British shipowner yields to no one in his desire to encourage British seamen. It is subordinate to only one other instinct, and that is the instinct of self-preservation.

THE CHAIRMAN: We ought to make it clear that we do not contemplate restrictive conditions—"Provided that this resolution does not contemplate the imposition of restrictive conditions."

HON. W. M. HUGHES: Sir William Lyne's proposition does not.

THE CHAIRMAN: Will you agree to that?

SIR WILLIAM LYNE: I do not think so. I think it destroys the effect. My object is to have an effect on the public mind and on the British seaman's mind. I wish the British seaman to see that this Conference, composed of shipowners and the representatives of the two Colonies, are anxious, if they can, to help their employment. If you put the proposed addition, I think that destroys the good effect, or a portion of it, which will come from passing this resolution.

THE CHAIRMAN: Except that I will point this out, that the moral effect of the resolution will be very much greater if we could have a perfectly unanimous vote here which would carry the representatives of the shipowners concerned.

SIR WILLIAM LYNE: I wish to point out, too, in support of what Sir Joseph Ward said, that the fact of the shipowners not agreeing to it, will not do them any good.

SIR JOSEPH WARD: I do not think that that addition would prejudice the resolution.

SIR WILLIAM LYNE: I think it would.

THE CHAIRMAN: It certainly does not interfere with what I have in my mind, because I am more or less working on different lines, it is true, but to the same end. I quite agree with you. I think it is a very serious thing that we have something like 40,000 foreigners in the British Mercantile Marine. It is true that that proportion is going down, and the proportion of British seamen is going up. I think it may be aided by encouragement, and that is why I like the reason which Sir William Lyne has in his motion. But we wish to secure unanimity, which would be of enormous advantage to us. It is really very important, because it is here that you want legislation mostly. It is very important that we should secure unanimity here, and we do secure it by means of words of this kind. It would help us enormously in attaining the object which Sir William Lyne has in view.

SIR WILLIAM LYNE: I do not like to whittle away by amendment the effect of this resolution. And I am afraid the amendment does whittle it away, to a large extent.

THE CHAIRMAN: Then it would read: "That every possible encouragement should be given by legislation or otherwise to the employment of British seamen on British ships, provided that this resolution does not contemplate the imposition of restrictive conditions."

SIR WILLIAM LYNE: What does that mean? How far does that go?