ALL-RED ROUTE.

[10th Day.

Sir JOSEPH WARD: If there were fast enough steamers running that way I agree a large portion of them would, and my belief is that a great deal of our oversea traffic, independent of the postal business, will go through the Panama Canal. The All-Red route, however, to my mind, from the standpoint of what I would call British sentiment that is permeating this country and the oversea countries too, is very strongly favoured in New Zealand. In submitting this Resolution I recognise we are in the position of being by no means the principal factor, because the two countries that are the chief factors are the United Kingdom and Canada, and the larger portion of the subsidy required to make it a successful service is undeniably the one across the Atlantic, and unless the service across the Atlantic is settled as between the Home Country and the Dominion of Canada, then all the efforts to have an All-Red route extending across the Atlantic, Canada, and then across the Pacific would be practically neutralised.

I need not further elaborate upon this proposal. I have submitted on a former occasion what I conceived to be possible—a 21-days service between Great Britain and New Zealand, if the necessary subsidies are given—and I strongly favour the

proposal, and hope the Resolution will be agreed to.

Mr. LLOYD GEORGE: What are the P. & O. boats-18 knots?

Sir JOSEPH WARD: They do not average 18 knots—I think it is about 15.

The PRESIDENT: You have a Resolution germane to this, Sir Edward?

Sir EDWARD MORRIS: Yes, and I should just like to say a few words in relation to it. My resolution was to the point of the development of trade, and I think the statistics of the Board of Trade will show that, principally by reason of the very imperfect communication, a very large amount of trade has gone away from the Empire; 40 years ago 50 per cent. of the total imports into Newfoundland were from Great Britain, and to-day I think it will be found that we do not import 15 per cent.; it has fallen from 50 to 15. I was pointing out that my Resolution went more to the point that by an improved mail service and passenger service the trade might be developed within the Empire, and I was going on to say that in my opinion the falling-off in the trade as between Newfoundland and Great Britain is largely due to the want of it.

Sir WILFRID LAURIER: What country has replaced the trade of Great Britain?

Sir EDWARD MORRIS: The United States, largely owing to their greater facilities. I was coming to that. Forty years ago 50 per cent. of our total imports came from Great Britain; to-day we do not import 15 per cent. That is in view of the fact that the imports have steadily increased every year during that 40 years, and during the last 10 years they have doubled. Now nearly all that trade, or a very great portion of it, has gone to the United States, the reason being principally that whilst we have only a fortnightly service between Great Britain and Newfoundland—the same service that we had 40 years ago—we have several lines of communication of different kinds between the United States and Newfoundland, and also practically a daily train service.

The memorandum which has been submitted here in relation to this matter by the General Post Office rather misunderstood the object of the Resolution that I am proposing, in that it would appear that they understood that I claimed that the best service that can be made available for connecting Great Britain and Canada should necessarily touch at Newfoundland. I do not go so far as to say that, but my Resolution only goes so far as to say that if a service could be established between Great Britain and Canada by touching at Newfoundland, not in the sense of remaining there to such an extent as would seriously impair the service, but merely touching as the boats touch between Great Britain and Canada at Queenstown, merely for an hour going and coming, to disembark mails and passengers. As a matter of fact,