

1907.  
NEW ZEALAND.

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# MERCHANT SHIPPING LEGISLATION

(REPORT OF A CONFERENCE BETWEEN REPRESENTATIVES OF THE UNITED KINGDOM, THE  
COMMONWEALTH OF AUSTRALIA, AND NEW ZEALAND, ON THE SUBJECT OF).

*Presented to both Houses of the General Assembly by Command of His Excellency*

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# REPORT

TO THE

## PRESIDENT OF THE BOARD OF TRADE.

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SIR,

I have the honour to lay before you a statement of the conclusions arrived at by the recent Conference held under your Presidency between representatives of the United Kingdom, Australia, and New Zealand, on the subject of the Merchant Shipping Legislation, together with a verbatim report of the proceedings.

The Conference was originally proposed in 1905 by the then Secretary of State for the Colonies, and the correspondence between the Colonial Office and the Board of Trade and between Mr. Lyttelton and the Governments of the Commonwealth of Australia and New Zealand has already been presented to Parliament in Parliamentary Paper Cd. 2483, on pages 79–82 of which will be found Mr. Lyttelton's despatches stating the reasons for which such a Conference was considered to be desirable. This paper contains also copies of the New Zealand Shipping and Seamen Act, 1903 (App. II), and the Australian Commonwealth Navigation and Shipping Bill (App. III), which together with the report of the Royal Commission on this Bill (printed as Parliamentary Paper Cd. 3023) formed to a great extent the basis of the deliberations of the Conference.

The Conference opened on the 26th March, 1907, and sat on eight days, both in the morning and afternoon. In addition to the Chairman, the United Kingdom delegation consisted partly of representatives of the Government Departments concerned and partly of representatives of shipowners and seamen, the members being as follows:—Mr. H. Llewellyn Smith, C.B., Mr. Walter J. Howell, C.B., Mr. R. Ellis Cunliffe and Captain Chalmers, of the Board of Trade; Mr. H. Bertram Cox, C.B., and Mr. A. B. Keith, of the Colonial Office; Mr. Norman Hill, Mr. E. Pembroke, Mr. K. Anderson, Mr. H. F. Fernie, Mr. R. J. Dunlop, representing Shipowners; and Mr. J. Havelock Wilson, M.P., and Mr. D. J. Kenny, representing Seamen. The Australian delegation consisted of Hon. Sir William J. Lyne, Minister for Trade and Customs in the Commonwealth of Australia, the Hon. W. M. Hughes, and the Hon. Dugald Thomson, members of the Federal House of Representatives. Dr. H. N. P. Wollaston, LL.D., I.S.O., permanent head of the Commonwealth Department of Trade and Customs, was also present. The New Zealand delegation consisted of Hon. Sir Joseph Ward, K.C.M.G., Premier of New Zealand, Mr. James Mills, Managing Director and Chairman of Directors of the Union Steamship Company of New Zealand, Ltd., Mr. A. R. Hislop, Secretary of the Marine Engineers' Association, and Mr. W. Belcher, General Secretary of the Seamen's Union. Dr. Fitchett, Solicitor-General, was also present.

The statement of the conclusions arrived at by the Conference which is prefixed to the Report of proceedings shews:—

- (a) the Resolutions passed by the Conference,
- (b) the Resolutions on which the delegations differed, and
- (c) the Resolutions which were withdrawn after discussion.

In this connection it may be mentioned that voting took place by delegations, and in cases where members of any delegation were not unanimous, the minority were allowed, if they so desired, to record their dissent.

I have, &c.,

H. LLEWELLYN SMITH.

# STATEMENT OF RESOLUTIONS.

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## I.—RESOLUTIONS PASSED.

### 1. SURVEY. (p. 21.)

That it should be a suggestion to the Board of Trade that they should provide for the issue of a survey certificate in the case of non-passenger vessels, and that standards as to hull, machinery, boilers, and life-saving appliances established by the Board of Trade and testified by current certificates should be accepted for British ships in Australian and New Zealand waters, the Board of Trade certificates to be accepted as of the same effect as the local certificates.

Passed unanimously.

### 2. SCALE OF PROVISIONS. (p. 23.)

That the provision scale laid down in the Imperial Act of 1906 be recognised by Australia and New Zealand for use on British ships not registered in those Colonies.

Passed unanimously.

### 3. INSPECTION OF PROVISIONS. (p. 24.)

That provisions on British ships which have already been inspected and passed by Imperial Officers be exempt from further inspection in Australia and New Zealand except upon complaint, or unless the authorities have reason to believe that such inspection is necessary.

Passed unanimously.

### 4. ACCOMMODATION FOR THE CREW. (p. 27.)

That the conditions imposed by Australian or New Zealand law as regards accommodation, ventilation, and conveniences should only apply to vessels registered in those Colonies or engaged in their coasting trade.

Passed unanimously.

### 5. MANNING. (p. 27.)

That the conditions imposed by Australian or New Zealand law as regards manning should only apply to vessels registered in those Colonies or engaged in their coasting trade.

Passed unanimously.

### 6. ACCOMMODATION CONDITIONS IN SHIPS ALREADY BUILT. (p. 46.)

That the Governments of Australia and New Zealand, instead of imposing new conditions involving structural alterations as regards cubic and superficial space accommodation devoted to officers and crew on vessels built prior to the enactment of such conditions, will require only such existing vessels as have accommodation which in the opinion of the local authorities is in fact insanitary or unhealthful to amend the same so as to bring it into a sanitary and healthful condition to the satisfaction of the local authorities.

Passed—Mr. W. M. Hughes and Mr. J. Havelock Wilson dissenting.

### 7. RATING. (p. 50.)

That no seaman should be permitted to engage as A.B. on board any British ship who cannot show that he is justly entitled to that rating, and that the period of service qualification should be three years.

Passed unanimously.

### 8. OFFICERS. (p. 56.)

That no person should be employed as an *Officer* on board any British ship registered in Australia or New Zealand or engaging in the coasting trade of those Colonies who is not—

(a) a British subject, and

(b) thoroughly conversant with the English language.

Passed—the United Kingdom Delegates abstaining from voting on this Resolution.

### 9. VESSELS TO WHICH COLONIAL CONDITIONS ARE APPLICABLE. (p. 68.)

That the vessels to which the conditions imposed by the law of Australia or New Zealand are applicable should be (a) vessels registered in the Colony, while trading therein, and (b) vessels wherever registered, while trading on the Coast of the Colony; That for the purpose of this resolution a vessel shall be deemed to trade if she takes on board cargo or passengers at any port in the Colony to be carried to and landed or delivered at any port in the Colony.

Passed unanimously.

### 10. COASTING TRADE. (p. 68.)

A vessel engaged in the oversea trade shall not be deemed to engage in the Coasting Trade merely because it carries between two Australian or New Zealand ports,

(a) passengers holding through tickets to or from some oversea place,

(b) merchandise consigned on through bill of lading to or from some oversea place.

Passed unanimously.

### 11. MANNING. (p. 96.)

No ship shall be deemed seaworthy unless she is in a fit state as to number and qualifications of crew, including officers, to encounter the ordinary perils of the voyage then entered upon.

Passed unanimously.

### 12. OFFICERS. (p. 97.)

That it be a recommendation to the Board of Trade in any amending Act to consider the desirability of giving to Masters, Mates, and Engineers, the designation of "officers" in the Imperial Merchant Shipping Act and its regulations, without prejudice to any rights they enjoy as seamen.

Passed unanimously.

### 13. BRITISH SEAMEN. (p. 100.)

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.

Passed unanimously.

### 14. EYESIGHT TESTS. (p. 119.)

That the Board of Trade be urged to take into immediate consideration the question of Eyesight tests, with a view to effecting an improvement if found necessary.

Passed unanimously.

### 15. COMPASSES. (p. 121.)

That a current certificate issued by the Board of Trade as to efficiency of compasses shall have the same effect as local certificates.

Passed unanimously.

### 16. WORKMEN'S COMPENSATION. (p. 136.)

That the adoption of uniform legislation is desirable with a view to extend the benefits of the Workmen's Compensation Acts to Seamen, as has been already done in the United Kingdom and New Zealand.

Passed, the representatives of the British Shipowners dissenting and recording the view that some system of Compulsory Insurance for seamen should be adopted.

## 17. LOAD LINE. (p. 140.)

That the Commonwealth adopt the provisions of the New Zealand Act regarding load line.

Passed, the British delegates abstaining from voting, on the ground that as the New Zealand Act gives no power to alter the Board of Trade mark imposed on any ship, the matter appeared one for the decision of the Commonwealth Government.

## 18. DESERTION. (p. 145.)

That imprisonment for desertion be abolished in the country in which the seaman is engaged, except in the case of a seaman who after negotiating his Advance Note wilfully or through misconduct fails to join his ship or deserts before the Note is payable.

Provided that in respect to desertion from ships other than those (a) registered in the Commonwealth, (b) whose final port of discharge of the crew is in the Commonwealth, deserters shall be placed on board such vessels upon request by competent authority,—in the case of a foreign vessel the Consul of that country, in the case of a British ship the captain.

Passed unanimously, Sir W. Lyne not being present.

## 19. WIRELESS TELEGRAPHY. (p. 151.)

That the desirability of the provision on board ships carrying passengers of an apparatus for transmitting messages by means of wireless telegraphy should be taken into consideration by the Board of Trade and the Australian and New Zealand Governments.

Passed unanimously.

## 20. TREATIES. (p. 159.)

That it be recommended to the Australian and New Zealand Governments in any future Merchant Shipping legislation to insert an express provision safeguarding the obligations imposed by any Treaties in which they have concurred or may subsequently concur.

Passed unanimously.

## 21. BRITISH AND FOREIGN SHIPPING. (p. 162.)

That it is desirable that the obligations imposed by Australian or New Zealand law on shipping registered in the United Kingdom should not be more onerous than those imposed on the shipping of any foreign country.

Passed unanimously.

## 22. UNIFORMITY OF REGULATIONS. (p. 162.)

That, with a view to uniformity, it be a suggestion to the Australian and New Zealand Ministers that in exercising any powers conferred on them by legislation to make regulations with regard to matters affecting Merchant Shipping they should have regard to the corresponding provisions of the Imperial Merchant Shipping Acts or Regulations made thereunder, so far as circumstances permit; and that at least three months' notice should be given before any such regulations come into force.

Passed unanimously.

## 23. VESSELS ENGAGED IN COASTING TRADE. (p. 166.)

That it be a recommendation to the Australian and New Zealand Governments that if conditions are imposed by local law on vessels incidentally engaging in the coasting-trade in course of an oversea voyage, care should be taken that these conditions should not be such as to differentiate to their disadvantage as compared with Colonial-registered vessels.

Passed unanimously.

## 24. RESOLUTIONS OF CONFERENCE. (p. 166.)

That the Governments concerned be requested to introduce legislation to enable effect to be given to the resolutions of the Conference in cases where legislation is necessary.

Passed unanimously.

## 25. VOTE OF THANKS TO CHAIRMAN. (p. 167.)

That this Conference desires to place on record its appreciation of the courtesy and ability with which its proceedings have been presided over by the Right Hon. D. Lloyd-George, the President of the Board of Trade.

Passed unanimously.

## 26. VOTE OF THANKS TO SECRETARIES. (p. 167.)

That this Conference desires to express its appreciation of the valuable assistance it has received from its Secretary, Mr. J. A. Webster, and his colleagues, Mr. G. E. Baker, Mr. J. Hislop, and Mr. D. J. Quinn.

Passed unanimously.

## II. — RESOLUTIONS ON WHICH THE DELEGATES DIFFERED.

## 1. VESSELS TO WHICH COLONIAL CONDITIONS ARE APPLICABLE. (p. 78.)

The following rider was proposed to No. 9 of the Resolutions passed, and was supported by the British shipowners but not by the Colonial Delegates, with the exception of Mr. Dugald Thomson :

“ The Conference is of opinion that as a matter of expediency oversea vessels which only engage in the Colonial coasting trade by taking passengers or cargo between their Colonial ports of call should not be deemed to engage in the Coastal Trade.”

## 2. BILLS OF LADING. (p. 104.)

The following resolution was proposed :—

“ That the terms and conditions of the Bill of Lading at present in general use are in many respects unsatisfactory to shippers and consignees, and that in the interests of traders generally it is desirable that the Board of Trade should publish a form of Bill of Lading containing such reasonable conditions as in its opinion are sufficient to safeguard the rights of shipper, shipowner, and consignee.”

An amendment in the following terms was submitted :—

“ That legislation restricting liberty of Contract on Charter Parties and Bills of Lading is unnecessary and undesirable, inasmuch as the ordinary forms of insurance upon goods having been adapted to meet the well known exemptions from liability for the acts and defaults of the shipowners' servants, protection against loss resulting therefrom can be more cheaply obtained by the shipper or consignee from the underwriter direct than by forcing a liability upon the shipowner and thereby increasing the freight.”

This amendment was not accepted by the Colonial Delegations. The resolution was supported by the Australian and New Zealand Delegations, the representatives of the Board of Trade and shipowners dissenting. The Colonial Office representatives abstained from voting.

## 3. PAYMENT OF SEAMEN'S WAGES. (p. 127.)

A resolution was proposed “ that it be a recommendation from this Conference to the Board of Trade to suggest that legislation be introduced whereby all seamen be paid two-thirds of their wages due at every port where the crew may desire their wages to be paid.”

An amendment was proposed “ that this Conference approves of the principle embodied in Sections 61, 62, and 63 of the Merchant Shipping Act, 1906, with respect to the allotment and payment of seamen's wages which embody an agreement arrived at between representatives of British shipowners and seamen.”

The amendment was voted for by the United Kingdom Delegation (including the representatives of British shipowners and seamen) and by Mr. Dugald Thomson. The Australian Delegation (with the exception of Mr. Thomson) and the New Zealand Delegates present dissented, and supported the original motion. Sir Joseph Ward was not present.

## 4. DESERTION. (p. 148.)

The Representatives of the British Shipowners moved the following rider (to Resolution 18 of the resolutions passed), which was not accepted by the Colonial delegates :—

Provided that if imprisonment for desertion is abolished, the Shipowner be relieved from all responsibility for the repatriation of a deserter and that no penalty be imposed on the Shipowner by the State in which the deserter is left for leaving such deserter behind.

## III. — RESOLUTIONS DISCUSSED ON SUBJECTS OTHER THAN THE ABOVE BUT NOT ADOPTED.

## 1. BRITISH AND FOREIGN SEAMEN. (p. 116.)

That this Conference is opposed to the employment of Lascars, Coolies, Chinamen, or persons of any other alien race on any vessels owned, registered, or chartered to trade in the Commonwealth or New Zealand.

## 2. CLAUSES IN ARTICLES OF AGREEMENT. (p. 131.)

That it be a recommendation from this Conference to the Board of Trade to ascertain and investigate the various clauses attached by shipowners to the Articles of Agreement signed by the crews of vessels. This with the view of securing uniformity in this respect, and also establishing the principle of equity as between employer and employed.

## 3. LIGHT LOAD LINE. (p. 142.)

That it is advisable to have a light load line for ships in ballast.

## 4. ENGAGEMENT OF SEAMEN. (p. 142.)

That all seamen be engaged only through a Government officer—the Superintendent.

## 5. WATERTIGHT COMPARTMENTS. (p. 150.)

That all vessels constructed after a certain date shall be fitted with watertight compartments.

## 6. SERVICE QUALIFICATIONS FOR ENGINEERS' CERTIFICATES. (p. 152.)

That third-class engineers having sea-service, on passing a practical examination, be permitted to qualify for higher grade certificates.

## 7. SUBJECTS OF EXAMINATION FOR OFFICERS' CERTIFICATES. (p. 155.)

(1.) That it be a suggestion to the Board of Trade to take into immediate consideration the necessity of including in the regulations for examination for officers the following subjects directly relating to navigation :—

The practice and theory of plane and spherical trigonometry ;  
Geometry ;  
Geography, hydrography, and meteorology ;  
Naval architecture and the structure of vessels.

The addition of the following subjects to examination on general knowledge :—

The English language—Grammar and composition.  
A knowledge of at least one foreign language.

(2.) That it be a recommendation to the Board of Trade that all vessels should be sufficiently staffed with officers to enable the principle of four hours on watch and eight off being rigidly adhered to. In vessels of small tonnage the regulations should provide that the master should keep a sea-watch of eight hours out of every 24.

## 8. LEGAL QUESTIONS. (p. 159.)

That all resolutions adopted by this Conference are understood to be without prejudice to any legal questions involved.



# REPORT OF PROCEEDINGS OF THE CONFERENCE.

## FIRST DAY.

Tuesday, 26th March, 1907.

The Conference met at the Foreign Office. There were present :—

The Right Hon. DAVID LLOYD GEORGE, M.P. (President of the Board of Trade), *in the Chair*.

### United Kingdom Delegates.

|                              |                   |                               |                |         |
|------------------------------|-------------------|-------------------------------|----------------|---------|
| Mr. H. LEWELLYN SMITH, C.B., | } Of the Board of | Mr. K. ANDERSON,              | } Shipowners.  |         |
| Mr. WALTER J. HOWELL, C.B.,  |                   | Mr. H. F. FERNIE,             |                |         |
| Mr. R. ELLIS CUNLIFFE,       | Trade.            | Mr. NORMAN HILL,              |                |         |
| Captain A. J. G. CHALMERS,   | } Of the Colonial | Mr. J. HAVELOCK WILSON, M.P., | } Representing |         |
| Mr. H. BERTRAM COX, C.B.,    |                   | Mr. D. J. KENNY,              |                | Seamen. |
| Mr. A. B. KEITH,             |                   | Office.                       |                |         |

### Australian Delegates.

|                               |                        |
|-------------------------------|------------------------|
| Hon. Sir W. J. LYNE, K.C.M.G. | } Hon. DUGALD THOMSON. |
| Hon. W. M. HUGHES.            |                        |

Dr. H. N. WOLLASTON, LL.D., I.S.O., of the Australian Commonwealth Department of Trade and Customs, was also in attendance.

### New Zealand Delegates.

|                                |                        |
|--------------------------------|------------------------|
| Hon. Sir JOSEPH WARD, K.C.M.G. | } Mr. WILLIAM BELCHER. |
| Mr. JAMES MILLS.               |                        |

Dr. FITCHETT, Solicitor-General of New Zealand, was also in attendance.

### Secretaries.

|                       |                          |  |
|-----------------------|--------------------------|--|
| Mr. JAMES A. WEBSTER, | } Of the Board of Trade. | Mr. J. HISLOP, Private Secretary to Sir J. Ward.   |
| Mr. G. E. BAKER,      |                          | Mr. D. J. QUINN, Private Secretary to Sir W. Lyne. |

### AGENDA.

1. Address by the Chairman.
2. Selection of Secretaries.
3. Consideration of future procedure.
4. Consideration of questions arising out of the Australian Navigation Bill and the report of the Royal Commission thereupon—
  - (a) with reference to the Coasting trade;
  - (b) with reference to vessels trading overseas.
5. Other business.

