

10th Day.]

TRADE AND POSTAL COMMUNICATIONS
AND SHIPPING CONFERENCES.

[16 June, 1911.]

Mr. BUXTON—*cont.*

“British or Colonial trade, and, if so, what remedial action, if any, should be taken by legislation or otherwise.”

The various Dominions were represented on that Royal Commission, but rather unfortunately as it happened, either through illness or some other cause, the representatives of Australia and South Africa alone took a part in the proceedings and signed the Reports, and those two gentlemen signed the minority Report. The other Colonies, for various reasons, unfortunately, in the final report were not represented. That Commission to which Sir David has already referred issued a majority Report, and I think it must be said that the majority Report as a whole did not condemn the system of conferences and the system of rebates. They pointed out the advantages which those who support the Conference system claimed for it. They were these: that it improved shipping services by the institution and maintenance of regular sailings and steady and stable rates of freight, and they attached great importance to the last suggestion, namely, the steady and stable rates of freight. They stated that it also improved the services by the provision of steamers of high class and speed, that it brought about the maintenance of equal rates from the United Kingdom and the Continent; that it brought about—and to this again they attached great importance—uniform rates of freight to all shippers, large or small; that an open freight market gave a preferential rate, as a rule, to the larger steamer, and that the system of Conferences to a certain extent was a protection to the smaller trader.

Those were the principal arguments which were adduced on behalf of the system of Conferences at the Conference. The majority came to the conclusion, however, that there were considerable disadvantages of various sorts in connection with these matters, and especially that abuses might arise in reference to them for which they suggested certain remedies, which I will mention in a moment.

The minority Report, on the other hand, thought the majority had put these claims much too high, and they on their part believed that there was a great deal to be said against the system of Conferences and rebates on the following grounds. I am only quoting the most important ones, and there are minor ones as well. The first one was that the system was introduced in the first instance with the object of raising rates or preventing their fall and diminishing competition, that the system had been successful in raising and keeping up rates, and that the public had, as a rule, to pay higher rates of freight under the Conference than they would pay in the open market. They also said that the system had been injurious to tramps, the strongest element in the British Mercantile Marine; that it had diminished, or tended to diminish, the ports of sailing; and that it gives a country like the United States, in which the system is illegal, an advantage as compared with the United Kingdom. They said that there was no evidence to show that it appreciably increased the regularity of the sailings or greatly improved the quality of the steamers, but they admitted that it tended to bring about equality and stability of rates.

CHAIRMAN: I have to go to the Colonial Office to interview two Sultans, and I am sure that it will be in accordance with your wishes if I ask Sir Wilfrid Laurier, who is the doyen of the Prime Ministers, to take the chair of the Conference.

Sir WILFRID LAURIER took the Chair.

Mr. BUXTON: I put these two documents of the majority and minority reports on the one side and the other in order that the Conference might see clearly the lines of argument which were taken as to the system of Conferences. When the Royal Commission came to their report, their proposals in both the majority and minority reports were not of a very drastic description, and they certainly did not carry out the suggestions which were made by various witnesses to the Commission during the course of their proceedings. Proposals were made to them as to the abolition of the system of deferred rebates, the establishment of a Board of Control, the exercise of Government influence by means of mail contracts, and the modification of the rebate conditions by legislation. Neither the majority nor the minority proposed the abolition of rebates