

*Our Overseas Trade.*

Naturally, the overseas trade must be our first consideration; and when the tremendous increases in rates during the war are taken into account, together with the phenomenal profits made by shipping companies, and the probability that high freights will continue to be imposed upon shippers, your Committee feels that the position is one calling for immediate and effective action. Your Committee has come to the conclusion that the Government should at an early date convene a conference of producers and importers of the Dominion, with a view to, first of all, endeavouring to come to an amicable and fair business arrangement with the steamship companies, so that reasonable rates and passenger fares may be fixed for a period of years. If the companies refuse to enter into a satisfactory arrangement your Committee is of opinion that the Government should, in conjunction with our producers and importers, establish at the earliest possible moment a State line of steamers for the whole of our overseas trade.

*Trade with the Islands.*

With regard to the island trade, your Committee would recall to the memory of honourable members the fact that a strong recommendation was made to Parliament by this Committee in October, 1917, with a view to bringing about an improvement in the shipping-facilities and to securing an adequate supply of island fruit for our people, as well as developing generally the island trade; but so far no action has been taken. The Fijian, Samoan, and Cook Islands are "the hot-house of New Zealand," and from them there should be always a plentiful supply of tropical fruits coming to this country; but under the existing condition of affairs we are deprived of and almost cut off from this source of supply. This Committee showed, in its previous report in connection with the carrying-on of the fruit and copra industries, that though the trade was capable of almost unlimited development the shortage and irregularity of shipping, together with the high rate of freights ruling, had restricted trade and prevented a cheap supply of fruit. This Committee then recommended, and now reiterates its finding, that the Government should take steps to bring about an improved and regular steamer service between the islands named and the Dominion, and that an exhaustive inquiry be made by a competent business man, who should visit the islands and report generally upon the whole question of present and future trade with the islands, with a view to its expansion. Your Committee would add that an additional incentive now exists because of the mandatory given to New Zealand in the Samoan Group. In view of the expenditure by this country already, and of the demands that will be made upon it in the future, it is incumbent upon us to insist that the trade with Samoa should no longer be, as it now is, almost entirely in the hands of the United States and Australia.

*The Ferry Service.*

The condition of the ferry service between the North and South Islands has for a long time proved utterly unreliable and unsatisfactory—in short, the position has become intolerable. Your Committee therefore recommends the State ownership of the ferry service, and that the steamers to be employed be of the oil-burning type, and be worked in conjunction with the Railway Department.

*Coal-ships.*

The transport of coal has also been considered, and in order to complete the chain of coal-supply from mine to depot your Committee declares the State ownership of coal-carrying steamers to be necessary.

*Coastwise Service.*

In considering the question of coastwise shipping your Committee has become aware that settlers using the small ports are grievously hampered because of the infrequent and irregular steam services. This state of affairs should at once be remedied by the Government. At the present time the shipping companies are free to increase fares and freights and to decide upon the services to be run.