The Rt. Hon. DAVID LLOYD GEORGE (President of the Board of Trade): Gentlemen, I think we had better commence the business of the Conference. Perhaps you will permit me at the outset, on behalf of the Imperial Government and on the part of the British delegates, to welcome the representatives of the Colonies here. It is a great delight for us to meet them at this the first of the series of conferences to be held between Great Britain and her Colonies. Although there are questions of moment—far-reaching in their character—to be discussed at the great Conference in front of us, I am sure there will be none of greater practical importance than those which are to be submitted to this Conference in the course of the next few days, and certainly none of greater urgency owing to the immensity of the interests involved. The British Empire owns half the merchant fleet of the world, and the Mother Country carries about half the international trade of the world, and in spite of her years she is carrying it with increasing rapidity and readiness. A good many questions have arisen in the working of the New Zealand Shipping and Seamen's Act, 1904, and there are a good many questions for adjustment which have arisen under the Australian Navigation and Shipping Bill. I understand that the New Zealand Shipping Act received the Royal Assent on the understanding that it should be considered at this Conference. The provision of these Acts of Parliament and the suggestions contained in the report of the Royal Commission on the Australian Navigation and Shipping Bill have caused some apprehension amongst British

shipowners lest those measures should impose on British ships in Colonial ports restrictions and requirements which might be inconsistent with those which are imposed by Imperial Legislation. These Imperial restrictions are very onerous in their character, and they are increasing in their burden practically from Act of Parliament to Act of Parliament. The burdens imposed upon the shipowners in this country by Imperial Legislation I think I may claim to be the most onerous in the world, and the fact that British shipowners—British shipping—has thriven in spite of them, is beyond all praise. But if these regulations vary from colony to colony, and there is a lack of uniformity, then British shipowners naturally feel that they may become so burdensome as to be almost impossible to bear, and I think the same observation will apply to the Colonial shipping. It is also to their interest that uniformity should be secured. Colonial shipping is in its infancy; I do not see why in the future it should not claim its share of the international shipping of the world, and naturally it is in the interests of Colonial shipping that you should procure now, so far as it is practicable, uniformity in the regulations imposed upon the shipping of the world. Some such success has been achieved in securing international uniformity with regard to two or three matters of very great importance, and I am not sure that we are not on the eve of securing some kind of international uniformity with regard to load-line. The great maritime countries of the world are approximating to the British rule in this respect. I

## REPORT OF PROCEEDINGS OF THE CONFERENCE

am not sure that they will satisfy my friend Mr. Havelock Wilson, but still we are making some progress in this respect, and therefore it is exceedingly desirable that we should have so far as we possibly can some kind of understanding between the Mother Country and her Colonies as to the regulations and restrictions which are to be imposed on British ships when they navigate in Colonial waters. The legislation of last year will, I think, ease matters very considerably. We have not quite come up to the Australian standard, but you can hardly expect us to do that. This country is old, and moves much more slowly than her younger and sprightlier children across the seas, and reforms proceed with much slower pace here than they do in the Colonies. I dare say many of us regret that, and look with longing eyes to the legislation which you have been able to achieve in the Colonies without much difficulty. It is an old country, and we move slowly; but we do, I think, sometimes move fairly fast, for last year we moved much faster than our shipowners cared to do. We, for instance, obtained the main suggestions—some of the main suggestions—of the Royal Commission on shipping in Australia, and we have gone a very long way towards adopting those suggestions, and we had them in our minds when the Bills were framed; it was part of the material on which we proceeded when we framed our legislation here, which included the representations of the Royal Commission as to the application of the Workmen's Compensation Act to seamen. That was passed in the last session of Parliament. Then again as to the Food Scale. I think the Food Scale is a better scale than that of the British Navy, and is the best Food Scale probably in the world, with the possible exception of the American. The Australian Royal Commission recommended that ships carrying 80 or more persons should have a certificated cook, and Section 27 of the Merchant Shipping Act of last year imposes a similar obligation on every British foreign-going ship of 1,000 tons and upwards gross tonnage; and then there is another recommendation which I consider the most important of all that the Australian Commission recommended, and that is for the air-space for each seaman to be not less than 120 cubic feet. This recommendation was adopted as far as the Imperial Act of last year was concerned, and it is now part of the shipping laws of this country. So that you see our part is very considerably eased by the legislation which was passed last year. I should like to say that the four main recommendations made by the Australian Royal Commission have been substantially adopted by the legislation of last year. I have no doubt that in many respects we still fall very short, but that is very considerable progress for us to make in the course of a single year in this country. Well now, there is one difficulty which will have to be discussed. I am not going, in the statement I am about to make, into details which might be regarded as controversial. I do not want at the present moment to raise any general discussion upon those questions. We have to consider them in detail later on, but one of the most important matters which we shall have to discuss is the question of the coasting trade. The only suggestion I make at the present moment is this. There are legal and treaty questions which may be raised; for my part I would rather leave those outside if we possibly can, and would rather discuss the whole question as practical men desirous of arriving at some kind of a solution which may be a working solution between the Mother Country and her Colonies; and therefore for that reason, as I am in the presence of so many men with practical acquaintance of shipping, both in the Colonies and from Great Britain, they will undoubtedly be exceedingly careful in arriving at a settlement of some of the most difficult points in connection with these questions. I do not want to go into further detail. There are several points which we have to discuss. We have first of all to discuss the question of procedure, and perhaps before lunch we should just confine ourselves to one or two matters of that kind instead of going into questions which we have to settle finally; we should first of all dispose of the question of procedure. We might also discuss the question of what communications will be made to the Press. With regard to the question of procedure, I have been talking to Sir William Lyne on the subject. I understand that the Australian delegates have certain resolutions to submit to the Conference, but Sir William Lyne informs me that he prefers not submitting them now. I was perfectly prepared to discuss the whole of these questions upon the basis of those resolutions, but I think that we should discuss them later than this. Therefore we propose to take the thing in the order in which we think it might

be discussed. With regard to the communication to the Press, I would suggest that a small committee should be formed of, say, three, one representative of each of the Colonies and a representative of the British Government. These should form a small sub-committee, who would at the end of each day's proceedings draft something which might be communicated to the Press. Those are the only two suggestions which I have made for discussion before we adjourn for lunch, but before we proceed to discuss these two matters I should like to invite the Prime Minister of New Zealand and Sir William Lyne to make a few general observations upon the course of the Conference which they may think to be relevant. I will only now thank you, gentlemen, for responding to the invitation of the Imperial Government to discuss matters of such enormous importance to our shipping. Shipping, after all, is our most important industry; it is an industry of which we are naturally very proud; we feel very proud that in an element where we have to meet our competitors on equal terms we distance them to the extent we have done, and therefore we are exceedingly anxious that it should not be embarrassed and hindered more than it is absolutely necessary in the prosecution of its business. I do not think I have anything more to submit to the Conference except to say that I think we had better confine ourselves for the next half-hour or three-quarters of an hour to the discussion of the general aspects of the case, rather than to details. Perhaps Sir Joseph Ward will kindly say a few words.

SIR JOSEPH WARD: Mr. President and Gentlemen, I desire in the first place to return, on behalf of the Colony I have the honour of representing, our warmest thanks for the reception extended to us by the representative of the British Government, Mr. Lloyd George, at the same time I wish to assure you that the sentiments to which he has given utterance are appreciated by the delegates from New Zealand, and in turn we look upon the Mother Country—and rightly so—as the place which we want to co-operate with; recognising, as we do, that in the sprightly younger countries we have an active population who take a very great interest indeed in all matters appertaining to the welfare of their own country and the old world. They send us to the old world which we fully recognise on account of its great population, and the vastness and complicity of the interests affected, cannot always move in the direction which the younger countries would wish it. The importance of the interests involved in the shipping world are fully appreciated by New Zealand, and I recognise, as one of the delegates here, how important it is to see that the owners of that great industry are not in any way imposed upon or handicapped as against their foreign competitors. The owners of British ships trade all over the world. In the case of New Zealand—which has been referred to by Mr. Lloyd George—we have very good shipping legislation on the Statute Book, and, speaking for New Zealand, I am anxious there should be no misunderstanding on one point. So far as the Act to which he has referred is concerned, I understood him to say that the Royal assent was given to it upon the understanding that it was to be a subject of discussion at this Conference. I hope the President will recognise with me that it would be out of place for this Conference to express any opinion as to the expediency or wisdom of the legislation which the New Zealand Parliament believe to be necessary for New Zealand in the interests both of shipowners and the seamen who man our ships in the Southern Seas. When he says an understanding was come to that that Act should be a subject of consideration at this Conference, he does not, I hope, suggest that we should amend it in the way of taking from what the Colony herself believes to be an advantage to her people. I gather, Mr. Lloyd-George, that the New Zealand Shipping Act will probably be a basis upon which this Conference may consider it desirable to improve the British legislation, or improve the legislation in the British Empire, to enable the shipping of the world to be controlled on uniform lines. I heartily indorse the opinion expressed by the President that we should, as far as possible, avoid details at this Conference—that principles only should be dealt with. In this way, we will very soon ascertain upon what material points we are in agreement and upon what other points difference of opinion arises, requiring the consideration of our respective Governments. New Zealand claims to own a share of the international shipping of the world. We are proud to own one of the finest shipping organisations in the world—the Union Shipping Company of

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New Zealand—and I am very glad to have associated with me the Chairman of Directors of that Company, who is upon my right here, a man of very wide experience, who will be able at this Conference to give us the benefit of his long experience and his matured judgment upon points which may be regarded as inimical to the owners of that portion of the international shipping of the world which is owned and controlled in New Zealand. I recognise the stupendous difficulties there are in the way of having general legislation applied to all parts of the British world; hence it is that the Colonies have the more or less limited right, which so far every Government in England has conceded to them, of passing legislation they believe to be suitable for their requirements, the reservation for the Assent of the Crown being the protection between the British people and the interests in the Colonies. Whilst carefully guarding this right we freely admit the principle of uniformity as being desirable, and we hope practical results for the benefit of British and Colonial shipowners, and also of those who man the ships, will be arrived at. In regard to the coasting trade, referred to by the President, and the difficulties which crop up with British owners whose ships are engaged in it, we are fully cognisant of the requirements of our country in that respect. But the British shipowner, when he complains of the difficulty in carrying out his business under a different law in Australia and a different one in New Zealand, from that which obtains in Britain, will, I hope, recognise the right of these Colonies to have a distinction made for the support and maintenance of the legitimate Australian and New Zealand vessels where payments of officers and crews are higher than on British ships. We find that the increase of trade in our country calls for special requirements from our officers and seamen, and our people are prepared to pay a little more freight for coasting services to help recoup the shipowners who are carrying on business around our coast. In my judgment a flexible law governing all portions outside of New Zealand is not practicable. I refer particularly to manning and wages—and I am sure my friend Sir William Lyne will say the same remark applies to Australia—that it would be impossible to have a law of that sort having extended application beyond our own seas. I allude to this because I know it is very important. Now, may I say one word on another subject, as I know there are representatives of the British steamships here. It is well known in England that the British shipowner frequently incurs, to put it mildly, the serious displeasure of the mercantile people in New Zealand by having in operation a bill of lading which from the shippers' point of view or the importers' or exporters' point of view is worse than useless excepting to the shipowner himself. It is a bill of lading which provides for the supreme and absolute protection of the British shipowner, and ignores in the judgment of the mercantile people in our country the rights of the shipper and consignee—certainly it ignores the most ordinary consideration for a shipper from New Zealand or from Australia, and in that respect I think the British shipowner is brought into conflict with a large section of the community who want to see a preference given to British ships and British crews. We are all of us proud to know that more than half of the mercantile fleet of the world is owned by British shipowners; we want to help to develop and share in those large interests in every possible way, and we want at the same time, through the influence of the Board of Trade of Britain, to impress upon the British shipowner that it is a mistake for him to protect himself right up to the eyes and allow people who are paying freightage both to and from, not to be fairly protected within the four corners of a bill of lading in a reasonable way. In conclusion, and speaking generally as to the business of the Conference, I venture to hope that when we have heard the delegates who represent the Board of Trade and the British shipowners, they may see their way to take the New Zealand Act as a base upon which to make some improvements in the interests of the British shipowner, the British officer, and the British seaman. I desire again to express my thanks to Mr. Lloyd-George for the warm reception which he has given us, and to say we are delighted to be present and to see the President of the Board of Trade presiding over this important Conference.

SIR WILLIAM LYNE: Mr. President, I recognise this Conference called by the Imperial Government, as being so called together mainly because of the proposed legislation of the Commonwealth of Australia,

and I think it is wise to have called the Conference because however clear and concise despatches may be we get much nearer to the object we are aiming at if we exchange our ideas personally. On behalf of the Commonwealth I thank the Imperial Government for extending to us the opportunity of being present to deal with these debatable matters and for the kind remarks that have been made by the President in his opening speech, and which appear to me to be something that augurs favourably to arriving at some satisfactory conclusion. We all recognise that it is a long way to come; not having been here before I recognise it perhaps more than others, and I should like very much to impress upon shipowners that they ought to make it not a question of miles but of time, and by that means shorten the distance very much. But representing as I do a large government, I do not know whether the British people know anything about Australia or not—some of them do not know much about it—but it is very nearly as large as the United States, and I venture to think in the future it will be proved to be, if not quite, very nearly as wealthy and as important, and having that as a possession I hope the British people will not ignore it, and I hope during this Conference that we will have such an exchange of ideas that may bring us closer in time if we cannot in distance. We recognise quite clearly the difficulties which are felt and the necessity, as far as the Imperial Government is concerned, of considering the difficulties beyond those which apply to any one particular colony. We recognise your difficulties with treaty rights which we have not, and in many other ways you have difficulties to contend with that we have not to contend against. But still, if our young countries do not move so slowly as the President described the movements of our Mother Country, we still do move and move to some service at times, and service too—as we proved—as far as the British Empire is concerned. That being so, we feel that whilst we will be very persistent in obtaining what we think we ought to have under the different conditions between the Mother Country and Australia and New Zealand as well—because we are sisters—we are close together—what one does the other generally does—but whilst that is so, I think the Imperial Government will recognise, and I think the shipowners might recognise, that the payment to seamen in Australia would not be accepted as it is in Great Britain—it is the rates of wages I am speaking of. That is one open question which we have to consider, and whilst I quite agree with the President, who was very judicious, I thought, in his remarks that there should be nothing debatable touched upon now, at any rate in detail, and I will try and not to touch upon any question in detail, still we shall have to meet these things face to face before we leave this Conference, and I think it is well to issue a word of warning that that will be so before we leave this Conference. I hope that we shall come to some definite conclusions; still, if we cannot come to that definite conclusion, it will, I believe, have done good to have had the exchange of our ideas. Another thing we recognise too, is the immense trade that Great Britain carries on with her mercantile marine. As the President said, half the merchant fleet of the world belongs to Britain; we recognise that too, and we are very proud to belong to the British Empire and to consider that fleet a part of our fleet too; but we ask those who do our trade or do trade on our coast, which is a very long one, about 8,000 miles of coast line, that when they do their trade they will do it under the same conditions as our own people have to do it, and I do not think that is asking too much. That is one thing which we will be very definite about. We have one or two other questions of very considerable importance. I refer to wages, and also to two others which are very important, but, meanwhile, I am only going to refer to these in a casual way. One is regarding the condition of seamen and another is regarding the employment of coloured seamen. These matters are sure to be brought up in detail at this Conference, and we have very strong views in Australia on these particular points. There has been I think, Mr. President, some little misconception regarding our proposed legislation in Australia. I saw somewhere that the consideration was taking place of a Navigation Act which was, I think three years ago or two years ago, submitted to our Parliament by myself. It was in consequence of that Act the Royal Commission sat, and the Royal Commission in its recommendations does not approve of many parts of that Act. I have with me, though I do not desire to submit it because it has not

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finally been adopted by the Government, another Bill drafted mainly on the lines of the recommendations. As I say, it is only a Bill, and I think the suggestion has been made that we should deal with them. I do not know whether there are any recommendations from the Imperial Government, or from any commission that has sat in England, but those recommendations that have been made, and I think we will probably even have to discuss the minority recommendations of that report. I think it will, however, be a wise thing to take general principles in those recommendations and not details in the first instance. It would be impossible to take these recommendations in detail. That being so, we may very much shorten the time of the Conference, and for myself I may say I cannot see why it should take as long as some people have prophesied it would. I suppose we are all wishing to curtail and save time; we have not come all this distance to talk, we have come to work and to act, and to get others to do the same, if they will, without undue curtailment. But under those conditions, and with those views, I certainly think we will get through our work much quicker than was intended. I was just now on the point of saying that I almost regretted hearing a few words that fell from the President when he said that the Assent to the New Zealand Act was on the understanding that it should be considered at this Conference. Now, I have all the documents that have been passed, and I have not seen anything which leads me to that conclusion. I may have missed it, but the New Zealand Act has advanced almost, not quite, almost to what Australia wants. We want a little more, and I am pleased to have heard, as I knew somewhat before, that Great Britain has advanced very considerably, more considerably than we could have expected, perhaps, in such a short time. As the President said, she moves slowly, but considering that we have the New Zealand Act assented to, and when we have your advance in legislation in Great Britain, I hope we shall get our proposals advanced as far as the Commonwealth is concerned, and although I do not wish here to go into details sitting in the presence of men who know more of these questions, being shipowners, than I can possibly know, I, as a rule, can only speak of general principles, but the remarks made by Sir Joseph Ward as to the bills of lading have been brought under my notice also, and I will give you just a little incident where a case or two of oranges were sent to Fremantle from some particular part, and the crew, I suppose it was, exercised some sort of right and threw the oranges over, and the empty cases were placed upon the wharf and the agents were called upon to pay the freight for the oranges. They had it taken into Court, and when they got into Court their bill of lading caused a verdict to be found against them, and they had to pay for what they never got. I am referring to the remarks made by Sir Joseph Ward to show that in cases such as that I think the shipowner exercises, or the shipping law gives him the power to exercise, rights that may be very unfairly applied.

THE CHAIRMAN: That is one of the instances which will be discussed.

SIR WILLIAM LYNE: I do not wish to detain you at any great length, but I feel I must again thank you and thank the Imperial Government for the kindness of their expressions regarding the Commonwealth of Australia, and I speak on behalf of my Colony.

SIR JOSEPH WARD: Will you allow me for one moment, sir, with regard to the New Zealand Shipping Act. I do not want to have any misunderstanding from the point of view of New Zealand. The assent to that Act was delayed for two years; it was a subject of correspondence between the New Zealand Government and the British Government. The delay was owing to some objections raised by British shipowners, but the assent was finally given and it was not a conditional assent. In the despatch the remark made was that the matter would be a subject of discussion afterwards. I want to make it quite clear that the New Zealand Government would not under any conditions have agreed to a conditional assent that its Parliament was not advised of. There is no such thing as a conditional assent.

THE CHAIRMAN: I did not put it like that.

SIR JOSEPH WARD: I want to make it clear that that is not the position. I do not want perhaps later on in the discussion to find it stated that it was a conditional Act.

SIR WILLIAM LYNE: The assent was not given upon any understanding.

MR. H. BERTRAM COX: Oh, certainly not.

THE CHAIRMAN: Perhaps we had better discuss now the question of the adjournment. I understand from the representatives of New Zealand and Sir William Lyne that they are very anxious to meet next week. Might we meet on Friday next week? We cannot do very much this afternoon, but still we may clear the ground a little.

SIR JOSEPH WARD: I do not want to be responsible for anybody else's business, but I cannot meet here after the 11th.

THE CHAIRMAN: Can you be here on the 11th?

SIR JOSEPH WARD: Yes, in the morning.

THE CHAIRMAN: Supposing we make it Thursday the 4th.

HON. W. M. HUGHES: If we only are to meet on Wednesday week, that will only give us seven clear days before the Imperial Conference meets, and in those seven days we have to consider 500 or 600 subsidiary clauses to a Bill, some of them of great importance.

SIR WILLIAM LYNE: I do not think we can settle Bills.

THE CHAIRMAN: I do not think we can go beyond settling principles. I do not want to anticipate difficulties, but I do not think we can go beyond settling general principles. Now, what about the 4th—Thursday?

SIR WILLIAM LYNE: Very well.

THE CHAIRMAN: What about the time? 11 o'clock—does that suit everybody? Very well, we will say 11 o'clock.

HON. W. M. HUGHES: Would it facilitate matters at all? A suggestion was made as to what the powers of the respective Colonial Governments are, and the extent to which they could exercise these powers—the expediency of that might be a matter that would come up—might we take it first?

THE CHAIRMAN: I thought of taking the coasting trade first. I would not raise constitutional issues if I could possibly avoid it. I do not think it is necessary; they are always very awkward questions. I might call the Attorney-General here, but I think it is better not, if we can possibly avoid it. I would rather deal, if the Colonial delegates do not mind, with the matter as a practical question which we can adjust. I think, on the whole, we had better keep clear of these questions, if we can.

HON. W. M. HUGHES: Having the power does not imply it is exercised.

THE CHAIRMAN: One does not want to raise these questions if we can avoid them. The Imperial Government would rather not; we prefer discussing it on the basis that you are fully within your rights. Well, now, if we have disposed of that question, shall we go on to the question of the Press, what communications shall be sent to the Press. It is important for you, gentlemen from the Colonies, as it is for us.

MR. BELCHER: With regard to this subject, I think it would be best to leave it to the discretion of no committee of a Conference of this description, where interests are, to some extent, very conflicting, to draw up the matter for the Press. I would suggest that the Hansard staff, or some of the Hansard staff, who are trustworthy—which, I believe, they all are—should be admitted here to this Conference, and they should give, from a professional point of view, as reporters, a fair résumé of what has transpired during the different days. I think that would be the better plan.

THE CHAIRMAN: May I say about that, I do think it will prejudice business if there is anything in the nature of a debate which is reported in the Press. I think it would be infinitely better if we had a conversation rather than a debate. Well, Hansards are not good at reporting conversations, and therefore I think it will be better that you should have a small, rather than a full report, of all the proceedings; that will be conducive to business.

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MR. H. BERTRAM COX: May I say that if we get to discussing, as we may, constitutional questions of some sort, I should be very loth to see it reported in the paper next day. One says things across the table which one does not want to see in print. There are very many constitutional questions which one would like to look up and consider very carefully.

THE CHAIRMAN: There is the Board of Trade official reporter here taking a full note, but then that would be much too lengthy a thing for the Press. I think it would be better to have a summary of the proceedings. Perhaps the secretary would draft a summary and submit it to us.

MR. NORMAN HILL: May I say that we would like the report to be very concise. I understand we are here to discuss on business lines, and point out where there are business difficulties. We do not want discussions on these published, as they would get to our foreign competitors.

SIR WILLIAM LYNE: I would suggest it be left to your personal direction.

THE CHAIRMAN: I think the secretary would be the best; he is absolutely impartial.

HON. W. M. HUGHES: May I make a suggestion. We are a very long way from home, we may say something, and it might be torn from its context in a summary.

THE CHAIRMAN: There is another question we ought to discuss before we go any further, and that is the selection of secretaries. The Board of Trade has selected Mr. Webster. I do not know whether the Colonial delegates would care to have secretaries.

SIR WILLIAM LYNE: I have a secretary here, and I think Sir Joseph Ward has.

THE CHAIRMAN: I think they may be treated as joint secretaries of the Conference in that case.

SIR WILLIAM LYNE: I do not see any objection to it.

THE CHAIRMAN: Very well, then, we will treat them as joint secretaries. They can consult together about the minutes.

