

REPORT OF PROCEEDINGS OF THE CONFERENCE.

THE CHAIRMAN: Take a case of this kind. You may say we will not allow a British ship to enter into the coastal trade. A ship calls at an Australian port, picks up Australian passengers for an Australian port, and you say now you are entering into the coasting trade, and you impose obligations upon it. But unless there is some provision of this kind you might allow Germany to come in on better terms.

HON. W. M. HUGHES: We might.

THE CHAIRMAN: I want to make it perfectly clear—I am sure you don't intend to—but we want to make it perfectly clear that is not the intention, otherwise it is no use offering us preference if we don't get equality.

SIR JOSEPH WARD: If applied to coasting ships only, there would be no trouble. But this goes farther. I want to guard against a position which would arise, which would be exceedingly objectionable and would cause a great deal of friction on the part of the administration that was trying to do the right thing. Under the Imperial Shipping Act we have the power now to deal with ships registered in our own country. Very well, leave the question of coasting out altogether, because it does not come into the point that is going to be the primary one in dealing with this matter in the future. This is going to affect the question of oversea trade from port to port—a direct port, New Zealand to London, if you like. Now, under existing conditions, we cannot, under our legislation, we cannot control in any way say the German ships. They are governed by the German law. But we can, under the law which the Imperial statute gives us the power to do, we can govern the British ship that is registered in New Zealand and the British ship that comes out to New Zealand. But if we assent to this proposal, here is the position we are going to get into: we are going to deny ourselves what we have now the right to under the Imperial Act, to regulate a ship registered in New Zealand.

MR. LLEWELLYN SMITH: Only registered in the United Kingdom.

SIR JOSEPH WARD: If the ship from New Zealand is registered under our laws, we call upon them for conditions as to crews.

THE CHAIRMAN: Look at these words, "The obligations imposed by Australian or New Zealand law on 'shipping registered in the United Kingdom.'" Not on your registered ships at all.

SIR JOSEPH WARD: But Mr. Norman Hill's resolution—

THE CHAIRMAN: We could not accept that.

SIR JOSEPH WARD: That would take away all our power.

THE CHAIRMAN: I agree.

MR. PEMBROKE: It has been stated here, over and over again, that ships of the United Kingdom were to be on the best footing in Australia. We are on the best footing in New Zealand, we know.

THE CHAIRMAN: This resolution would not affect your powers at all, and I do not see why you could not agree to it.

HON. W. M. HUGHES: I think the word "obligations" really covers my objections, because an obligation after all is something different from that which I had in my mind. An obligation is not a condition.

HON. DUGALD THOMSON: In spite of what Sir Joseph Ward has said, I do not see myself why we cannot agree to a resolution of this sort. If we intend to implement the words that have been used at this table, surely we are not afraid to put it into writing, with any proviso that seems necessary, such as this, "Except where the imposition of the latter is prevented by international treaty or arrangement." We have stated we are prepared to do as well for British ships as for foreign and we ought not to be afraid to put it into a resolution.

SIR WILLIAM LYNE: There ought to be no necessity to.

HON. DUGALD THOMSON: Sir William Lyne has said he personally would do so, but Sir William Lyne is not the permanent minister. I don't wish to see him out, speaking personally, but he is not the permanent minister.

SIR WILLIAM LYNE: You have tried hard enough.

HON. DUGALD THOMSON: He speaks about British interests. Well, I have known Sir William Lyne to bring in resolutions dead against British interests, and to glory in them, such as tariff provisions; but all I say is this—

SIR WILLIAM LYNE: you are making statements you have no right to make.

HON. DUGALD THOMSON: I might return the compliment. All I say is this, that the resolution is only putting in words what has been stated in speech, and I think we ought to be prepared to do that. Surely we are not going back on what we have stated in our speeches; we should not be afraid of putting it into a resolution, and it is a reasonable thing for the British representatives to ask. There may be no necessity for it, but with a proviso, I think we ought to make our declaration.

SIR JOSEPH WARD: I think there is no necessity for a proviso. I object to be put in the position of saying I am afraid to have a resolution put on record in favour of British shipping over foreign. In my own country, both in the House and out of it, I have said I would do everything in my power, and if the word "British" is put in before "Australian," so as not to have it imply in the resolution, as it stands now, that Australia and New Zealand want to do something adverse to British ships, then I, for one, am quite prepared to support the resolution.

THE CHAIRMAN: Just one word. If you mean that no obligations shall be imposed by the laws of the United Kingdom and Australia on shipping more onerous than those imposed upon the shipping of a foreign country, we certainly will do that. If you want to say "that the obligations imposed by British law on ships registered in Australia and New Zealand should not be more onerous than those imposed on the shipping of any foreign country," we are prepared to add that.

SIR JOSEPH WARD: All I want is the United Kingdom and Australia and New Zealand to be in the same condition.

MR. FERNIE: We are practically asked to give up everything. The shipowners we represent have not heard what has been expressed here. They only see what is put in the papers, and they feel we are getting into a very false position, and it would reassure them if such a resolution as has been proposed is passed. After all, it is only expressing what you intend to do.

SIR WILLIAM LYNE: I would ask you a question. Is it a fact that your law compels a certain load-line on foreign ships as well as British?

MR. FERNIE: Yes, under the new law passed last year.

SIR WILLIAM LYNE: When we were discussing this matter on a resolution of mine, the question was raised that we had no power in Australia to compel the foreign ships to have a certain load-line. Now, supposing this resolution is carried, the result in the record will be this, that whilst we compel our own ships to have a load-line, or foreign ships that come in and have not the proper load-line, we cannot do it, and, therefore, British ships are at a disadvantage to the foreign. Now, that being so, it nullifies the whole thing. It is stated in this resolution we must give a foreign ship an advantage over a British; we compel British ships to carry a load-line, and we cannot compel the foreigner, therefore it nullifies our power.

THE CHAIRMAN: We are not interfering with your power. All we want is that you should not impose any obligations on our ships you are not imposing upon foreign ships.

SIR WILLIAM LYNE: Then this bald fact stares us in the face, that we are not to place the British ships in a worse position than the foreign. We cannot say our law does not make the foreign ships carry a load-line.

MR. DUNLOP: You cannot make a British ship carry a load-line different from the Board of Trade regulations.

HON. DUGALD THOMSON: You can only enforce the British law.