SIR WILLIAM LYNE: We have not decided as to what we are going to do as regards the summary.

THE CHAIRMAN: I understood it was to be left to the secretaries to draft something and submit it to me as President of the Conference, and then I would send it along to the usual gentlemen to look over before we handed it to the Press.

SIR WILLIAM LYNE: We shall only want a careful record of resolutions; I do not think we shall want any summary of the discussion; it is not as though we were to adjourn for any length of time.

SIR JOSEPH WARD: I do not think the suggestion that a shorthand report of the speeches should be sent to each member of the Conference is a good one; I do not think it is necessary. I should prefer not to see it. I think if we arrive at decisions and a summary of the proceedings is given, as has been suggested, that is sufficient. There will, of course, be an honourable understanding that having decided the course to follow we do not say anything outside.

THE CHAIRMAN: Yes, that is very important; it would only excite interest outside, and the shipping interests might get very alarmed, and we do not want that.

HON. W. M. HUGHES: I think still it is a very proper thing that the joint secretaries should say with yourself what has been done and what resolutions have been passed, and what has not been passed. Still, the steps by which we arrive at those resolutions ought to be left to the Press to report without any censorship at all. That is my point. If the bare outlines of what has been done in the Conference alone goes into an authoritative report, then on the other side of the world—which is a very important one to us practically—there will be no justification for any act we take at all.

THE CHAIRMAN: Will not the Colonies' secretaries see to that?

HON. DUGALD THOMSON: I think there should be a plain statement by yourself and the joint secretaries as to what has been done. That this resolution was moved by so-and-so, carried or lost, and then that the full report should be just like an ordinary, say the "Times" newspaper report of proceedings in the House, and each newspaper can please itself to what extent it prints when issued.

THE CHAIRMAN: That comes to reporting the discussion—does that mean that this Conference should be open to the Press?

HON. DUGALD THOMSON: No.

THE CHAIRMAN: I think that would be disastrous. The report shall be submitted to you Sir William and you Sir Joseph before it is communicated to the Press at all, and your two secretaries will assist the Imperial Government secretary in drafting it, and then it would come to me, and then I will pass it on.

SIR WILLIAM LYNE: I do not think we should have the Press at all.

THE CHAIRMAN: I think we will keep the Press out; we can then talk much more freely. Is there anything else to say before lunch? Very well then, we will see how this arrangement works.

The Conference then adjourned for luncheon.

After lunch.

THE CHAIRMAN: Mr. Llewellyn Smith wishes to bring some points before the Conference.

MR. LLEWELLYN SMITH: I hope on behalf of the Imperial Official Delegation to follow your instructions in your opening address, and also the suggestions made by Sir Joseph Ward and Sir William Lyne that we should keep so far as is possible, at the outset at all events, to principles rather than to details, and by principles I mean practical principles, not theoretical discussions of questions of jurisdiction and validity and treaty, and so on. These are important matters, but so far as possible we can keep them aside. I think that on the practical questions the delegates of the shipowners will speak with more authority than any official can do, but I think I may say at the outset that we understand that their greatest desire is, so far as possible, that their ships should not be subject to a multiplicity of codes of regulations according to the ports with which they trade; that in matters in which the Imperial legislation imposes requirements and obligations on our shipowners and their ships, that so far as it is possible these requirements should be accepted reciprocally in all parts of the world. Clearly from a business point of view their business is not very much promoted and simplified if the British ship having to conform to certain requirements as to survey, as to construction, as to life-saving appliances, as to accommodation, as to scale of provisions and so forth by Imperial law, finds when it comes to an Australian port that it has to be subjected to a wholly different set of requirements covering those same grounds, and that when it then goes on to New Zealand it is again subjected to another code of requirements, and possibly in other colonies it may find wholly different regulations, say in South Africa or Canada. Clearly the business of running British shipping is very much complicated. Then of course there is our great wish—and I believe it is the wish of the Colonial Delegations too—that British shipping should not be handicapped by being subjected by Colonial law to requirements more onerous than they are in a position to impose on foreign shipping with which we are in keen competition. There are other matters, but perhaps these are quite sufficient to open this discussion. I have mentioned survey, accommodation, safety regulations, scales of provisions, and then of course there is the manning scale which we have not got by Imperial law; but with the exception of manning, our Imperial Acts of 1894 and 1906—especially I would refer to the recent Act of 1906—impose requirements of an onerous kind upon British ships. Could we perhaps have some discussion as to how far it would be possible, from a business point of view, that compliance with the conditions of our Act of 1906 might be recognised as substantially equivalent to compliance with the corresponding requirements of the Australian law. If so, I think it would get over a great many of our difficulties. I do not know whether you wish me to open on other things, Sir, or that being one part of our subject?

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THE CHAIRMAN : I thought you were going to open on survey.

MR. LLEWELLYN SMITH : Survey is the first of all.

THE CHAIRMAN : Of course you have to take them in detail. After all, some of them I think we should be able to accept; others would require some discussion and others we could adjust, but we have to discuss each of them in detail.

MR. LLEWELLYN SMITH : As regards survey, I mean in the first place to take survey. Could our certificate which applies to passenger ships be accepted in lieu of any requirements as to survey in Australia?

THE CHAIRMAN : Perhaps Mr. Norman Hill will, on behalf of the shipowners, explain the difficulties which the British shipowners feel at the present moment in reference to this variety of standard regulations.

SIR JOSEPH WARD : May I suggest that half a dozen points upon which a settlement is required should be named, and then let us ascertain whether it is possible really to have a compromise so as to adjust Imperial law to conform to Colonial law or Colonial law to Imperial.

MR. NORMAN HILL : I think Mr. Llewellyn Smith has indicated in those particular regulations to which he has referred the points which are most important. It appears to us as shipowners that we must have regard to the two essentially different types of ship which are engaged in trade. You have first of all the liner which devotes itself to the trade between this country and Australia or New Zealand; it is a very important factor in maintaining communication both for this country and for the Colonies, but that type of vessel, although perhaps looming largest in the public mind, is not the big cargo carrier of the world. You have, apart from the liner, the very much greater amount of shipping which is engaged in the trade of the world. Now with regard to the liner, where the practical difficulty comes in is that there is a very large amount of capital invested in the vessel in order to provide the speed and the accommodation necessary for the ocean voyage, and it is disastrous from a business point of view—and it is impossible from a business point of view—to have the liner's voyage interrupted by demands on the time of the ship to go through surveys in its ports of call. Of course, Sir, with regard to liners they are all certificated to carry passengers from this country, and I think a careful examination of our Act, more especially as amended by the Act of last session, would satisfy the Conference that there is a very high standard indeed of efficiency and seaworthiness required from all vessels holding Imperial Board of Trade certificates. I have at different times had to go very closely indeed into the requirements of other nations, and I am satisfied that our standards are substantially higher than the standard of any other nation. Well, Sir, when you come to questions of survey applying to that type of vessel, the greatest difficulty—of course the survey is costly—I do not think we should have any fear of coming up to the standards—but the great and insuperable difficulty is interrupting the voyage and devoting the time. The survey, I take it, to be absolutely effective, as our survey is, would have to take place whilst the vessel was in dry dock.

SIR JOSEPH WARD : Would you allow me for a moment. Under the New Zealand Act it says, Clause 185, "Where a certificate has been granted to any steamship by the Imperial Board of Trade, and is still in force, that steamship need not be again surveyed under this Act."

MR. LLEWELLYN SMITH : That is so.

MR. NORMAN HILL : That is all right. There is only one more step so far as New Zealand is concerned, and that is, it is quite possible for us, although a liner, a regular trader, is not in fact carrying passengers, and is not fitted with passenger accommodation, to submit voluntarily that ship to the Board of Trade survey. We cannot get a passenger certificate because we have not got the berthing accommodation and such things, but so far as the safety of the ship, the construction and the materials of which she is constructed, the efficiency of her engines and all such matters are concerned, we can voluntarily pass that ship through exactly the same survey as if she were qualified for a passenger certificate, and the Board of Trade will give us a certificate showing

that that vessel conforms to the standard or would conform to the standard if she had berthing accommodation put in. Now as long as that class of vessel is not actually carrying passengers, we claim that having voluntarily subjected ourselves to that survey, that that should be treated as a passenger survey. Now, Sir, before you come to the other type there is just one other particular case to which we would like to refer with regard to passenger ships, and that is the life-saving appliances and regulations. We have recently had a very difficult question arising with the United States Government. It arose particularly with regard to the life belts to be carried on board the ships. The Board of Trade, having carefully considered the matter, decided that we should carry one particular type of life belt; the United States Government having carefully considered the matter, decided that we should carry quite a different type of life belt, and we had come to the point in which the vessels—the very big passenger-carrying vessels engaged between this country and the United States would have had to have sailed with two life belts for each person on board—one according to the Board of Trade requirements and one according to the United States requirements. That appeared to be absolutely the only solution of the difficulty. Well, Sir, we made representations to the Board and the Board made representations to the United States. Goodness knows what the passengers would have done with these two life belts on board and which they would have taken if we had kept both. I do not know what would have been the result, but finally we came to a conclusion. The United States agreed with this country that a ship which was conforming to the standard of this country with regard to life-saving appliances should be admitted into the United States, and in the same way the United States ships complying according to the standards of their country, should be admitted into our ports, and it has worked so since; and it is not only with regard to life-saving appliances we have these understandings. We have these understandings with regard to all the nations whose vessels come here for passengers. For instance, the German ships, if the Board of Trade is satisfied that the standard in force on the German passenger ships is substantially the same as our standard, there is no survey. We admit German ships—we admit French ships—we have admitted French ships. We admit the vessels of the United States. There is a kind of reciprocity in dealing with these standards. Now, Sir, these are the particular points dealing with passenger lines, but when you come to the general cargo-carriers whose services we venture to think are of the very greatest importance to the world, the matter is equally if not more important. You have a vessel which is despatched from this country, a vessel which has been brought up to our standard. The owner knows the particular employment he has secured for that vessel the first voyage, but he knows no more. The crew may be signed on for two or three years, and that vessel starts from this country meaning to accept employment in any part of the world wherever it offers. Now it is of the utmost importance that that vessel should be free to trade provided it has observed all necessary precautions with regard to the securing of the safety of life and property at sea, and that that vessel should be employed in trade wherever employment offers. We cannot see our way to despatch a vessel on that kind of voyage, if it has to comply with varying standards and it is that kind of employment which, to my mind, has cheapened carriage by sea more than anything else; it is the getting over the difficulty of vessels in ballast. If you are ready to take employment wherever it offers, and your ship is equipped for that employment, you do not lose on voyages in ballast, and so have to recoup yourself out of the cargoes that you are looking for.

SIR JOSEPH WARD : We meet all that under our Act.

MR. NORMAN HILL : Substantially.

SIR JOSEPH WARD : Actually.

MR. NORMAN HILL : I am not quite sure that it goes so far as that at all points.

SIR JOSEPH WARD : It says this on page 79, clause 197 :—"The Governor in Council may from time to time make rules (in this Act called 'rules for life-saving appliances') with respect to all or any of the following matters, namely :—(a) The arranging of British ships into classes, having regard to the services

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"in which they are employed, to the nature and duration of the voyage, and to the number of persons carried."

MR. NORMAN HILL: You have the power. It is not in any way provided in your Bill that compliance with our standard shall be taken as compliance with yours.

SIR WILLIAM LYNE: That is the gist of the whole thing.

THE CHAIRMAN: Yes. Speaking generally, in dealing between nation and nation; but it is different as dealing between the Home Country and the Colonies. In dealing as between nation and nation it is the law of the place which settles all those matters as we understand it.

SIR WILLIAM LYNE: What would you do with foreign ships coming to Australia—German and others?

THE CHAIRMAN: Apart from the coast trade, I should have thought there would have been the greatest difficulty, from the point of view of international law, for your regulating in any way the kind of life-saving appliances of that vessel carried on the voyage from the German port to your port. Speaking generally, we have always understood it is the law of the place which regulates all those matters.

SIR WILLIAM LYNE: These vessels carry our passengers.

THE CHAIRMAN: I thought of keeping coasting out for the present.

SIR WILLIAM LYNE: Those vessels come the same as British liners come and enter into the trade on our coast, and though we do not interfere with them at sea, when they come on our coast and do our trade, we think it is right that we should interfere with them.

MR. NORMAN HILL: But may we take it—taking the point separately—the voyage—not the coasting voyage—the oversea voyage—the voyage of a vessel which touches at foreign and your ports. Now we would not suggest—I do not think it is in the interest of British shipowners to suggest that you should say, "Come as you please, do what you please on your ships." All we suggest is this, that if we point to standards which are enforced here and which we have to obey and observe in all other waters, if those standards substantially are of the kind that you have in your minds, that you should then not make difficulty. It may be as it was with regard to the United States Government that we are most anxious to provide efficient life belts, but there is no sense in having two life belts on board a ship—I mean, speaking with great respect—we have eminent officials here—but the less we have to do with the official in managing our ships the better we believe the business gets on, and if instead of having to do with one official and one set of regulations, you have to think of differences in them all over the world which are required for each particular trade and special classes of ships—and directly you begin limiting trades to special classes of ships you must I think be punished in freights; instead of having the ship which is serving the world at your disposal and instead of having the benefit of part of a round voyage, directly you get to the point where you have a variety of vessels conforming to particular standards for particular trades, then you have at once limited competition. You make special classes and you have to specialise in those trades. Now that we think is bad business for our customers. We know it is a most harassing bad business for ourselves, and the point we want to put is that if there is substantial compliance, substantial conformity with the standards—that one nation is now in the practice of accepting such substantial conformity from other nations, it is only reasonable we should ask for the Home Country that the Colony should not put us in any worse position than other nations. Other nations accept this substantial conformity. That is the particular point that presses on us, and I think the points Mr. Llewellyn Smith has referred to are the particular instances dealing with the oversea trade, where we would be harassed and have our business made far more costly by the strict interpretation, certainly of the Australian Bill, and we would like to see the New Zealand Bill made absolutely precise; that conformity to these standards shall be accepted—not that they may be.

MR. LLEWELLYN SMITH: May I ask Sir Joseph Ward with respect to Section 197. Have you made rules under that Act?

SIR JOSEPH WARD: Yes, following the Board of Trade.

MR. WALTER J. HOWELL: Are they identical?

SIR JOSEPH WARD: They may not be identical, but wherever there is a difference the Board of Trade, if they write to our Marine Department which takes the place of the Board of Trade in our Colony—we correspond with them and conform if we can.

MR. WALTER J. HOWELL: Taking it as a principle, you do accept the Board of Trade rules, as to Life Saving appliances.

SIR JOSEPH WARD: Yes.

SIR WILLIAM LYNE: What?

SIR JOSEPH WARD: The Board of Trade rules, which are a different thing from stipulations. We arc in correspondence with them, and in all instances are agreed upon points where there have been differences. That does not raise the question of what the rate of wages is going to be.

THE CHAIRMAN: That is a different point.

MR. JAMES MILLS: You spoke of vessels visiting the Colonies which are able substantially to comply with the requirements of the Board of Trade. How are they to ascertain that they do so?

MR. NORMAN HILL: If we voluntarily subject ourselves to the Board of Trade survey, they do not issue a passenger certificate, but they issue a certificate to the effect that that vessel has been surveyed in accordance with the requirements of the Passenger Act, and subject to her being fitted and provided with berthing and other accommodation, she would be entitled to a Board of Trade certificate.

MR. JAMES MILLS: Why should not the Board of Trade give that certificate? In New Zealand every vessel is surveyed—a survey equivalent to the Board of Trade—every vessel from 100 tons is subjected to the same survey. British ships run all over the world without a survey certificate, and with boilers which pass Lloyd's test, but they do not pass the Board of Trade test, and the moment these vessels apply for the Board of Trade certificate in the colony 10 lbs. is taken off the pressure; although the boilers are practically as good as the Board of Trade boilers, they will not pass the Board of Trade test. That is one point I intend to bring up. Could not the Board of Trade test be brought into line with Lloyd's? It seems absurd that a boat which carries Lloyd's certificate cannot pass the Board of Trade survey because of some technical difference in the building of the boilers.

CAPTAIN CHALMERS: Do you mind telling us what the distinction is?

MR. JAMES MILLS: Between Lloyd's test and yours.

CAPTAIN CHALMERS: It is a distinction in the design of the boiler.

MR. JAMES MILLS: Presumably Lloyd's is good enough.

CAPTAIN CHALMERS: Lloyd's is good enough as far as seaworthiness goes, but our standard is above seaworthiness—with regard to the purely cargo ships the fact of the vessel being allowed to go to sea is quite sufficient to show that she is seaworthy in our estimation. Our surveyors at the different ports exercise strict supervision over every ship, and if they have reason to suspect any ship they go on board, and the fact of the ship being allowed to leave our ports is evidence that she is seaworthy.

MR. JAMES MILLS: As a matter of fact, they would not pass the Board of Trade survey because of some technical difference with regard to the boilers. I do not know what it is.

MR. WALTER J. HOWELL: I think the whole trade is different in your colony. You say you must have a Government survey of every ship. Here we do not say that, we say that it would require an army of surveyors to provide for a survey of every ship. We think that the better plan is the one we have adopted in this

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country, in which we only interfere with the ship when it is unfit to go to sea. We have not gone the length of having an official survey in every case. You would, however, not want so many surveyors as we do.

MR. JAMES MILLS: The whole point appears to be easy of solution. Under our Shipping Act, clause 185, where a certificate has been granted to any ship by the Imperial Board of Trade and is still in force, that steamship need not be again surveyed under this Act.

MR. NORMAN HILL: That is the passenger steamer.

MR. JAMES MILLS: Why should not the Board of Trade give a certificate if it is warranted?

MR. NORMAN HILL: We despatch a vessel to South America, but you do not know what her next voyage will be. You may go to Europe, New Zealand, or North America—you do not know where she is going. Before we start that vessel we should have to subject her, if you like, to an equivalent of your passenger survey. Our Act of Parliament provides no compulsory surveys.

SIR JOSEPH WARD: In every instance your passenger steamers have passenger certificates?

MR. NORMAN HILL: Yes.

SIR JOSEPH WARD: Now, instead of asking the Colony to alter its laws, is it not a practical solution of it for the Imperial Government to say that the cargo steamers shall obtain the Board of Trade certificate, and the whole thing is ended?

CAPTAIN CHALMERS: That would be impracticable.

MR. NORMAN HILL: The Treasury would not give the money.

SIR JOSEPH WARD: Your Lloyd's surveyors could be appointed officials under your Board of Trade.

MR. WALTER J. HOWELL: That would be quite against the whole spirit of the English law under which the surveys have to be Government surveys, and in considering the acceptance of the surveys of German and other ships under our new Act, we are laying it down as a condition that every ship should have a certificate of Government survey, not the certificate of any commercial body.

SIR JOSEPH WARD: Very well then, make it a Government survey.

MR. LLEWELLYN SMITH: As Sir Joseph Ward has said, the New Zealand Act goes a long way towards meeting these points. You accept, of course, our passenger certificate.

SIR JOSEPH WARD: They have no passenger certificates.

MR. LLEWELLYN SMITH: When we get to the cargo boats, if the cargo boats voluntarily undergo our survey, then you accept that certificate. It only remains, therefore, to consider cargo boats which do not, and that we might consider further—I mean the question whether we can meet them.

SIR JOSEPH WARD: That is the crux of the whole difficulty. This is of course a New Zealand Act. Now if Sir William Lyne is in accord with the New Zealand Act in that respect it would go a long way.

THE CHAIRMAN: Yes.

SIR JOSEPH WARD: If Australia would go as far as New Zealand has already gone, we might consider it—it goes a long way.

MR. BELCHER: I should like to ask for what length of time are the certificates granted—the British certificates.

MR. NORMAN HILL: Twelve months.

MR. BELCHER: Then I would like to ask this question. In the event of one of your vessels which is running under a certificate making a long voyage and eventually reaching New Zealand, if that certificate has expired, would there be any objection on the part of the shipowners or the Imperial authorities to allow that ship to be resurveyed under the conditions which

prevail in New Zealand? The difficulty I see in connection with the matter is that some of your ships leave Britain and they are away for very long terms—I believe in some cases it reaches as much as three years. That in the opinion of our authorities in New Zealand is too long for any ship to run without examination. There may be a defect, brought under the notice of the New Zealand authorities for instance, and simply because that vessel comes to New Zealand with a Board of Trade certificate which has expired, the New Zealand authorities would not be able to put their examiner on board that ship to find out what defects there really are.

MR. LLEWELLYN SMITH: I think we may take it that we mean by certificate an unexpired certificate—a certificate that is in force.

MR. BELCHER: How many of them must there be which are expired while the vessels are running on these long voyages?

MR. NORMAN HILL: The only certificates which exist belong to liners, the other ships do not carry certificates. Those to which we have referred have gone voluntarily and said, "Although we do not want to carry passengers, will you please survey us as if we did." Of course, there is one point we must bear in mind. The test applied by the Board of Trade to passenger liners is far in excess of the standard of seaworthiness. The difficulty I see, as our Act now stands—our Merchant Shipping Act—is that the Board of Trade has no power to issue such certificates.

SIR JOSEPH WARD: It can get it.

MR. NORMAN HILL: You say it can get it, but if you have any experience of getting anything out of our Parliament—we have nearly broken the President's heart worrying him over the Bill of last Session.

MR. HAVELOCK WILSON: Mr. Norman Hill I think will agree with me that if the shipowners were unanimous in approaching the Board of Trade, asking them to pass a Bill so that they might voluntarily subject their ships to its examination with a view to getting a certificate, I do not think the Board of Trade would put any obstacles in the way of that Bill passing.

THE PRESIDENT: It is not the Board of Trade. It is getting it through Parliament.

MR. HAVELOCK WILSON: I do not think Parliament would object on a matter where we were unanimous.

MR. ANDERSON: Should we be unanimous?

SIR WILLIAM LYNE: If you think of the position of Newcastle in Australia, where we are getting ships practically from all parts of the world—not British ships—which come for coal—if we had not the power to survey these ships they could do what they liked, so that we cannot give up the power to survey if it is necessary. I passed a Navigation Act—I think it was the last year I was in the State Parliament—in consequence of some of these and other ships that were not seaworthy going to sea and foundering.

SIR JOSEPH WARD: We have all that provided for.

MR. NORMAN HILL: We do not want to interfere with your power to detain unseaworthy ships.

SIR WILLIAM LYNE: We want the power to see whether they are seaworthy or not, especially ships you have no control over, and there are a very large number of foreign ships which come to Newcastle. I instance that because they would come under any Act we agreed to pass. We have had a great deal of trouble—we had eight ships in one year which left the port of Newcastle for foreign ports and were never heard of or were known to have foundered.

SIR JOSEPH WARD: That power we have now—we can survey any ship.

SIR WILLIAM LYNE: You can, but we want the right to do it.

SIR JOSEPH WARD: Yes, we have the Marine Department—a Navigation Department—and we had a case only a short time ago.



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HON. DUGALD THOMSON: I do not think that is a question which is raised. The question is not as to whether there should be power to survey, if it is considered necessary to survey, but whether the survey having already taken place, it should be recognised in Australia over the period for which it is issued. That is the point I understand.

MR. LLEWELLYN SMITH: As it is in New Zealand?

HON. DUGALD THOMSON: Yes.

SIR WILLIAM LYNE: I understood it was as to the power of survey?

MR. NORMAN HILL: It is the question here of standards, not seaworthiness. For instance, the Board have got one theory with regard to the construction of boilers and Lloyds have got another. Probably there is hardly anything to choose between the two. They are both equally effective, and the ship which is up to either standard is thoroughly seaworthy. Now that is quite different from the ship which has departed from both these standards. If the ship has departed from both those standards and is unseaworthy there is public danger, and she should be stopped, but if she has conformed to one of those standards it would be unreasonable to enforce a third—if you please, equally good standard, or if you please, a slightly better standard—which did not really affect the seaworthiness. That is the point we are on. It is this question of standards, not seaworthiness.

THE CHAIRMAN: Take this, Sir William, here is the New Zealand Act, "Where a certificate has been granted to any steamship by the Imperial Board of Trade and is still in force, that steamship need not be again surveyed."

SIR WILLIAM LYNE: That was just the point which was objected to.

THE CHAIRMAN: That does not prevent your surveying it if you have good reason to believe that the vessel is unseaworthy.

HON. W. M. HUGHES: There is provision in the Bill; this reference is not so much to the report of the Royal Commission, because it does not deal, as a matter of fact, with the survey except as to the necessity of inspectors which the Bill provides; that is the Commonwealth Bill.

THE CHAIRMAN: That is the new Bill.

HON. W. M. HUGHES: The Australian Bill, the original Bill on which the Royal Commission sat, and it has not been altered, I think I am correct in saying, in that respect.

SIR WILLIAM LYNE: What is that?

HON. W. M. HUGHES: Section 198. "The Minister may, if he is satisfied that the immediate resurvey of any steamship would occasion unreasonable or unnecessary expense or inconvenience, and that no danger to a ship or crew, passenger, or cargo will arise from the extension, extend the time for her next resurvey and the currency of her certificate of survey for any period not exceeding one month," that is not very much. And Clause 202, "In cases where the Minister is satisfied in regard to any British ship not registered in Australia or any foreign ship that the requirements of this Act have been substantially complied with, he may:—

"(a) dispense with any further survey of the ship;

"and

"(b) give a certificate which shall have the same effect as if given upon survey under this Act.

"Provided that the Governor-General may direct that this section shall not apply in cases where it appears to him that reciprocal treatment is not given to Australian ships."

THE CHAIRMAN: You want to give something further than that, and have each survey recognised?

HON. W. M. HUGHES: Of course, this is the Minister; we have no Board of Trade.

MR. NORMAN HILL: We do not want to interfere with your provisions for the unsafe ships; we keep that quite distinct.

3—A. 5A.

SIR JOSEPH WARD: Mr. President, might I be allowed to move a motion, putting on record what we are trying to get at: "That it be a suggestion to the Board of Trade to provide for the issue of survey certificates in the case of non-passenger vessels."?

CAPTAIN CHALMERS: That would be quite impracticable.

SIR JOSEPH WARD: That it be a suggestion?

THE CHAIRMAN (to Captain Chalmers): Why?

CAPTAIN CHALMERS: From the point of view of present practice, I may say the passenger ships that we do survey are about one-fifteenth part of our tonnage, so that we would have to multiply our surveyors by 15. It would be about 2,100 instead of 140. We would have to have 2,100 for our mercantile marine, and we do not survey the passenger ships every day; we survey them once in 12 months.

HON. W. M. HUGHES: I would suggest to Sir Joseph Ward that that does not get over the point raised. That is that there should be recognition of British certificates.

SIR JOSEPH WARD: We have got that in our Act.

HON. W. M. HUGHES: Yes; but that is the point at issue.

THE CHAIRMAN: Yes; that does not quite meet it.

SIR JOSEPH WARD: I think the point is, to meet the difficulties of the shipowners who complain that in the Colonies their survey is not recognised by what is the Board of Trade in the Colonies. Now in our country, the Marine Department recognises the Board of Trade certificates, and we say so in our Act. We make no difference between passenger and other ships. We say, "Where a certificate has been granted to any steamship." Now the point arises; you issue a Board of Trade certificate to passengers steamers, but to a cargo steamer a Lloyd's certificate is issued. Let the option be at the disposal of the shipowner to say which he will have. If he elects to take the Lloyd's certificate, he goes out to the Colonies with the certain knowledge that he may be called upon by the Marine Department there to have a fresh survey because he has not a Board of Trade certificate. He can take the risk therefore.

MR. NORMAN HILL: If the Board would accept Lloyd's certificate it would save us the extra fees.

MR. LLEWELLYN SMITH: We will consider that. It is a very big thing for us. I undertake that the Board of Trade considers that.

SIR JOSEPH WARD: I think my resolution would be: "That it be a suggestion to the Board of Trade to provide for the issue of a survey certificate in the case of non-passenger vessels." If they elect to accept for their guidance Lloyd's Surveyor's Authority to issue a certificate, why should not they?

MR. NORMAN HILL: It is complete as regards New Zealand, but to make that of practical value it would have to be followed on behalf of Australia; if such certificates are granted for oversea traffic, will they be accepted?

HON. W. M. HUGHES: That is the point.

SIR JOSEPH WARD: In our country it is beyond all question. We accept the Imperial Board of Trade certificate for any steamship without distinction.

SIR WILLIAM LYNE: But you reserve yourself the right not to do so. Before I personally agree to it I should like to consider it well.

MR. NORMAN HILL: Might I put it to the Board of Trade in this way. That although a British vessel holds a passenger certificate, if any one of the Board's officers thinks that at any particular moment she is an unsafe ship, could that vessel be stopped? I mean, sir, although she has a passenger certificate and it is still running. The surveyor would at once stop her in this country.

SIR JOSEPH WARD: And in our country, too.

THE CHAIRMAN: So there is no suggestion we should interfere with your discretion—and the same thing will apply to your own certificate.

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SIR JOSEPH WARD : Yes, we have power to do it.

THE CHAIRMAN : How do you deal with foreign vessels?

SIR JOSEPH WARD : In the same way.

THE CHAIRMAN : Do you claim the power of survey of all foreign vessels?

SIR JOSEPH WARD : Yes; if she is unseaworthy she will not be allowed to go out.

THE CHAIRMAN : We do the same to foreign vessels.

SIR WILLIAM LYNE : Would this apply to the internal arrangements of the ship? Supposing a ship did not give proper accommodation in various ways but still was seaworthy, do you propose that to come under the provision you have now or the New Zealand provision?

MR. LLEWELLYN SMITH : It would have to have a certificate—an unexpired certificate—and the conditions are pretty stringent.

SIR JOSEPH WARD : Quite so; it comes under the question, but these points do not touch survey at all.

SIR WILLIAM LYNE : That is what I want to know.

SIR JOSEPH WARD : That is a different point.

THE CHAIRMAN : That is a different point, and we must pass on to that.

SIR WILLIAM LYNE : It seems to me that we might come to some arrangement, although I would not like to say positively at the present time. When it comes to the question of internal arrangements of a ship, even though she may be seaworthy,—

THE CHAIRMAN : Do you mean accommodation for the crew?

SIR WILLIAM LYNE : Yes; and a variety of other things. These are important matters. She may be seaworthy, but she may not in the estimation of Australia be fit to go to sea in that regard. If that does not apply to that at all, but only as to whether she is fit to go to sea as a seaworthy ship, then of course it does not seem to me that the scope is so large.

SIR JOSEPH WARD : So as not to put anybody in a difficult position in voting, I give notice of motion of that at the next meeting.

THE CHAIRMAN : Yes, and it would give us time to consider whether we cannot meet it. It would involve an increase in our staff.

SIR JOSEPH WARD : Then I give notice of motion.

THE CHAIRMAN : The certificate shall be accepted, subject, of course, to the power of the authority, if their surveyor thinks the vessel is unseaworthy, to order a resurvey.

MR. HAVELOCK WILSON, M.P. : Might I just say a word as representing the seamen on this. Of course, when I am speaking of the seamen, we represent the trade to all parts of the world—New Zealand, Australia, and everywhere else, and they are all interested in this question. We do not want in any way to inconvenience the British shipowners, but rather the other way—to help them. But we do think that with regard to cargo vessels which do not commence their voyage from the United Kingdom, and as a matter of fact never touch the United Kingdom for years, we do think it would be a good thing if these vessels go to Australia and have never been surveyed here for years, and go to New Zealand or elsewhere, that unless they have a Board of Trade certificate showing that they have been subjected to some survey within a reasonable time, we think that Australia or New Zealand ought to have the right to survey those vessels.

MR. NORMAN HILL : But in your case the Board of Trade certificate would have expired, and therefore it would be quite—

MR. HAVELOCK WILSON : I am speaking of cargo vessels that are not subject to survey; I am not speaking of passenger vessels.

MR. NORMAN HILL : I agree; but the suggestion made by Sir Joseph Ward is this: that a cargo vessel can voluntarily subject herself to the same surveys as passenger vessels and have a Board of Trade certificate. In that case it should be treated as *prima facie*.

MR. HAVELOCK WILSON : We agree.

MR. NORMAN HILL : But your case is the case of a vessel which does not touch a British port for 12 months, and therefore the certificate has expired, and she goes to an Australian port as an unsurveyed ship.

MR. HAVELOCK WILSON : Yes; we fall in with that.

MR. NORMAN HILL : She has no certificate; it has expired.

SIR JOSEPH WARD : Under Section 5, Clause 185, it is provided where any certificate has expired the Marine Department may issue a certificate.

MR. HAVELOCK WILSON : That would be satisfactory to us.

SIR WILLIAM LYNE : What is the duration of your certificate?

MR. LLEWELLYN SMITH : Twelve months.

MR. HAVELOCK WILSON : Cargo?

MR. LLEWELLYN SMITH : Yes; but the suggestion is that there should be a certificate for cargo vessels—that should be a twelve months' certificate.

MR. NORMAN HILL : That is a difficulty.

THE CHAIRMAN : Two or three years for a cargo vessel?

MR. NORMAN HILL : Yes.

MR. LLEWELLYN SMITH : I see. At any rate that is a suggestion which will be a very useful one for consideration, not only by the Colonial Representatives, but by the representatives of the shipowners and the Board of Trade.

SIR JOSEPH WARD : I suggest to the shipowners that they should supplement that by way of notice of motion, to the effect that in all Colonial legislation it be provided that the Imperial Board of Trade certificate be accepted. If you provide for the two classes of steamers, then you meet the whole position.

MR. NORMAN HILL : Is it possible as a matter of business to simplify this practical difficulty—the difficulty of expense and the difficulty of carrying a Bill through, by taking Lloyd's classification certificate, the recognised class certificate?

SIR JOSEPH WARD : That is for the Board of Trade.

THE CHAIRMAN : If it satisfies the Board of Trade—it is a matter for them to look into—we must consult Captain Chalmers on that first.

HON. W. M. HUGHES : On page 31 of your Blue Book—the report of the Royal Commission—we deal with this question of seaworthiness. (Section 9, Section 10, Section 12, Section 13, and Section 14.) Survey proper is dealt with under Section 13, and it is proposed to have that particular kind of survey that you are now—

THE CHAIRMAN : That is the one; yes.

HON. W. M. HUGHES : General condition of the vessel—deck, hull, and so on. We want to detain any vessel that for any cause at all within the meaning of the Act and within our powers is unfit to go to sea—where she is unfit according to Section 13 of our report, that is—her hull or boilers or her engines are insufficient, or where she is unfit by reason of insufficient life-saving provisions, or the deck and load lines, and so on. Well now, before the Commission the representatives of the German and the French lines appeared and they said—the Manager of the Messageries Maritimes man, he said—in France they had a survey, and they had certificates which were in fact an equivalent and were accepted by the Board of Trade, and they asked us, would we accept them? The scope of the Bill in dealing with seaworthiness under Section 9 is limited to all British ships and to all foreign ships carrying passengers or cargo shipped in any port in Australia to any port in the British

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dominions. That will exclude all French, German, and other foreign passengers which trade directly from the Commonwealth to some port other than to a port in the British Dominions. Very well. Now we come to life-saving provisions. That will apply to all ships registered in Australia. That would be purely coasting ships—ships licensed to trade on the Australian coast. Then there is a class of ship which comes under Part VII of our Bill—that is a class of ship that, although not registered in Australia, is licensed to carry cargo and passengers by reason of her paying the same rates or observing Commonwealth conditions. We need not discuss that just now. And these ships continuously trading to any part of the Commonwealth, whose articles are drawn out in the Commonwealth and whose final port of discharge of crew is in the Commonwealth. Then Chapter 12 of the report—deck and load line.

SIR WILLIAM LYNE: You will have to explain what that means.

HON. W. M. HUGHES: This deck and load line to apply to all ships leaving Australia except those belonging to countries whose load lines are accepted by the British Board of Trade. I do not think we should object to anything like that. Then we have an inspection, but in addition to that we have asked that seaworthiness should be amended to include sufficient manning. And personally I say as far as I know the spirit of the Parliament—certainly as far as I know the spirit of the majority of the Commission and I think the spirit of the majority of the people of Australia—they will most emphatically insist that no ship shall leave Australia unless she is properly manned. And seaworthiness cannot be held to be as under the Board of Trade now; a ship may leave anyhow—you cannot detain her. Unseaworthiness now does not consist in having too small a crew.

MR. LLEWELLYN SMITH: Yes.

HON. W. M. HUGHES: You could detain her—yes, if she does not have sufficient crew. But I will not say what a ship can do—a ship can go to sea grossly undermanned so far as officers are concerned.

MR. LLEWELLYN SMITH: Not so far as we are—

HON. W. M. HUGHES: Our idea is she should be manned, and that she should be sufficiently officered and sufficiently manned, and all this is included in the term seaworthiness. Now, if we are going to discuss this, then I think we ought to realise that we are touching a very big question. If it is merely the survey of the ship and the hull, that is another matter entirely. Only let us know where we are.

MR. NORMAN HILL: The point I put was merely as to survey.

MR. WALTER J. HOWELL: Part 13 Survey, including hull and machinery, and life-saving appliances. Those are the only two. We are reserving the other points; we have something we want to say on the other points.

HON. W. M. HUGHES: Yes, all right; but you will excuse my pointing this out. We want to delimit this thing which you call survey.

MR. NORMAN HILL: We want to say something about manning and about seaworthiness. But the present proposal we wanted to limit to surveys of hulls, machinery, and life-saving appliances.

HON. W. M. HUGHES: That is one kind of seaworthiness.

MR. NORMAN HILL: And we want reciprocity. We do not want to have to toe the line to a different standard in each of the countries.

SIR JOSEPH WARD: You are not dealing with the question of manning at all.

THE CHAIRMAN: Not at the moment; of course we have to discuss it, but I think we might confine ourselves for the moment to the points submitted by Mr. Norman Hill.

HON. W. M. HUGHES: I am quite agreeable.

THE CHAIRMAN: And the voyages referred to are not necessarily those voyages referred to by Mr. Hughes; you are speaking of oversea traffic pure and simple.

HON. W. M. HUGHES: To begin with.

MR. NORMAN HILL: Those read out by Mr. Hughes are peculiar. With regard to the survey of hull, machinery, and life-saving appliances, I think that should be general—whatever trade. If the ship is good enough for the oversea trade in these particulars—conforming to those standards—I think that ought to apply everywhere, whether coasting or oversea.

SIR WILLIAM LYNE: The course you take would under this proposal divide the survey into more than one part. It is suggested by this Royal Commission that the survey should go further than you do—should be extended to include other things. And in a Bill which is prepared now, but which has not been before our Parliament—I do not know whether it was in the original Act—no ship shall be deemed seaworthy unless she is in a fit state as to condition of hull and equipment of boilers and machinery, stowage of ballast and cargo, number and qualification of crew (including officers) and in every other respect to encounter the ordinary perils of the voyage entered upon. That is a clause of a Bill which will probably be submitted to our Parliament. That causes me to ask how far you are going on this question of survey here. It is desired that the survey shall not only include the hull, boilers, and so on, but every thing connected with the ship as is provided here and as Mr. Hughes has referred to.

HON. W. M. HUGHES: What would be the effect of a certificate survey in reference to hull, machinery, and engines in the case of a ship unseaworthy for other causes? You may have reciprocity with the Board of Trade, but if it only covers part of that which is understood by the generic term of "unseaworthy" the vessel could go to sea. Therefore in discussing these questions about an arrangement, we mean something which will enable the vessel to go to sea, or stop her from going to sea.

THE CHAIRMAN: It is a question of time very largely. What would take time is not the computation of the number of the crew—that would take a very short time—but a survey of the ship would take a very long time. Therefore the first point I think we ought to consider is this, whether you would accept the Board of Trade certificate as far as No. 13 is concerned and No. 10. If you do, at any rate you save time.

HON. W. M. HUGHES: Quite so. You save the time of the ship. You do not have to put her through all this, which would take a very long time.

MR. NORMAN HILL: Yes, but first of all there is the complying with the original survey certificate. Do we accept that? And secondly, the length of time it is current.

THE CHAIRMAN: Those are the points—under 10 and 13 here in the Blue Book.

HON. W. M. HUGHES: That is periodical survey, really.

MR. HAVELOCK WILSON: I think the recommendation of the Committee is very largely the same as in Australia.

THE CHAIRMAN: Very largely.

MR. HAVELOCK WILSON: I understand that if the Board of Trade can see their way to issue certificates of this character, they would be accepted.

MR. LLEWELLYN SMITH: They are issued now if they are asked for, and the whole question now is, will Australia and New Zealand accept those certificates when they are issued?

THE CHAIRMAN: In so far as Sections 10, 12, and 13 are concerned, leaving manning outside for the present.

SIR WILLIAM LYNE: Won't that create confusion? We should have to go and destroy your certificate if we said the ship was not properly manned.

SIR JOSEPH WARD: But that is a different thing altogether. The Act deals with that.

THE CHAIRMAN: You would only accept our certificate as evidence that the hull and machinery and the life-saving appliances were all right.

SIR WILLIAM LYNE: And we don't give up any right in regard to manning, or the right to survey. If

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we consider it the right thing to have a survey. I want to see that we have the power to do it.

**THE CHAIRMAN:** Certainly. We have got the power ourselves.

**SIR JOSEPH WARD:** After a ship has been built and has got a proper certificate we can't say, "You must alter your accommodation," but you could condemn the ship for being unseaworthy quite independent of the question of a proper certificate.

**SIR WILLIAM LYNE:** But supposing a ship has not got the accommodation that she should have, I think we ought to retain the right to say that she is to be detained until she has the proper accommodation.

**HON. W. M. HUGHES:** Supposing we agreed to a Board of Trade certificate in reference to British ships and other ships, how do you give a certificate in the case of a foreign country? Is it by a reciprocal arrangement? Do you recognise her certificate if she recognises yours? If so that is not very satisfactory to us.

**MR. LLEWELLYN SMITH:** We have to be satisfied that their conditions are equivalent to ours.

**HON. W. M. HUGHES:** The fact seems to be that the Board of Trade enter into an arrangement, say, with Germany or France, by which they say, "If you will accept our certificate, we will accept yours."

**MR. NORMAN HILL:** But that is only done on the understanding that their certificate is granted on substantially the same terms as ours.

**MR. CUNLIFFE:** It is Section 363 of the Imperial Act.

**HON. W. M. HUGHES:** That applies to passenger steamers only.

**MR. CUNLIFFE:** Yes.

**HON. W. M. HUGHES:** I am bound to say that it does not strike me as being very satisfactory. It ought to apply to all ships—cargo and passengers. I take it that the consul or officer acts on the information and report of his experts, and it is upon that report that you grant the certificate.

**CAPTAIN CHALMERS:** No, the consul has only to indorse the certificate. We get the regulations from the foreign country, and we go through them side by side with our own, and if they are substantially the same as ours we instruct the consul: "All you have to do is to satisfy yourself that the certificate is in proper form, and that it is signed by the proper officer."

**SIR JOSEPH WARD:** Are we dealing with British ships or foreign ships?

**THE CHAIRMAN:** I think it would be better if we confine ourselves for the moment to British ships, and to these two points, and I think it has been very well put by Mr. Norman Hill in this paper which has just been handed to me. He suggests that standards as to hulls, machinery and life-saving appliances, established by the Board of Trade, be accepted, for British ships, throughout the Empire—that is on those three points only—hull, machinery and life-saving appliances.

**HON. W. M. HUGHES:** If Section 363 of the principal Act, dealing with foreign ships, and Section 284, dealing with Colonial ships, is extended to all ships, and not merely to passenger ships, and is limited to the survey of hull, boilers and engines, then I think that Clause 6, which says "and are satisfied," should read "and are satisfied after examination or inspection." If the certificate is given, it ought to be by a responsible body.

**THE CHAIRMAN:** But we are dealing with British ships only, just for the moment.

**HON. W. M. HUGHES:** But does it take in boilers? A boiler is not a machine.

**CAPTAIN CHALMERS:** Yes, certainly. A boiler has been held to be a machine by every court in the kingdom.

**MR. MILLS:** There is one matter I want to refer to. We find that Colonial certificates are not recognised

by the United States, and that has occasioned a good deal of trouble and expense. The United States authorities insist upon steamers going through a course of inspection, and that leads to a good deal of delay and expense in various ways.

**THE CHAIRMAN:** That shows the importance of having an Imperial standard. I think we could help you there. Do you know if the Foreign Office have ever tried to do anything in the matter?

**MR. MILLS:** No, I am not aware. I can't say that they have been asked to do anything.

**THE CHAIRMAN:** I think that is a point we can take up, if we could come to an arrangement with the Colonies about it.

**MR. NORMAN HILL:** May we take the question of provisions next? I think there is very little controversy there.

**THE CHAIRMAN:** That is Page 47 in Appendix A., and I hear that the only things we have left out are bananas and tomatoes. You will be supplied, before next meeting, with a copy of your scale of provisions and ours side by side. We give more meat, I think, and you give more bananas.

**HON. DUGALD THOMSON:** There is not much difference, really.

**HON. W. M. HUGHES:** It is the scale under your new Act, which is not yet in force, I think.

**THE CHAIRMAN:** It comes into force on the 1st of June next. It is a liberal scale, and I think it is a scale which might be very easily adopted.

**SIR WILLIAM LYNE:** I don't think there will be any difficulty.

**HON. DUGALD THOMSON:** I don't see what we gain in this way. As to the oversea vessel leaving our ports, we have no power over her after she leaves the port. She is under the Merchant Shipping Act as soon as she gets out of our jurisdiction. We are not now dealing with vessels coasting at all. So far as the slight difference is concerned it is not desirable to go into it really.

**MR. HAVELOCK WILSON:** I am satisfied for the time being. For a start, we will go on with it. I don't say I will always be satisfied with it.

**MR. WALTER J. HOWELL:** I should like to ask Sir William Lyne a question, but of course he need not answer it unless he wishes. In your revised Bill, Sir William, do you adopt anything approaching our Imperial food scale?

**SIR WILLIAM LYNE:** This Bill has not been properly completed. It is simply in draft, and there has not yet been time to complete it, and I have thought it wise not to go any further with it until after this Conference. That is the position at present with regard to that Bill.

**HON. W. M. HUGHES:** I was going to suggest this. The Commission adopted a scale recommended by one of the medical witnesses—I think it was Dr. Robertson—and I would like it to be submitted to the Conference, and to have it printed in parallel columns, with yours, so that they could be more easily compared. The Conference is not in a position to make any useful alterations.

**THE CHAIRMAN:** May I take it that, so far as the oversea is concerned, you don't pass any criticism on the food scale?

**SIR WILLIAM LYNE:** I don't think the difference is so great as to cause serious trouble. There are only one or two points, I think, that need be referred to at all. As far as we are concerned, we are quite satisfied.

**THE CHAIRMAN:** We shall not be able to do very much more to-day, but I think you might just open the question of accommodation.

**SIR WILLIAM LYNE:** No, I can't open it now. I must go. I think we might put that down as one of the first subjects to be dealt with when we meet again. There is first the question of the food, and then I think this subject might come next.

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HON. DUGALD THOMSON: In connection with this question of accommodation, the recommendation in both reports—the majority and the minority report—is that it should apply to ships registered in Australia, ships licensed to trade on the coast, and ships continuously trading to any port in the Commonwealth whose articles are drawn out in the Commonwealth and whose final port of discharge of crew is in the Commonwealth. It is not proposed in the recommendations of the Royal Commission to carry the provisions beyond that, as regards accommodation. It is clause 3 in the Summary, page 37, in the Blue Book copy.

SIR WILLIAM LYNE: The proposal that we have incorporated in the draft Bill is that there should be a space of not less than 120 cubic feet, and further on not less than 16 superficial feet, and not less than 4 feet measured between bunks at the forward end.

HON. DUGALD THOMSON: And that is meant to apply only to what are practically Australian vessels and to the vessels trading on the Australian coast.

SIR WILLIAM LYNE: Would not that apply to the liners?

HON. DUGALD THOMSON: No, I don't think so; but, of course, that is a matter of interpretation.

HON. W. M. HUGHES: The reason why the Commission agreed to limit the scope of its recommendations in this respect, was that it should not attempt to impose them upon ships not continuously within its jurisdiction. It would be a very good thing if this Conference could do it. Of course, we have a right to do it in this case, because those are our own ships.

THE CHAIRMAN: Do your recommendations apply to ships built before the date of the passing of your Bill? Would you compel owners to alter their ships?

SIR WILLIAM LYNE: I am not sure whether it would apply to ships already built, but the chances are that it would. Some shipowners are altering the internal arrangements now, in their old ships.

MR. HAVELOCK WILSON: On the Mercantile Marine Committee it was proved that there were no ships where they had only 72 feet. The evidence was that they were far in excess of that. The evidence on that point was very clear, as some of you know. The majority were far in excess of 72.

THE CHAIRMAN: But not 120?

MR. HAVELOCK WILSON: Yes; some proved that they had as much as 150. That is on record in the evidence given before that Committee. It was given in evidence by the shipowners and the Board of Trade officials, and the evidence is available to prove what I say.

MR. WALTER J. HOWELL: The minimum was so small.

MR. HAVELOCK WILSON: Yes, and the evidence went to prove that much more was given.

MR. WALTER J. HOWELL: Yes, certainly, in most ships.

THE CHAIRMAN: In reference to what Mr. Hughes said—that you had power to deal with the matter in the way suggested—I would rather not discuss the question of powers if we can possibly avoid it, because it raises very large questions of jurisdiction, and I told the Attorney-General, who was prepared to attend, that I preferred to get along without him if we could.

HON. W. M. HUGHES: In regard to the question of the air space for the crew, you have, in your recent Act, provided 120 cubic feet; but then a little lower down—as very often happens in the framing of these Acts—you say that this shall not apply when arrangements are made for bath-houses and so on. We say, that 120 cubic feet is the minimum amount that should be allotted for the sleeping accommodation of each seaman, and that a bath is as much a necessity as a urinal or a lavatory, and that you ought not to take from the sleeping accommodation, which is a necessity, what you give to the washing, which is also a necessity. I travelled home in quite a good ship, but the bath accommodation was extremely primitive, and we find that on a number of very good ships the bath

accommodation usually consists of a bucket, with which a man could go on to the deck or into the water-closet. You make a very wise provision for a bath-house, and then you say, as a penalty for having that, "you shall have less room to sleep in."

THE CHAIRMAN: I would rather put it the other way. It is not exactly a penalty, but a reward for providing a bath-house. As a reward for doing that, we say, "We will allow you to reduce the space."

HON. W. M. HUGHES: I think it should be 120 feet clear of all incumbrances, and without any deduction at all.

MR. BELCHER: What do you propose in your Australian Bill?

HON. W. M. HUGHES: 120 cubic feet, and 16 floor space feet; in the British Act it is 15 feet.

THE CHAIRMAN: Of course, we must bear in mind that we have to proceed very gradually in these matters. We cannot impose great additional burdens all at once upon the shipowners.

MR. BELCHER: My experience of all classes of German ships is that the accommodation for the crew is better than the new regulations.

THE CHAIRMAN: Their regulations, at any rate, are not equal to ours.

MR. BELCHER: They have no regulations worse than ours.

MR. WALTER J. HOWELL: The German law is not so stringent as ours in some respects.

MR. HAVELOCK WILSON: I think the Board of Trade ought to be able to tell us what the German arrangements are as to accommodation.

THE CHAIRMAN: We have increased ours.

MR. HAVELOCK WILSON: I can only say that their accommodation is equal to ours, and in many cases very superior.

MR. LLEWELLYN SMITH: As regards the requirements of the law, if there is any diversity of opinion we will have the facts got out by the next meeting.

THE CHAIRMAN: I see, Sir William, that in your old Bill (135) you only had 72 cubic feet, so you have taken rather a big jump to 120?

SIR WILLIAM LYNE: Yes, and I think if you had seen things that I saw not long since, you would have taken the jump too.

THE CHAIRMAN: And we have done it already.

SIR WILLIAM LYNE: I have seen 40 or 50 men in a place where there was not much more than 120 feet for the whole lot.

MR. LLEWELLYN SMITH: The Board of Trade have received a Memorandum prepared on behalf of the shipowners' delegates, setting forth their views, which we will now circulate among the delegates. (See Appendix A, p. 169.)

THE CHAIRMAN: Of course, all documents are to be treated as confidential.

MR. BELCHER: Do I understand that the British authorities intend to alter their Act, and to increase the provision for the crew's space?

THE CHAIRMAN: Yes, we are altering our minimum from 72 to 120, and it comes into operation on the 1st of June of this year.

SIR WILLIAM LYNE: I think there is power in our Act to require ships to be altered, if we so desire it, but I am not certain. I know, as far as my Department is concerned, it is considered to apply in that way, but as Mr. Thomson has said it is for the Court to decide.

THE CHAIRMAN: But it is mandatory for all ships to be built in the future?

SIR WILLIAM LYNE: Yes.

SIR JOSEPH WARD: I was going to suggest that if it were possible for us to know what we are going to

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deal with next time, it would be an advantage to most of us. There are the questions of certificates, surveys, food, accommodation, ventilation, and manning. I think there will be considerable delay unless we know beforehand what we mean to discuss.

SIR WILLIAM LYNE: I don't think myself the points we have been discussing will take much longer to deal with.

HON. DUGALD THOMSON: As regards the Royal Commission Report, could a memorandum be made as to the points to which exception is taken? I think it would be a great convenience, and it would certainly facilitate matters.

THE CHAIRMAN: The shipowners have circulated a document which rather takes that form, I think.

HON. DUGALD THOMSON: There is a summary of that report which is very concise, and if it is made use of as the basis for a list of the proposals to which objection is taken, or which it is thought desirable to alter, it would be a great convenience, and it would be known what we had to consider, as regards Australia.

SIR WILLIAM LYNE: Have the shipowners had a copy of the summary?

MR. NORMAN HILL: Yes, we have had that.

SIR WILLIAM LYNE: Those are the main points that will probably be discussed, as far as we are concerned.

THE CHAIRMAN: And I understand the shipowners have based their Memorandum pretty much on that summary.

SIR WILLIAM LYNE: Yes, and if they take that summary, and side by side raise their objections to it, it would be useful.

HON. W. M. HUGHES: Do you propose to do anything with regard to the summary? Because there are some of our summarised recommendations that don't, and can't, concern this Conference at all, and those need not be put in, or if they be put in it can't be for any useful purpose. If you are agreeable, they will send you on those recommendations that affect Imperial shipping. There are some things which do not concern you. For instance, the Sea Carriage of Goods Act.

MR. LLEWELLYN SMITH: Yes, that is just one thing that wants discussing.

(The Conference adjourned to Thursday, the 4th April, at 11 a.m.)

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## SECOND DAY.

Thursday, 4th April, 1907

The following were present :—

The Right Hon. D. LLOYD-GEORGE, M.P. (President of the Board of Trade), in the Chair.

### United Kingdom Delegates.

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| Mr. H. LLEWELLYN SMITH, C.B.,<br>Mr. WALTER J. HOWELL, C.B.,<br>Mr. R. ELLIS CUNLIFFE,<br>Captain A. J. G. CHALMERS,<br>Mr. H. BERTRAM COX, C.B.,<br>Mr. A. B. KEITH, | } Of the Board of<br>Trade.<br>Of the Colonial<br>Office. | Mr. E. PEMBROKE,<br>Mr. K. ANDERSON,<br>Mr. H. F. FERNIE,<br>Mr. R. J. DUNLOP,<br>Mr. NORMAN HILL,<br>Mr. J. HAVELOCK WILSON, M.P., representing Seamen. | } Shipowners. |
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### Australian Delegates.

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| Hon. Sir W. J. LYNE, K.C.M.G.<br>Hon. W. M. HUGHES. | Hon. DUGALD THOMSON. |
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Dr. H. N. WOLLASTON, LL.D., I.S.O., of the Australian Commonwealth Department of Trade and Customs, was also in attendance.

### New Zealand Delegates.

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| Hon. Sir JOSEPH WARD, K.C.M.G.<br>Mr. JAMES MILLS. | Mr. WILLIAM BELCHER.<br>Mr. A. R. HISLOP. |
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Dr. FITCHETT, Solicitor-General, of New Zealand, was also in attendance.

### Secretaries.

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| Mr. J. A. WEBSTER,<br>Mr. G. E. BAKER, | } Of the Board of Trade. | Mr. J. HISLOP, Private Secretary to Sir J. Ward.<br>Mr. D. J. QUINN, Private Secretary to Sir W. Lyne. |
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### AGENDA.

1. Sir Joseph Ward's motion "that it should be a suggestion to the Board of Trade that they should provide for the issue of a survey-certificate in the case of non-passenger vessels."
2. Mr. Norman Hill's motion "that standards as to hull, machinery, boilers, and life-saving appliances established by the Board of Trade and testified by current certificates should be accepted for British ships throughout the Empire."
3. Consideration of the following points:—
  - (a) Provision scale.
  - (b) Accommodation, Ventilation, and Conveniences.
  - (c) Manning.
4. Classes of voyages to which "Australian conditions" should be applicable.

THE CHAIRMAN: Sir William Lyne has a memorandum which he has prepared, and I think it would be very helpful if he would read that document, and then I can get it copied and circulated. I think the sooner it gets into the hands of the Conference the better.

Sir William Lyne's Memorandum is printed as an Appendix to this report. (See Appendix B., p. 171.)

SIR WILLIAM LYNE: I have had that prepared after going through the shipowners' memorandum, and I may tell you I have not had the opportunity of speaking to Mr. Hughes. I saw Mr. Thomson, who very kindly called on me yesterday, but this was not prepared at that time, so that I place this on the table as my own idea, and I believe it contains the idea of Mr. Hughes and partially of my colleague Mr. Thomson.

HON. DUGALD THOMSON: Mr. President, through you I would ask Sir William Lyne to place the memorandum before the Conference as a memorandum from himself only, and not as representing the views of the Australian representatives. I personally agree with some of the contents of that memorandum; with other portions I entirely disagree, and I would not like it to be taken as including the whole of the representatives from Australia. As to the memorandum, while it may be useful in its way—we are hardly getting down to concrete issues sufficiently. If we are going to interchange memoranda of this sort from one side to the other, the thing will be endless. No doubt this one will elicit a reply. I would suggest we get down to the

subjects themselves, and we will then see our grounds of difference, and deal with them if need be, going through the recommendations of the Royal Commission instead of dealing in generalities which can lead us nowhere.

HON. W. M. HUGHES: I have not seen that memorandum, and until I look through it carefully I could not say whether I agree or not. Some of the things are very obvious; some are not so obvious. I quite agree with Mr. Thomson that what we are here to-day for is not to make a general statement, but to get to business, and I think really if the discussion was limited to those matters which are given notice of we could proceed in the proper way as if we were in Committee of the House, and deal with those things and nothing else. Otherwise I shall have to table some memoranda myself.

THE CHAIRMAN: There is only one observation I have to make. If Sir William Lyne wishes to have this memorandum circulated I will take steps at once to get it copied. I think it is desirable from my own point of view. I like to hear the Australian view as presented by Sir William Lyne, but there are some things we could not discuss at this conference. For instance, the question of preference. If we entered into that we could not proceed any further. It raises very big questions, which are outside the purview of this Conference. If Sir William will hand it over I will take steps to see that it shall be circulated. We will now get on to Sir Joseph Ward's motion and Mr. Norman Hill's

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motion. Mr. Hill's is hardly an amendment, and I am not sure that we could not discuss them together. I think Sir Joseph Ward might incorporate Mr. Norman Hill's motion with his.

SIR JOSEPH WARD: I have no objection to do so.

THE CHAIRMAN: That would enable us to discuss the whole thing.

MR. NORMAN HILL: I think Sir Joseph Ward rather follows the recognition of the general principle.

THE CHAIRMAN: I think it would be more desirable if they could be discussed as one proposition.

SIR JOSEPH WARD: I move the following motion:—

"That it should be a suggestion to the Board of Trade that they should provide for the issue of a survey-certificate in the case of non-passenger vessels, and that standards as to hull, machinery, boilers, and life-saving appliances, established by the Board of Trade and testified by current certificates, should be accepted for British ships throughout the Empire."

I move that because I think a great deal of the trouble that arises between the Colonial Government and the shipowners would be, if not entirely removed, greatly minimised if the Board of Trade were asked to provide for the issue of a survey-certificate in the case of non-passenger vessels. The shipowner may still wish to have a certificate of Lloyd's instead of obtaining a certificate for the second-class steamers from the Board of Trade, but he would then impose upon himself voluntarily the disabilities that arise in the Colonies from the local Marine Department. I understand on a former occasion that some difficulties presented themselves to shipowners on account of the number of cargo steamers that might require to have a Board of Trade certificate issued under this proposal; but that is a matter for the shipowners. Speaking for New Zealand, we would unreservedly accept the Board of Trade certificate. We do it with the knowledge that it requires a review by the Officers of the Board of Trade, but we still reserve under our laws the right to have examination of ships under certain conditions. If we believe a ship to be unseaworthy, the local authorities should be able to step in.

THE CHAIRMAN: We always reserve that right.

SIR JOSEPH WARD: With regard to the second portion, on the whole I am inclined to support that. If the Board of Trade issue a certificate providing for the standard of hulls, machinery, boilers, and life-saving appliances, then I think to a very large extent some of those cases, where an owner in distant countries sails very close to the wind, would be met by the conditions imposed in the first instance. In our country we would look upon that as being satisfactory for the preservation of life. I do not want to take up the time of the Conference; the resolutions explain themselves thoroughly, and I have pleasure in moving them.

MR. NORMAN HILL: Does Sir Joseph move the resolution as a whole.

THE CHAIRMAN: Yes. We should like to hear the views first of all of the Australian delegates.

SIR WILLIAM LYNE: I have not the clause before me, but I have had a comparison made of the different provisions in reference to surveys. The New Zealand Act provides that every steamship shall be surveyed once in each year, and they reserve their right to do that. I did not quite understand whether Sir Joseph Ward's motion is to give that up.

SIR JOSEPH WARD: No, certainly not.

SIR WILLIAM LYNE: You said you were prepared to abide by the certificate of the Board of Trade. If you abide by the certificate of the Board of Trade you must to a certain extent give that up. There is no objection so far as I can see to the proposal, provided there is a reserve power on behalf of New Zealand or the Commonwealth. If occasion arises in the mind of those who have to deal with the matter, they should have the right to make a resurvey. The Merchant Shipping Act of 1894 says "every passenger ship," and I would like to say, Sir Joseph, that I agree with some remarks you made the other day that the Board of Trade, if

coming within close distance of their survey, should give a certificate for other ships as well as passenger ships. The Merchant Shipping Act says that every passenger ship which carries more than 12 passengers should be surveyed in each year. Now we are proposing to provide in the Australian Navigation Bill that every steamship more than five years' old shall be surveyed at least once in every six months, and every other steamship once in every 12 months. That is the present proposal of the Australian Government, so that is more drastic than the proposal of New Zealand. I want also to draw attention to this fact, that this Conference, though it is a Conference between the Imperial representatives of the New Zealand and Australian Commonwealths, is practically brought about by the Commonwealth in connection with their latest proposed legislation and the report of the Royal Commission, and, therefore, I do not think the Commonwealth proposal can be set on one side. I feel convinced that the majority of those proposals will be agreed to not only by myself, but by my colleagues. There may be some difference of opinion—I don't think there will be between Mr. Hughes and myself—but there may be with Mr. Thomson, because I know his views from the Minority Report. It seems to me with regard to those three Acts, giving those three different provisions, we must be exceedingly cautious that we in the Commonwealth of Australia—

THE CHAIRMAN: Does that permission extend beyond vessels engaged in the coasting trade?

SIR WILLIAM LYNE: No; it extends to our interpretation of the vessels dealing in the coasting trade.

HON. DUGALD THOMSON: Are you sure of that?

SIR WILLIAM LYNE: That is our intention and our interpretation of the coasting trade. First of all there are the licensed vessels, next there are the vessels that come from over sea, and it is a very strong point with us in Australia that if they do our coasting trade they shall trade exactly under the same conditions as our own vessels. That is as clearly defined in the minds of Australian people as it is possible to be. The report is silent, but still I know what the intention of Parliament is and of the Government, and what our proposals are. Parliament has expressed itself more than once in various other ways on this point.

HON. DUGALD THOMSON: Oh, no; limit your remarks.

SIR WILLIAM LYNE: I must say I do not limit my remarks as to the intention of Australian people to bring the over-sea vessels into absolute union with the coastal trade. I like to say exactly what I think and exactly what I mean, and that is what, so far as I am concerned, I am willing to advocate at this Conference.

THE CHAIRMAN: Will there be a condition of this sort? Here is the New Zealand Bill. Section 185, Sub-section 4, says, "A steamship trading to or from any place beyond inter-Colonial limits, and which is not required by the Imperial Merchant Shipping Act to be surveyed and obtain a certificate, need not be surveyed under this Act."

SIR WILLIAM LYNE: It can be; I think I may say very likely the Government will agree to that.

THE CHAIRMAN: Nobody would ever dream of attempting to deny the Colonies the right.

SIR WILLIAM LYNE: That is a point in my mind; we are not going to give up the right we have. Probably it may be very seldom exercised, but we have to protect our own coast line in that regard, and our own passengers who are coming and going in foreign-going ships.

THE CHAIRMAN: If you have any reason to suspect that a vessel is unseaworthy, it matters not whether it has a Board of Trade certificate or not.

SIR WILLIAM LYNE: I am not quite clear now how far this survey is intended to go. I feel it was intended, and probably is intended with us now, that that survey shall extend—if you call it a survey—to the inside accommodation as well as to the boiler and frame of the ship; but what I am saying now I apply only to the survey, as described by Mr. Hill the other day, of the boiler and the seaworthiness of the ship.



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**THE CHAIRMAN:** And the life-saving appliances?

**SIR WILLIAM LYNE:** Yes; when we come to the question of internal fitting, then let it be clearly understood I shall press for the Colonies to have a voice in the matter, but I do not want to do more than to make myself understood that the remarks I am making are in connection with those points.

**HON. W. M. HUGHES:** As I said last time, there seemed to be some misunderstanding on my part as to how far this motion was to go, but if it is to go just as it says it is to go, namely, a standard as to hull, machinery, boilers, and life-saving appliances, well, there appears to be no reason at all why a certificate established by the Board of Trade and accepted by them should not be accepted by us; I do not see any reason. I think that motion of Sir J. Ward's a very good one, and it is a very astonishing thing it has never been put in force before. But as to the other matters, what constitutes seaworthiness, we must discuss that matter. I suggest we might adopt this, and then proceed to discuss the other.

**THE CHAIRMAN:** Would the shipowners like to say something?

**HON. W. M. HUGHES:** I would like to say this: Mr. Hill's motion is not merely to establish a standard for hulls, boilers, and machinery, but a standard to enable ships to come in and out of Australian ports upon a certificate which will be revised by the Board of Trade. Well, to do that it must be something more than what is meant by a survey-certificate within the meaning of Clause 2, because that is sufficient to get her out of Australian ports. Our Bill—that is the Bill we sat on—in part 4 "Ships and Shipping," Clause 193 says: "No master of a steamship shall take her to sea, and no owner of a steamship shall knowingly or unknowingly suffer or permit her to proceed to sea unless a certificate of survey has been granted in respect of her, and is in force." Now, if Mr. Hill's motion is carried with Sir J. Ward's, then, "certificate of survey" will include a certificate of survey by the Board of Trade. Very well. Now then, Clause 187, as amended by me in pursuance of the recommendation of the evidence given by expert witnesses, will read this way: "The issue of a certificate of survey shall in no way exempt the owner of any ship from maintaining his ship in a seaworthy condition." The object of making these surveys is not to relieve the owner of his responsibility. Now if Mr. Hill's motion is carried, it practically says that Clause 193 of our Bill shall include surveys by the Board of Trade, or are acceptable by the Board of Trade, and I am not agreeable to that.

**THE CHAIRMAN:** Now I should like to hear the shipowner's view, and I shall ask Mr. Norman Hill to recollect that he has to express the opinion of the "tramps" as well.

**HON. DUGALD THOMSON:** As the expression of the opinion of the Australian delegates has been asked, I would like very briefly to say—and I hope it will be the last time I will have to say it—that so far as Sir W. Lyne's own opinions are concerned, whilst I may respect them, I cannot be expected to agree with them. And further than that, when he speaks for Australia it must be recollected that the opinion of the Australian people, or even the opinion of the Australian Parliament is not known yet as regards the Bill that has been brought forward and referred to a Royal Commission. The opinion of that Royal Commission, although unanimous on many points, is divided on some things, and the division is 5 to 4, and, therefore, neither myself nor Sir W. Lyne nor any member of the Australian representatives can speak for the Australian people or the Australian Parliament. With those few remarks, to relieve myself from any responsibility that might attach to Sir W. Lyne's remarks, I only say I entirely agree with the proposal, and, in fact, I do not see how we can do otherwise than agree. Mr. James Mills proposed that America should be asked to recognise vessels as complying with the American law which had complied with the Australian law as regards some of the items in this motion, that is life-saving appliances. If we expect America to recognise our law, surely we should be expected to recognise the British law.

**MR. NORMAN HILL:** Might I say I do not think it is quite understood how comprehensive this motion

will be if it is carried and adopted by the Board of Trade. The issue of a survey certificate to non-passenger vessels will mean that not only will they be inspected as regards hulls, boilers, and life-saving appliances, but also as regards their accommodation, because that forms part of the Board of Trade certificate as regards a passenger steamer, and the idea is in issuing the Board of Trade certificates to non-passenger ships that in a general way the same course will be followed, no doubt somewhat modified, and these non-passenger ships having a Board of Trade certificate will have complied with the requirements of the Board of Trade as regards not only the whole of the machinery and boilers, but as regards men and accommodation, and I presume the intention on the part of the representatives both of the Commonwealth and New Zealand is that these certificates will be recognised in Colonial ports if oversea ships visit those ports and discharge original cargo and load original cargo. But where other ships engage in the coastal trade, I understand the intention is they shall be required to subject themselves to a Colonial survey in addition to the Board of Trade survey, and that may involve additional requirements. If ships engage in the coasting trade they, I presume, will be required to undergo a survey which will demand more than the Board of Trade demands. The Board of Trade certificate will be respected in the case of all ships visiting Colonial ports merely for the purpose of getting rid of original cargo and loading outside the cargo, no matter how many ports they visit.

**THE CHAIRMAN:** I think we had not better touch upon that; that is one of the points we shall have to discuss later—what is purely coasting and what is incidental.

**MR. NORMAN HILL:** I merely mention that as giving rise to the value that will be attached to the Board of Trade certificate.

**THE CHAIRMAN:** I agree so far as the purely coasting trade is concerned we must give up that point.

**SIR JOSEPH WARD:** I take it that is so. If you look at Clause 171 of the New Zealand Act you will find it says: "Every steamship shall be surveyed once at least in each year in the manner provided in this part of the Act, and no steamship shall ply or proceed to sea or on any voyage of excursion unless the owner or master has a valid certificate from the Secretary as to survey, and applicable to the voyage or excursion on which the steamship is about to proceed." They are exempted from that requirement under Section 185 of the Act: "Where a certificate has been granted to any steamship by the Imperial Board of Trade, and is still in force, that steamship need not be again surveyed under this Act."

**THE CHAIRMAN:** And Sub-section 4.

**SIR JOSEPH WARD:** Yes, that says: "A steamship trading to or from any place beyond inter-Colonial limits, and which is not required by the Imperial Merchant Shipping Act to be surveyed and obtain a certificate, need not be surveyed under Section 181."

**THE CHAIRMAN:** And under 184, even if she had not a certificate.

**SIR JOSEPH WARD:** I am quite satisfied we have the power under our Act that if the officers desire a further certificate they can have it. What we are aiming at in the motion is to insure that where a Board of Trade certificate has been issued, it should be recognised without the interposition of other Governments coming in to say you must have a different certificate. If the vessel is seaworthy and has already been surveyed she ought to be allowed to proceed to sea.

**HON. W. M. HUGHES:** This Board of Trade certificate is to be understood not to apply to any other than British ships, because a Board of Trade certificate is issued in respect of foreign ships not after inspection or examination or survey by the Board of Trade, but upon statement by the Consul that the Act has been substantially complied with. That is not sufficient for me.

**SIR JOSEPH WARD:** That is a foreign ship. This applies to British ships.

**MR. NORMAN HILL:** There is no Board of Trade certificate issued to foreign ships; they are excused, that is all.

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HON. W. M. HUGHES: Quite so.

SIR JOSEPH WARD: We could step in in that case.

HON. W. M. HUGHES: We are not accepting those certificates at all.

MR. COX: You would say the Board of Trade excuse, but you will not.

MR. NORMAN HILL: We are not asking you to accept the excuses. I fully realise that liners bulk very large, but they do not do the big work of the world; the big work of the over-sea trade of the world is done by the general carrier. We are entirely in disagreement with the Colonies as to what is the wise way of regulating that class of ship. We believe for the last 50 years the policy of this country has been very successful. It has improved enormously the type of vessel employed, their seaworthiness, and the safety with which they carry their cargo. Certainly, however strict Government inspection might have been, I do not think it could possibly have shown better results than the system under which we work. Our system with the underwriters has really worked for the purpose of safe navigation, and we have built up on that basis, we venture to think, the finest mercantile fleet now afloat in the world. We are entirely in disagreement with our Colonial friends as to the necessity for this Government inspection; at the same time we fully realise from our first meeting what great importance they attach to this Government survey, and it was because we realised that, that we brought forward the motion which stood in my name on the lines that if we here complied with all the conditions laid down by our Board of Trade, that should be accepted in the Colonies.

THE CHAIRMAN: And have a certificate, too?

MR. NORMAN HILL: Yes. It is not that we believe that there is any necessity to subject all our cargo vessels to the Government survey. We would like Sir Joseph to add to his resolution, and make it so that it reads: "That it should be a suggestion to the Board of Trade that they should provide for the issue at the request of the shipowner of a survey certificate in the case of non-passenger vessels." Our object is this. We quite understand from what has been said here that if a British vessel which does not hold a Government certificate goes into Colonial waters, she will be treated differently from a vessel which does hold one. It would be a mistake for the shipowner to be a party to any general recommendation which could be used in support of an admission on our part that there is any necessity for a general survey of all ships trading in all parts of the world. We hear what the Australian and New Zealand delegates think is necessary, and we shall have to meet with their views if we want to carry on their trade. But for the rest of our trade, we do maintain that our policy has worked very satisfactorily up to the present time, and if Sir Joseph would accept the amendment I have proposed, we should clearly understand that if we want to get the benefit of this reciprocity, the benefit of this excusing power in Australian and New Zealand waters, we shall have to undergo the Government survey.

HON. W. M. HUGHES: Are you not contemplating an alteration of the Statute Law here?

MR. NORMAN HILL: No. I suggest the Board of Trade has now power.

HON. W. M. HUGHES: I thought we were going to endeavour as far as possible to make a uniform law. You are suggesting that it shall be optional on the part of the shipowner that the Board of Trade shall, whenever asked, grant such a certificate. Well, don't you think it would be very much more satisfactory if the law were made uniform?

MR. NORMAN HILL: If the law were made uniform and sensible it would be. But we venture to think it would be a great mistake to alter the law which governs our shipping all over the world, and move it from the basis which, as we think, has worked so satisfactorily.

HON. W. M. HUGHES: You say worked satisfactorily—satisfactorily to whom?

MR. NORMAN HILL: Worked satisfactorily with regard to loss of life, safety of cargo, improvement of the type of ship used. We have worked

up to now in connection with the underwriters, we have worked with Lloyd's and the British Corporation, and we maintain that is the best basis to get the best seaworthy ships, and the less we have to do with Government the better.

HON. W. M. HUGHES: I do not hold with that principle for one moment.

MR. NORMAN HILL: We are realising that. You tell us what it is you will not hold with in Australia. We say allow the Board of Trade at the request of the shipowner to make a survey here where it can be done most effectively and most economically. If the shipowner does not subject himself to that survey, let him take his chance in Australian waters.

HON. DUGALD THOMSON: Would the resolution not allow that without any amendment? because it would rest with the Board of Trade.

MR. NORMAN HILL: No; I think it is recognising a principle which we believe to be an utterly wrong principle, of subjecting every ship to Government survey.

THE CHAIRMAN: I think that is what Sir Joseph contemplates, that it should be a suggestion to the Board of Trade that they should provide for the issue of the certificate, not that we require it.

SIR JOSEPH WARD: That's what I was going to say. I think it rests entirely with the Board of Trade and the shipowner. If the shipowner wants to have uniformity, the Board of Trade and the shipowner will agree with regard to the certificate.

MR. PEMBROKE: It is not the intention that this should apply to the trade of the whole world?

THE CHAIRMAN: Oh, no.

MR. FERNIE: Might I say a word about a class of vessel that has not been mentioned, that is the despised sailing ship. I am afraid it would be very troublesome to obtain this survey in the case of a sailing ship going to Australia, because when they start away from here we do not know whether they will be in Australia or not. I would like to point out that the sailing ship trade in Australia is still of considerable importance. We want to avoid having sailing ships surveyed there as a matter of course. I quite understand if there are any defects, then they must be surveyed, but we do not want to have them go there and be surveyed every voyage, because, as Sir William Lyne stated, he was anxious to have British and foreign ships on an equal basis, or to give preference to British ships. If this proposal were carried out, I do not see how you could enforce a survey on all foreign ships.

HON. W. M. HUGHES: It is very obvious what would happen.

THE CHAIRMAN: In order to make it clearer it has been suggested, although I do not think it necessary because I think the resolution as drafted makes it abundantly clear, it has been suggested it should be put in this form: "That it should be a suggestion to the Board of Trade that they should provide 'facilities' for the issue of a survey certificate," so as to make it perfectly clear to the shipowners here who are naturally very sensitive on this subject.

HON. W. M. HUGHES: If they are so sensitive as that, I do not know what they will be later on. I want to say this: I cannot for the life of me see why we should not have a uniform law, and I would suggest, and if nobody else will do it I will myself move, that it should be a suggestion to the Board of Trade that in the opinion of this Conference the Board of Trade should provide certificates in the case of all vessels.

SIR JOSEPH WARD: I think that would be a mistake. If we unanimously recommend that the Board of Trade should provide for the issue of a certificate we meet the whole position of putting it upon the shipowners either to have the Board of Trade certificate or, by not doing so, to accept all the disadvantages.

THE CHAIRMAN: This may be done by an act of administration. I want you to bear in mind our very complex Parliamentary machinery. Last year we had a Bill with regard to shipping. We have not had a Bill for twelve years, and we probably won't have another for another twelve or twenty years. You

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know the difficulty as well as I do of getting any Bill through the House of Commons. We are trying to improve the machinery. There is the enormous interest involved. It is a very difficult thing to get a Bill through the House of Commons, and I am sure you cannot get the House of Commons to pass another Shipping Bill for another twenty years, whereas this suggestion can be carried out by an act of administration, and it will answer the same purpose. Naturally we would not suggest other vessels, vessels that go to the Baltic or the East.

Mr. HAVELOCK WILSON: May I say a word in reply to Mr. Hughes in regard to our views on this matter. We think that the proposal now before the Board would be quite sufficient.

THE CHAIRMAN: You mean Sir Joseph Ward's?

Mr. HAVELOCK WILSON: Yes. We think it quite sufficient for this reason; it covers a class of ships that go on long voyages, that are out of touch with the Board of Trade; but if they go into Australian waters there is a chance they would be surveyed, whereas our ships trading to the Mediterranean, the Black Sea, and the Baltic come and go from the United Kingdom every six or seven weeks. Well, if any crew have any complaints as to the seaworthiness of the vessel they are not very long before they let us know about it, as I think the Board of Trade will agree, for I very often have reasons to address letters to the Board with regard to the complaints of crews. I do not say they are always correct, but it shows there is a tendency on the part of the men, if they have any grievances as to unseaworthiness of the ships or boilers, they have a means of communicating with the Union, and the Union does not fail to bring the matter under the notice of the Board, and the inspectors go aboard and see to it. I think this proposal would be ample to meet our view on the matter, as it would touch a class of vessels that are out of touch with the Board of Trade for one or two years at a time.

Mr. BELCHER: It occurs to me, the crux of this question lies in this one fact: Are the Australian and New Zealand Governments to be permitted to conduct their own coasting inter-Colonial trade in their own way or not? From the remarks I have heard, I understand there is to be no attempt to try to deter the Australian Colonies enacting whatever shipping legislation they think proper. If the British shipowner cannot see his way clear to have certificates granted to his ships when they are going to Australia to trade there, then he will have to take the consequences of not doing so. I certainly agree with Mr. Hughes; I think, as a practical seaman, that it is highly desirable no ship should sail without a certificate granted by the Government. That is my own opinion. But this is where I disagree with Mr. Hughes: I do not think it is our place from Australia to suggest to the British people what they should do in that respect. They will find out probably in the course of time that they will have to do it. And in regard to the matter of the survey every six months, which has been mentioned by Sir William Lyne, which is to be incorporated in the Commonwealth Bill, ships in New Zealand are surveyed every twelve months, and we know they are surveyed extremely well; we have no reason to find fault with that at all, and it occurs to me that that is where with regard to the matter of surveying difficulty will creep in so far as the legislation of the different places is concerned. Apparently, from what Sir William Lyne has said, there will be no disposition on the part of the Commonwealth Government to depart from the provisions they have already incorporated into the Bill they hope to pass into law; at all events as one of the delegates from New Zealand, I may say that so far as the coastal trade, not only in New Zealand, but of Australia, is concerned, we must protect it for our own interest. Our shipping interests are certainly not so large as yours here, but to us they are every bit of as much importance as your trade, and we must protect it.

Mr. DUNLOP: Under this provision a vessel not going to the coastal trade would require this survey?

THE CHAIRMAN: Yes.

Mr. DUNLOP: It appears to me if that is the suggestion for the class of tonnage I represent, it would practically mean that we would have to secure a certificate before we left. If we sent a vessel to India, for

instance, we have no idea where she is going afterwards, and with that prospect in view I would have to secure that certificate before I left this country, or undertake the liability of putting myself into the hands of our friends in Australia to be surveyed there. Now, we had much rather trust ourselves to the Board of Trade. What I bring home to you is this: that this proposition which you are making means a great addition to the already overburdened shipowners. It means a great expense. I should like to hear from our Australian friends why they require it; why they want further surveys. From my experience, a ship has to undergo a very severe survey from Lloyd's. We know it would be useless to attempt to sail our ship without Lloyd's certificate, because they would practically be uninsurable; the underwriter, when you put a risk before him, looks to see when the ship has last been surveyed, and on that certificate he is prepared to underwrite. I maintain that the certificates under which we are liable now are just as good as a Government certificate could be. I maintain if this proposition is carried out you will require an army of surveyors for this work, because every tramp steamer that is going through the Suez Canal will require to get this certificate.

SIR JOSEPH WARD: Have you considered the second part: "That standards as to hull, machinery, boilers, and life-saving appliances, established by the Board of Trade and testified by current certificates, should be accepted for British ships throughout the Empire"?

Mr. DUNLOP: Yes. We have a great many ships that we do not have a Board of Trade certificate for. I would have to run the risk of getting such surveyed in Australia, or ask the Board of Trade to give me a certificate. Hitherto we have found that our legislation has so far worked admirably. The Imperial Parliament have sustained the position, and do not require every steamer to have a certificate. You talk of second-class steamers—there is practically no such thing.

SIR JOSEPH WARD: It means a non-passenger steamer.

Mr. DUNLOP: On this question of certificate I differ from Mr. Norman Hill. I should like that we should agree.

Mr. MILLS: One great objection to the classification certificate is that it is issued for four years.

Mr. DUNLOP: No; after a certain period it is surveyed every year.

THE CHAIRMAN: That is a matter we can arrange in the classification. I do not think we need worry about that; I think we shall be able to arrange it.

SIR JOSEPH WARD: I prefer to let the motion stand with the word "vessels" instead of "steamships."

THE CHAIRMAN: May I take it this resolution is move by Sir Joseph Ward and seconded by Mr. Norman Hill?

Mr. NORMAN HILL: Have we "facilities"?

THE CHAIRMAN: I think it means facilities—that they should provide for the issue of certificates; it is not compulsory.

HON. W. M. HUGHES: There is nothing compulsory about it.

SIR WILLIAM LYNE: What different position does that place us in to the position we are in now? I cannot see. I think it is simply emphasizing the same thing. You can take it Australia is not going to give up her right if there is a reason for surveying.

Mr. COX: We do not ask it.

SIR WILLIAM LYNE: At the present time she has a right to survey. She will have a right under this. I cannot quite see what different position a shipowner is in if this is passed than he was in before.

HON. DUGALD THOMSON: The difference of having the right to arrest a man if he does wrong, or saying he shall be arrested in any case every six months.

THE CHAIRMAN: One of the things shipowners want to avoid is this: they do not want to make it a

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regular burden that they should be surveyed every six months, but if the surveyor has good reason to believe a ship is unseaworthy, then he would pay no heed to a Board of Trade certificate or any other certificate. What they want to avoid is being subjected to this thing, as it were, in the natural course of events.

SIR JOSEPH WARD: What my motion is intended to do is this: As the law stands, we make provision that every steamship shall be surveyed every year. Under this, if the Board of Trade issue a certificate, this survey can be dispensed with. We want to save trouble; we do not want to have an unnecessary examination.

THE CHAIRMAN: Supposing a sailor complained to your officer in Australia and said this ship is unseaworthy, then your surveyor has a right to go on board, although the captain presents a Board of Trade certificate—it makes no difference at all.

SIR WILLIAM LYNE: Mr. President, I take it that if the Government of New Zealand or Australia has any idea, no matter what certificate is issued, that there should be a survey, they will do it in any case.

THE CHAIRMAN: Certainly.

SIR WILLIAM LYNE: And they won't do it unless there is reason. At the present time, it is compulsory for a certain time. Well, the only difference that this makes is that it is non-compulsory, but it can be done, and in that I quite agree. But I am not going one step further to give up the right under any conditions that might arise. I understand Sir Joseph Ward is proposing to insert the word "vessels."

SIR JOSEPH WARD: I will let it stand as it was—"non-passenger vessels."

SIR WILLIAM LYNE: There was a remark made by Mr. Dunlop about sailing ships, and I want to say a word about that. A sailing ship is not, perhaps, of the very best class, but the sailing ships that come to our coast want overhauling more than steamships. That has been demonstrated times without number, and therefore we must reserve our full right, especially with sailing ships, to survey every time under any conditions unless they have a new certificate. We would not do it if there was a reasonably late certificate from the Board of Trade. I speak of this because I have had to deal with them, and I had to pass legislation to prevent the previous state of things, with regard mainly to sailing ships that came for coal.

MR. FERNIE: I would like to ask how you would deal with ships under a foreign flag?

SIR WILLIAM LYNE: We never allow a ship to go out of Newcastle without being surveyed, especially one with a foreign flag. There are Eastern ships—many flags are flying over a less safe hull than a British, and whenever there is the slightest desire, we won't let them go out of port without being surveyed.

THE CHAIRMAN: I think we are fairly agreed.

MR. BELCHER: A great deal of stress has been laid upon manning and life-saving appliances, but there is one point in connection with efficiency I wish to raise, and that is the question of the eyesight of officers.

THE CHAIRMAN: We will come to that later on.

HON. W. M. HUGHES: I want to ask now, do I understand that this motion has been carried?

THE CHAIRMAN: No, I want to put it to the meeting.

HON. W. M. HUGHES: I want you to put every motion formally, if you don't mind.

THE CHAIRMAN: I want to be perfectly certain the discussion has been exhausted.

HON. W. M. HUGHES: It has been very exhausting, but what I want to ask is, who is going to vote supposing that we are differing in opinion? Who is going to vote?

THE CHAIRMAN: That's a question, I think. I think we must vote by delegation.

HON. W. M. HUGHES: I do not think we can.

THE CHAIRMAN: Let us see first of all whether there is a difference of opinion. One thing is clear, you cannot carry by majorities, because we are each responsible to his own Government, and it is perfectly clear you cannot carry anything by a majority in a Conference of this kind. But still if we can be unanimous, it is all the better. Well, now, I think I had better put this motion.

HON. W. M. HUGHES: One moment. It is quite true that we cannot carry anything by a majority, but there are a number of gentlemen here who outnumber us, of course, and yet do not constitute a majority, because they cannot be regarded as delegates by the British Government. I only ask what "unanimous" means? "Unanimous" does not mean "official," or representatives other than Government Delegates.

THE CHAIRMAN: Oh yes, they are here by invitation of the British Government.

HON. W. M. HUGHES: Then all I have to say is this. Your invitation to us was to send three or four representatives. Well now, it is a very obvious thing that if you propose to confront us with 13 or 14 other gentlemen who are already on the spot, nothing we can say or do can ever make us equal to 13 or 14.

THE CHAIRMAN: That is why I say the vote of the majority could not bind you. Therefore, this question does not arise. I am rather a believer in Abraham Lincoln's motto, "Don't cross the Fox River until you come to it." If we are agreed, then we need not raise that discussion; if we are not, then we have to decide the question of voting. Sir Joseph Ward's motion is:—

"That it should be a suggestion to the Board of Trade that they should provide for the issue of a survey certificate in the case of non-passenger vessels, and that standards as to hull, machinery, boilers, and life-saving appliances established by the Board of Trade and testified by current certificates should be accepted for British ships throughout the Empire."

SIR WILLIAM LYNE: That raises the question that I raised at first, that it does not make any provision for us keeping an elastic power, and that ought to be added to the resolution, otherwise when that is presented to my own Government they will say, "Why did you agree to it? It binds you hard and fast to that certificate"; there must be something added to it.

THE CHAIRMAN: The idea is this, that this does not provide for any Government to survey a ship in case of necessity.

HON. W. M. HUGHES: I do not think that is necessary.

SIR WILLIAM LYNE: I do, and I am very strong on it. This is a bald resolution.

HON. W. M. HUGHES: This is not a recommendation to alter a Statute. It cannot alter an English Statute or an Australian Statute. It is simply a means whereby any shipowner who chooses can avoid our periodical survey in Australia.

SIR WILLIAM LYNE: I hold on by the resolution without some words to show it is not intended to be absolutely tight.

MR. PEMBROKE: I am very glad to hear Sir William Lyne say that. I thought the Australian Government were absolute. I thought you had that inherent right.

SIR WILLIAM LYNE: I think we have. I think that is very necessary.

THE CHAIRMAN: I thought it was not necessary to confirm that at the Conference at all.

HON. W. M. HUGHES: Then I suggest, Mr. President, that what you should do is to make a general proviso that none of these recommendations should take away or affect in any way the inherent constitutional right that an Australian or any other Government has to make any law it pleases. I don't say it is wanted: I think it goes on the face of it.

THE CHAIRMAN: We cannot lay down constitutional principles here.

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SIR JOSEPH WARD: How would it do to add the words, "But without affecting the right of the respective Governments to require a survey in cases where they think necessary"?

THE CHAIRMAN: I don't think there is any objection to that.

MR. NORMAN HILL: That prevents us agreeing on a common standard.

HON. W. M. HUGHES: If you add a rider you will spoil it.

MR. PEMBROKE: Wouldn't it be better to say, "In case of unseaworthiness."

HON. W. M. HUGHES: If that rider is carried then it takes away all Mr. Hill has been trying to obtain.

SIR JOSEPH WARD: I will make it "unseaworthy ships."

MR. NORMAN HILL: "Alleged or suspected unseaworthiness."

THE CHAIRMAN: I think it necessary to make another alteration. The Colonial Office points out that Canada is not represented on this Conference. They are a little sore about not being invited. No question has arisen, but I hear they are complaining, and they might complain if we propose something which would seem to be legislating for the whole Empire, so instead of saying "throughout the Empire," I think we might say, "should be accepted for British ships in Australian and New Zealand waters."

SIR JOSEPH WARD: I have no objection to that.

MR. COX: The Canadians asked if they were to come to this Conference, and we said, "No, there is no question affecting you." This is a Conference between Australia and New Zealand and the British Government. If we say, "throughout the Empire," they will say, "We are concerned as well as anybody else."

MR. HAVELOCK WILSON: There are Canadian ships which go in for the Australian trade.

THE CHAIRMAN: This is how it reads now:—

"That it should be a suggestion to the Board of Trade that they should provide for the issue of a survey certificate in the case of non-passenger vessels, and that standards as to hull, machinery, boilers, and life-saving appliances established by the Board of Trade and testified by current certificates should be accepted for British ships in Australian and New Zealand waters, but without affecting the right of the respective Governments to require a survey in particular cases if they think it necessary."

HON. W. M. HUGHES: Before that is put, I should like to say that I think those words are words of limitation. What we want is simply to place the British ship with its certificate on exactly the same footing as the Colonial ship with its certificate. We only want the same right. Now that seems to give us a right in particular cases other than those to which a Colonial ship is subject. What I think should be done is, let somebody draft a rider which will cover it. We will accept that now temporarily. Perhaps Sir William Lyne will allow the thing to go, and let an amendment be drafted that will cover it. I understand what Sir William wants. That does not do what is required.

MR. NORMAN HILL: Would it meet the case to say, "This certificate should be accepted for all purposes for which Colonial certificates can be accepted." Make it clear that our certificate is only in lieu of the Colonial certificate and subject to all the conditions the Colonial is subject to.

SIR WILLIAM LYNE: What is your interpretation of the word "Colonial"?

MR. NORMAN HILL: You will be issuing a certificate: a British ship comes to Australia without the Board of Trade certificate, you give her a certificate, she goes on trading in your waters, and in three months it is reported that the ship is defective. Notwithstanding the currency of your certificate, you order

your surveyors on board, and if necessary she is condemned. Now if we provide that Board of Trade certificates are to have the same effect as your certificate and no more, that would give you the same control over the Board's certificate as you have over your own.

THE CHAIRMAN: Will Sir William Lyne be satisfied if we carry this resolution as it stands and during the luncheon interval two or three gentlemen draft a separate resolution and bring it up afterwards.

SIR WILLIAM LYNE: Do you mean as you read it with the added words?

THE CHAIRMAN: No, down to "New Zealand waters," with the clear understanding that a proviso is brought up immediately after lunch and carried as a separate resolution, or added on to this.

SIR WILLIAM LYNE: I cannot see what objection there can be to the words proposed?

THE CHAIRMAN: By Mr. Norman Hill?

SIR WILLIAM LYNE: No, the words you read.

HON. W. M. HUGHES: I have an objection to them. They are clearly words of limitation.

SIR WILLIAM LYNE: I beg my friend's pardon; they are clearly words keeping the rights we have.

THE CHAIRMAN: There is really no difference of opinion. It is purely a question of drafting. I think it is a pity the Conference should be arrested by a discussion purely on drafting.

SIR WILLIAM LYNE: I am not wedded to the words, but could not something be put in, so long as there is nothing taken away.

SIR JOSEPH WARD: How would this do? Say "the Board of Trade certificate to be accepted in Australian and New Zealand waters as of the same effect as the local certificate."

SIR WILLIAM LYNE: I am quite agreeable if it has the effect I tell you.

The motion was then unanimously adopted in the following form:—

"That it should be a suggestion to the Board of Trade that they should provide for the issue of a survey certificate in the case of non-passenger vessels, and that standards as to hull, machinery, boilers, and life-saving appliances, established by the Board of Trade and testified by current certificates, should be accepted for British ships in Australian and New Zealand waters, the Board of Trade certificates to be accepted as of the same effect as the local certificate."

THE CHAIRMAN: Now we come to the provision scale. I think Sir William Lyne said on the whole he was satisfied with the provision scale.

SIR WILLIAM LYNE: No, I said I'd like to see what it is. In that regard I understand that Mr. Hughes objects to the scale of the Board of Trade. I have been through it, and I must say I cannot see much difference myself. Mr. Hughes was Chairman of the Royal Commission, and they may have seen some good reason for making the scale in the way it was, but that is a technical matter, and perhaps Mr. Hughes would be kind enough to say what he objects to.

HON. W. M. HUGHES: I do not know whether I am supposed to criticise this in detail. I do not object to any particular thing. I say the recommendation of our Commission is a very suitable one for Australia, and it has been drawn up by a man who has had experience of Australian conditions. It has the advantage of being cheap.

THE CHAIRMAN: That is only for our own ships.

HON. DUGALD THOMSON: Might I point out in the Report of the Royal Commission which recommends this scale, it is only proposed to apply it to practically Australian vessels and to coasters, and therefore there is no difference between us.

HON. W. M. HUGHES: Yes, that is right.

HON. DUGALD THOMSON: It is only proposed to apply it to ships registered in Australia and coasters,

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unless a vessel can for this cause be brought under the definition of unseaworthy. There is a very wide interpretation given to unseaworthiness in the Australian proposals. Mr. President, might I also draw attention to the fact that we can make no effective provision on British oversea ships for any scale of provision. We could only see that certain provisions were on board. After they leave our shores, they are under the British law, and they can serve their provisions out in accordance with that law. So that there is really no opportunity for any difference that I see.

THE CHAIRMAN: I do not see there is any substantial difference in the scale.

HON. W. M. HUGHES: I do not agree with you altogether there. There is a difference. But I should like to hear an expression of opinion from a British delegate as to whether he considers the statutory scale of your recent Act quite satisfactory. Anyhow, we cannot do anything; we might make some suggestion.

THE CHAIRMAN: This is all we propose:—

"That the Provision Scale laid down in the Imperial Act of 1906 be recognised by Australia and New Zealand for use on British ships."

That is all we propose.

MR. HAVELOCK WILSON: In order to satisfy Mr. Hughes on that point I should like to say that although our scale is not quite up to my expectations and is not as good as I would like to have it; still, it is a great improvement on the old scale, and I think that if seamen get provisions of that quality and that amount they would not be very badly off. There is only one point that will have to be considered, I think, in connection with that, viz.: vessels employing Lascars on the Australian coast. We have not touched the question of provisions for Lascars, and I have no doubt that the Australian people will certainly have something to say about that.

HON. W. M. HUGHES: Do you say this is not to apply to all sailors?

THE CHAIRMAN: You could not give this to Lascars. They do not eat the same sort of stuff.

MR. HAVELOCK WILSON: I have already said there certainly ought to be a proper scale of provisions for Lascars.

THE CHAIRMAN: As Mr. Havelock Wilson knows, I have referred to that. They are under the Indian Government, and it is not for us to provide for Lascars.

HON. W. M. HUGHES: When a man comes to our country and is employed in our country, it is a question for our country.

THE CHAIRMAN: I know; but what I mean is this: On the whole they are in a better position to suggest a food scale than we are, and therefore I would rather that the suggestion should come from them. This is the provision in the Act of 1906 we have for Lascars: This section shall not apply in the case of Lascars or natives of India or others not accustomed to European dietary with whom an agreement is entered into providing an adequate scale of provisions suited to their needs and uses. So it is an agreement for providing an adequate scale.

HON. W. M. HUGHES: What is an adequate scale? Suppose a Judge asks what is an adequate scale, what would you say? Why don't you say an adequate scale for English seamen? Because a sailor might say, "I want four quarts of beer a day; I want rump steaks for breakfast." Why not fix an adequate scale for Lascars?

THE CHAIRMAN: That has been referred to the Indian Government.

HON. W. M. HUGHES: Speaking for myself, I should not be in favour of allowing any Lascar who made a complaint as to insufficient dietary to be put off merely because his agreement said that the food should be adequate, and he said it was not. Some proper provision should be set forth—so many pounds of rice, and so on.

THE CHAIRMAN: Oh, no; it does not matter what the agreement calls it; the question is whether the scale is adequate, and that would be judged by an Australian Court.

HON. DUGALD THOMSON: At present that does not arise, because it is between our two scales, the Australian and the British, and no Lascar scale is in question.

MR. HAVELOCK WILSON: If you have those ships on the coast, the question is bound to come up sooner or later: What scale will you apply? Will you apply our scale, or what scale? It is bound to come up under any circumstances.

MR. LLEWELLYN SMITH: You could not apply either of these scales.

MR. HAVELOCK WILSON: Then they are under no scale.

SIR WILLIAM LYNE: I do not think Australia wants them, and I do not know whether they will legislate for them.

THE CHAIRMAN: That will come later on, when we come to manning.

HON. W. M. HUGHES: It comes in this way: There are ships trading on our coast, and they have Lascars on them. They are coming to and from India and on the north-west coast, and we may as well express an opinion as to whether there should be a Statutory Scale for coloured seamen.

THE CHAIRMAN: I can see that this question arises on every item of the agenda, and that is why I preferred putting it in the separate item. The question of the kind of vessel to which Australian conditions should apply, I put in No. 4 on the agenda, so I think we had better confine the discussion to that.

HON. W. M. HUGHES: You had better include in No. 4 what constitutes seaworthiness.

THE CHAIRMAN: "Australian conditions" will cover that, surely.

HON. W. M. HUGHES: Yes; Australian conditions, generally.

THE CHAIRMAN: Whatever your conditions may be with regard to wages, manning, accommodation.

HON. W. M. HUGHES: Each one of these is a separate heading, surely.

THE CHAIRMAN: This is a very comprehensive item. I quite see we cannot avoid discussing that, and we have to face it. Surely you would not object to this:—

"That the Provision Scale laid down in the Imperial Act of 1906 be recognised by Australia and New Zealand for use on ships registered in the United Kingdom."

It is pointed out to me that will not cover the other Colonies. We might say "for use on British ships not registered in Australia and New Zealand."

HON. W. M. HUGHES: Why do you propose to make recommendations for Australia and New Zealand, and in some respects for Canada and other countries as well? Why not either make these suggestions general throughout the Empire?

THE CHAIRMAN: Well, you cannot. You see, it is not an Imperial Conference. I wish Canada had been represented.

HON. W. M. HUGHES: Our Government made a recommendation they should be.

SIR JOSEPH WARD: If we look after our own interests, I think we do pretty well. We cannot make it apply to the whole of the Empire.

MR. NORMAN HILL: Would it be possible to add to the resolution "examination of the stores under the Act of 1906"?

THE CHAIRMAN: That is a separate point. Now, is this agreed to?

HON. W. M. HUGHES: What is the scale for?

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**THE CHAIRMAN :** For British ships. The resolution is :—

“That the Provision Scale laid down in the Imperial Act of 1906 be recognised by Australia and New Zealand for use on British ships not registered in those Colonies.”

**MR. BELCHER :** I think it should be extended a little further. A vessel may trade for years on the Australian coast and be registered in Greenock or Liverpool.

**THE CHAIRMAN :** I pointed that out to Mr. Hughes. You have to deal with that question as a separate proposition—what class of vessel the Australian conditions apply to—you have to deal with that.

The resolution was then put to the meeting and carried unanimously.

**THE CHAIRMAN :** Now, Mr. Norman Hill has a point to raise about provisions. This is a proposition :—

“That provisions on British ships which have already been inspected and passed by Imperial officers be exempt from further inspection in Australia and New Zealand, except upon complaint.”

**MR. NORMAN HILL :** It is our object to provision our ships so far as we can for a round voyage, and if we have subjected our provisions to the examination of the inspectors of our Government under the Act, and those provisions have all been passed as satisfactory, we submit there is no necessity for an examination in the Australian port or New Zealand port, and that it would be a hardship to have those provisions which have been passed as good and sufficient and in accordance with the standards that we have to comply with here, subjected to another examination by another Government inspector.

**SIR JOSEPH WARD :** So long as the right is reserved, because conditions may alter.

**SIR WILLIAM LYNE :** I don't think it should be on complaint. I think it ought to be in the hands of the Government officials. If they find a ship, it might be all right when they get there, but they have a right to know.

**MR. COX :** How would they know without complaint?

**SIR WILLIAM LYNE :** They would find out?

**THE CHAIRMAN :** What is the Australian provision with regard to inspection? Supposing you inspect provisions you have a right afterwards to go and inspect them a second time.

**SIR WILLIAM LYNE :** Every time we like, if we find there is anything wrong.

**THE CHAIRMAN :** All we require is that it should be the same. The shipowners could not object to that. Let us put it in that form.

**SIR WILLIAM LYNE :** The same power as we have with our own vessels.

**SIR JOSEPH WARD :** As it is, I think it is perfectly right.

**THE CHAIRMAN :** Do you proceed except upon complaint.

**HON. DUGALD THOMSON :** It is the same as the provision in your own Bill.

**HON. W. M. HUGHES :** Before you put that, I think some period should be stated. Some one was saying they did not know where they were going. A tramp starts out, it may go to New York, it may get to Australia two years after it starts. Of course, the words “upon complaint” seem to cover a great deal, yet what sailors put up with without complaint is amazing!

**THE CHAIRMAN :** This does not mean except on complaint by sailors.

**HON. W. M. HUGHES :** It means complaint on the part of those eating the provisions.

**THE CHAIRMAN :** It probably would be.

**HON. W. M. HUGHES :** Just before we left home there was a case, I believe, on the “Dartford,” which had some butter, which was alleged to have been excellent when put in at Liverpool, but it got very bad on the way out, and the magistrate rescinded the Articles because of it.

**THE CHAIRMAN :** Did the sailors complain?

**HON. W. M. HUGHES :** They did. But, as I say, sailors generally regard this sort of thing as being the natural order of things.

**THE CHAIRMAN :** I am not sure they do.

**HON. W. M. HUGHES :** I am inclined to think they do. What they put up with is something amazing. I do not see why you should object to have your provisions inspected. Water sometimes is very old, and a man might drink it and he might not know it. Why can't you have your provisions inspected?

**THE CHAIRMAN :** We only want the same conditions with regard to British ships as you are inserting for the protection of Australian sailors.

**HON. W. M. HUGHES :** An Australian ship, at the outside, is not probably away six weeks.

**HON. DUGALD THOMSON :** She may be more.

**HON. W. M. HUGHES :** Where does she go to?

**HON. DUGALD THOMSON :** Calcutta.

**HON. W. M. HUGHES :** To my knowledge there are only seven or eight ships of any size that go farther than Fiji. Suppose she is away three months—a British ship may be away two years.

**MR. NORMAN HILL :** We are only asking with regard to stores that have been passed.

**SIR WILLIAM LYNE :** I object to restricting the power of Australia or Australian officers in cases of this kind where it is a matter of life and death.

**HON. W. M. HUGHES :** I think at any rate a period should be put that provisions should be automatically inspected after a given period.

**HON. DUGALD THOMSON :** You can say inspected within a given period.

**SIR WILLIAM LYNE :** But in addition to that, supposing a ship was leaving and taking provisions on in Australia, we surely have the right to see the whole of her provisions, those she has taken on, and those she had before.

**HON. W. M. HUGHES :** Supposing she had a lot of butter which had not yet been consumed; it may have become bad. The crew have not yet eaten it, but on the voyage home they will have to, and then I think if inspection were made that would be discovered.

**THE CHAIRMAN :** You want to suggest that British ships should be subjected to an inspection to which you do not subject your own ships.

**HON. W. M. HUGHES :** We do subject ours.

**THE CHAIRMAN :** Mr. Hughes has already read the provisions—you do not inspect except upon complaint.

**HON. W. M. HUGHES :** I didn't read it.

**HON. DUGALD THOMSON :** I read it from the Government Bill.

**SIR WILLIAM LYNE :** It is on the Bill, and in addition to that, I want to point out that it has just been suggested to me that you cannot quite conceive all the conditions in Australia by the conditions here. Our climate is much more trying, regarding provisions, than yours, and it is more necessary that we should examine those provisions oftener than you do, because if your vessel is trading up the coast or away to China or Japan, you are going through a hot climate and sometimes a very moist climate at certain seasons of the year.

**HON. W. M. HUGHES :** I should say six months would be a fair period.

**HON. DUGALD THOMSON :** Mr. Hughes proposes that a period should be fixed.

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**SIR JOSEPH WARD:** I think if the section of the New Zealand Law were embodied it would answer. We provide that if three of the crew complain, there must be examination. We provide that under Clause 116, which says, "In the case of ships trading or going from any port of New Zealand through the Suez Canal or round the Cape of Good Hope or Cape Horn, the barrels of beef and pork, the preserved meat and vegetables in tins, and the casks of flour or biscuits intended for the use of the crew of any such ship shall be inspected by such officer and in such manner as rules under this section direct, but before shipment whenever practicable, and if in the opinion of the inspecting officer they are fit for that use, he shall certify the same accordingly." And then it goes on to say, "The inspecting officer may at any time proceed on board any such ship to ascertain whether the stores and water provided have been duly inspected."

**SIR WILLIAM LYNE:** What you are reading is what I want as a general thing.

**MR. NORMAN HILL:** You contemplate an inspection for a round voyage. We have provided inspection for our round voyages. Both the Australian and New Zealand Bills clearly contemplate inspection for a round voyage. But it would clearly be most unreasonable for our Board of Trade to inspect the provisions which had passed your standard.

**SIR WILLIAM LYNE:** I don't think so.

**THE CHAIRMAN:** Mr. Hughes suggests a time limit; what time do you suggest?

**HON. W. M. HUGHES:** I certainly think that stores should be examined at least every six months.

**MR. HAVELOCK WILSON:** Every 12 months.

**MR. FERNIE:** I don't see how we can provision our ships.

**SIR WILLIAM LYNE:** I propose the same as the New Zealand Act, that is for vessels going north, if that route were added—I don't know why routes should be added myself.

**HON. W. M. HUGHES:** No, because she might come through the tropics before she got to Australia. Either don't agree, or put a limit.

**SIR WILLIAM LYNE:** I don't like a limit; I think we ought to be unrestricted. I can well understand shipowners not wanting anything done. They, no doubt, will do what they think good to oppose. But we are living on the other side of the globe, and we have to look after our people there. Even though you may send your ships with all good intentions, you do not know what may transpire in hot climates. We should have absolute power to inspect if we desire to do so, and I hope the shipowners here do not think that Australia wants to do all she can against shipowners. She does not. She doesn't consider the shipowners a bit in the matter. We consider the public of Australia, and, therefore, I think we ought certainly to give fair play to the shipowners; but we do not desire to interfere with them.

**THE CHAIRMAN:** These are British crews. We don't mind Australia protecting her own.

**SIR WILLIAM LYNE:** The crews are often changed in Australia.

**MR. PEMBROKE:** I think with our crews, where the provisions have been inspected they should stand good unless there is a complaint on the part of the men. The men never fail to complain when there is anything wrong.

**HON. W. M. HUGHES:** How are they to know to whom they are to complain?

**MR. NORMAN HILL:** Under the Act of last Session we are bound to conform with our Law.

**SIR WILLIAM LYNE:** I do not think any shipowners in the best class of company would attempt to do anything wrong. Some companies may not conform to the Act, but I don't think the best class would do that. At the same time, we have a trust.

**HON. W. M. HUGHES:** The shipowners might not know what kind of provisions to provide.

**MR. NORMAN HILL:** We have had some experience. It would be very hard for us to provision our ships here for a round voyage in accordance with the inspectors here, and then have those provisions rejected because they are not of some particular brand or grade. Of course, if there is any question of unwholesomeness, let them be condemned at once.

**HON. W. M. HUGHES:** I shall move "upon complaint" or "at the expiry of a period of six months."

**SIR WILLIAM LYNE:** I think we ought to reserve the right altogether.

**MR. BELCHER:** I quite agree with Sir William Lyne that we should have the right to inspect whenever we think proper.

**MR. FERNIE:** How would you apply that provision to foreign ships?

**SIR WILLIAM LYNE:** We have the right all round. I think the shipowners should trust Australia a little bit.

**MR. FERNIE:** We don't.

**MR. NORMAN HILL:** What we are nervous about is how you can enforce it against foreign ships.

**SIR WILLIAM LYNE:** Unless there is something unconstitutional, or some illegality in our doing it, it will be done with foreign ships.

**MR. NORMAN HILL:** Yes, if you do it they won't be able to hit you back, but they will hit us back all over the world. If you enforce regulations on a German boat which Germany resents, she won't hit you, but she will hit us.

**HON. W. M. HUGHES:** They are better looked after on some of the German boats than they are on ours.

**SIR WILLIAM LYNE:** I quite agree to an expression of opinion from the Conference that it is not a wise thing to harass the shipowners, but we must under certain conditions reserve the power.

**SIR JOSEPH WARD:** How would it be if this were put in, "that in the inspection of stores and provisions in Australia and New Zealand, the standard of quality be accepted as sufficient."

**THE CHAIRMAN:** We might say:—

"That provisions on British ships which have already been inspected and passed by Imperial officers be exempt from further inspection in Australia and New Zealand, except upon complaint, or unless the authorities have reason to believe that such inspection is necessary."

**HON. W. M. HUGHES:** How can they have reason to believe, except upon complaint?

**MR. COX:** That is the question I asked, and Sir William Lyne told me they were very cute and knew.

**MR. HAVELOCK WILSON:** That still gives our men the right to complain.

**SIR WILLIAM LYNE:** I would not like to see that done away with.

**THE CHAIRMAN:** Do you agree to that?

**HON. W. M. HUGHES:** I don't see what it means, but I will agree to it.

The resolution was then put to the meeting, and carried unanimously.

## AFTERNOON SESSION.

**THE CHAIRMAN:** The next point on the Agenda is (b) Accommodation, Ventilation, and Conveniences, and I do not know whether we will take Manning at the same time or separate.

**SIR JOSEPH WARD:** I think we had better take it separately, and I propose, in order to fix the discussion, to move a resolution:—

"That the accommodation, ventilation, and conveniences of ships owned in Australia or New Zealand, or engaged in the coastal trade, be subject to the local shipping laws."



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HON. DUGALD THOMSON: That does not say that others shall not be.

MR. NORMAN HILL: Do you mean only such vessels. Does your motion carry a negative meaning?

SIR JOSEPH WARD: Only such vessels, but that practically is the law enforced in New Zealand at the present moment.

THE CHAIRMAN: That raises a legal question. We want to leave legal questions out at the moment. We will have to discuss the definition of coastal trade. For the moment I think we had better use the word coastal trade subject to definition of coastal trade later on when we come to 4. I think we had better not discuss the definition now.

HON. W. M. HUGHES: We keep on putting off these things—the question of accommodation, ventilation, conveniences, manning—if that is only to refer to our own ships and not to any others, it is no use discussing it at all, is it? Because we are not here to make laws, we are here to make suggestions. Now, in the case of New Zealand, it is the law already. They have made certain provisions to which British shipowners take exception; with regard to ourselves, we propose to make certain laws. Well now, if the coasting trade is only to affect our own ships and not to affect yours, it is no good discussing it.

THE CHAIRMAN: We don't propose that.

HON. W. M. HUGHES: The question is, what is coasting trade?

THE CHAIRMAN: That is a point we have to discuss. I thought we would discuss that under 4. We put that down specifically to raise a discussion on it.

HON. W. M. HUGHES: I think it is better to discuss first what is coasting trade, then what regulations should govern the coasting trade, and then what ships should come under it.

THE CHAIRMAN: I do not know that we want to discuss what conditions shall affect the coasting trade; that is a matter for you.

SIR JOSEPH WARD: The Imperial Act refers to coasting trade, that is why I put it in.

HON. W. M. HUGHES: The New Zealand delegation is in a very different position to ours. They are dealing with a matter that has been settled. With us we have to make the law, and any suggestion you may offer may seriously affect our Parliament.

THE CHAIRMAN: That would not prejudice your position at all, because that simply says whatever you insert in your law with regard to ventilation, accommodation, and conveniences, shall apply to the coasting trade. We do not attempt to define what those conditions shall be.

HON. W. M. HUGHES: But when we have done all this and we come, as we inevitably must, to No. 4—

THE CHAIRMAN: Which I hope will be to-day.

SIR JOSEPH WARD: I think that is quite right, so far as it goes.

HON. W. M. HUGHES: As far as it goes? But the question is, how far does it go?

SIR JOSEPH WARD: You have to consider that on No. 4.

MR. NORMAN HILL: In considering this motion which, as I understand, will apply to all Acts, the Act and the Bill, are we right in understanding that in so far as they enact special requirements, they shall extend only to the vessels owned in the Colonies or engaged in the coastal trade. We would like, of course to submit one or two points similar to the ones we have already discussed, that is to say that there shall be reciprocity—they should accept our standards.

THE CHAIRMAN: But Sir Joseph Ward's proposition is with regard to the oversea trade. We won't for the moment attempt to delimit the oversea trade from the coastal trade, but so far as the oversea trade is concerned, New Zealand conditions shall apply to those ships engaged in the coastal trade.

MR. NORMAN HILL: The motion relieves us of a very great deal of anxiety. It makes it clear that our oversea conditions have to comply with our own law. But if we support the resolution that they have the right to make their own conditions, we would like the Colonies to consider how far they can extend to us international courtesy that we extend to other foreign nations who deal with us. If we could come to some understanding I think we should support the resolution, but in supporting the resolution, we would like it to be clear that we would like these questions considered.

MR. LLEWELLYN SMITH: I do not gather that the resolution would preclude that. I don't say it would be accepted, but it would not be cut out.

HON. W. M. HUGHES: There is one thing that I cannot quite agree with in Sir Joseph Ward's motion. It is this, that not only on vessels engaged in the coastal trade, but vessels trading from Australia, say, vessels registered in London or Glasgow, and trading from Sydney to Calcutta—

SIR JOSEPH WARD: Perhaps if I add this to the motion it will clear the ground: "And that coastal trade should comprise cargo and carriage of passengers on the coast or between the Commonwealth of New Zealand and the Islands of the Pacific."

HON. W. M. HUGHES: Calcutta is not an island in the Pacific, nor is Manila.

THE CHAIRMAN: That is raising quite a separate issue, which we shall have to settle.

HON. W. M. HUGHES: We are beginning in Australia to have a foreign-going trade. We are having vessels—they may be registered here or in Australia—but they sail from our ports to foreign ports, to South American ports, Calcutta, Singapore, and we want our conditions to apply to them as far as possible.

THE CHAIRMAN: They are practically Australian ships, and you have tried to meet them in Subsection C. Now that is one of the things we thought we would discuss under 4. We have been considering that very carefully—Subsection C of your report, page 37.

HON. DUGALD THOMSON: Might I point out that the Report of the Commission only comprises accommodation and provisions for such ships?

MR. LLEWELLYN SMITH: But are not those ships practically Australian owned?

HON. DUGALD THOMSON: Very often.

MR. LLEWELLYN SMITH: That is covered by Sir Joseph Ward's resolution; he says "owned."

HON. W. M. HUGHES: But there are very many which are not. Their domicile is British, although many of the ships are registered in Australia. There are other companies that are engaged in deep-sea trading; they put a boat on the coast for three months, and then, perhaps, she goes to Valparaiso or Singapore. We want these provisions to apply.

MR. COX: May I ask one question. Do you mean that if a ship registered in London goes on a round voyage and does what we might call a coasting trade, and then takes a voyage to Valparaiso or North America, that Australian conditions are to apply to that ship after she has left for Valparaiso, on the high seas?

HON. W. M. HUGHES: You see it all depends. You can evade any law if you like by saying you do not know whether the ship is coming back again, but when, as a matter of fact, it does come back it goes to Singapore or Valparaiso, and then it takes up the running on the coast again—

MR. COX: Do you propose to penalise her for something she has done in Singapore?

HON. W. M. HUGHES: I don't propose anything of the sort. What we say is this. We have a summary of the recommendations of the Commission, and to these clauses certain classes are affixed:—This applies to ships registered in Australia, ships licensed to trade on the Australian coast, and ships continuously trading to any port in the Commonwealth. In any case, whether it is provided for in our report or not, I

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feel they are there. Before I left, a case came into court in connection with just such a ship as this. Part 4 of the Bill on which we sat, Clause 185, says: "This part of this Act shall apply to (a) all British ships, and (b) all foreign ships carrying passengers or cargo shipped in any port in Australia to any port in the British Dominions," and it is proposed to add to that Subsections (c) and (d). Well now, that applies to unseaworthy ships, unsafe ships, life-saving appliances, and dangerous goods.

MR. COX: May I put a concrete case which occurs to me. A ship is registered in the Port of London; she goes out on a round voyage to Australia, and goes from one Australian port to another picking up passengers and goods; she then gets to Sydney, then she clears for Valparaiso, and she comes back to Australia. While in Valparaiso, she has violated some of the conditions prescribed by the Australian Act, is she liable to be prosecuted when she gets back to Australia for what she has done?

HON. W. M. HUGHES: I should not say so. It all depends.

MR. COX: But doesn't it go as far as that?

HON. W. M. HUGHES: Our jurisdiction begins and ends on foreign ships while in Australia, and on Australian registered ships wherever they are. I presume our jurisdiction is the same as the jurisdiction of all countries; that is, it extends to all ships within the territorial waters or on Australian ships wherever they are, subject, of course, to the law of other nations. That, I presume, is the law with regard to ourselves.

MR. COX: Not unless it has been come to by the Colonies, because it has been laid down that it applies to territorial waters.

HON. W. M. HUGHES: Yes, as regards accommodation. If the ship had certain accommodation while in our waters, and in other respects manned as we require, I cannot see how when she got to Valparaiso she could do anything against our law. Of course, she could stop up the ventilation.

MR. LLEWELLYN SMITH: I suggest you have really got all you want under (b) "Licensed to trade on the coast."

THE CHAIRMAN: We are getting on to discuss 4. I don't want to restrict discussion, but we are discussing 4 under 3.

HON. DUGALD THOMSON: Practically the recommendation of the Commission agrees with the intention of Sir Joseph Ward's motion in limiting the application to ships such as appear in the footnote, that is, (a) ships registered in Australia; (b) ships licensed to trade on the Australian coast; and (c) is objected to because of its indefiniteness, and we are asked if we have not all that is necessary under (b).

HON. W. M. HUGHES: Quite so. There was the ship "Century" (Howard Smith). She was registered in the Port of London; she was engaged in the coasting trade; she would not be a ship registered in Australia, and she would not be a ship licensed to trade on the Australian coast.

HON. DUGALD THOMSON: Then she would not trade.

HON. W. M. HUGHES: I do not know whether she would or not, because there might be no licence at all, or no licence to issue in the case of such ships—that might be a ship owned in Australia and registered in London.

MR. NORMAN HILL: Sir Joseph Ward's motion covers those engaged, as a matter of fact, in the coasting trade.

HON. W. M. HUGHES: If we were to decide what coasting is, I think it would be better.

THE CHAIRMAN: This is the motion:—

"That the accommodation, ventilation, and conveniences of ships owned in Australia or New Zealand, or engaged in the coastal trade, be subject to the local shipping laws."

HON. W. M. HUGHES: Owned or engaged?

THE CHAIRMAN: That covers your point.

HON. W. M. HUGHES: But what about registered?

THE CHAIRMAN: It doesn't matter about registered.

HON. W. M. HUGHES: It does matter, because it might not be owned.

THE CHAIRMAN: Well, say "owned or registered."

MR. NORMAN HILL: Isn't "registered" better than "owned"?

THE CHAIRMAN: Would you prefer "registered" to "owned"?

HON. W. M. HUGHES: No; use the three—"owned" or "registered" or "engaged."

HON. DUGALD THOMSON: Why should a vessel registered in Australia be subject to different conditions?

HON. W. M. HUGHES: Strike out "owned," and put "registered or engaged." After all, it does not matter to us who owns them. And the law cannot be altered by anything we do. There is only one other point; I understand what Sir Joseph means, it is best simply to say "the law applies to these ships." It does not say it does not apply to others.

HON. DUGALD THOMSON: It does apply without any resolution of ours to those ships under the New Zealand Act. It would apply under our Act if we passed it; but the intention is that it shall only apply.

SIR JOSEPH WARD: I don't think we should put "only."

MR. NORMAN HILL: You are seeking to impose on our ships the conditions which you hold over the ships under your jurisdiction.

SIR JOSEPH WARD: I think it had better stand as it is.

HON. W. M. HUGHES: I think it would be well to pass that resolution as it is, and then to discuss when the proper time comes what is coasting trade, and if it be found that some ships have escaped, or might escape, the conditions which should apply to them under that resolution, a rider could be put to that to make it quite clear. But I understand that the meaning is this, that it applies without doubt at all. It is a declaratory motion; there can be no doubt it applies to ships registered or engaged in the Australian trade.

HON. DUGALD THOMSON: But we have to go further; we have to decide if we are to apply it to vessels which visit Australia, but do not coast.

SIR JOSEPH WARD: That comes under 4.

HON. DUGALD THOMSON: No; the definition of coasting comes under 4, but that does not say whether vessels which are admitted not to be coasting shall be made subject to these provisions.

THE CHAIRMAN: I think Mr. Thomson is right there. The definition of coastal will come in later on. But before we come to the definition, I think we ought to decide whether these conditions are to be imposed upon vessels that cannot possibly be said to be engaged in coastal trade. Take a vessel which carries cargo and passengers from London to Sydney, and does not engage in the coastal trade.

SIR JOSEPH WARD: Then it would not apply.

HON. W. M. HUGHES: Why not?

SIR JOSEPH WARD: We will come to that later.

THE CHAIRMAN: We will come to the definition later, but subject to the definition I thought it ought to be made clear that these conditions shall only apply to the conditions of the coastal trade or vessels registered in Australia.

HON. W. M. HUGHES: No, it is the other way round. The point is, not that it shall only apply to those, but that it does apply to those and some others. Whether it shall apply to those others will be determined when we have decided what coastal means.

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THE CHAIRMAN: Not quite. Our shipowners want to know to what class of vessel these conditions are to apply. Sir Joseph Ward has moved this resolution, and he suggests it shall apply to those engaged in the coastal trade or registered in the Colonies. I understand that means that it shall not apply to those not engaged in coastal trade, or registered in the Colonies.

HON. W. M. HUGHES: That is a different thing entirely.

THE CHAIRMAN: At any rate that has to be decided now. The next thing is to decide what is coastal. But I think we must decide whether these conditions are to apply to ships outside these two categories.

HON. W. M. HUGHES: I say it must apply to all ships independently of where they are registered.

THE CHAIRMAN: That is agreed.

HON. W. M. HUGHES: I don't like that word "only."

THE CHAIRMAN: It is necessary. We must make it clear. You claim jurisdiction over these two classes; outside that, you do not claim jurisdiction. Very well, that ought to be made clear.

SIR JOSEPH WARD: We have to define what coastal trade is independently of that.

THE CHAIRMAN: Put it this way:—

"That the conditions imposed by Australian or New Zealand law as regards accommodation, ventilation, conveniences should only apply to vessels registered in those Colonies or engaged in their coasting trade."

HON. W. M. HUGHES: There is only one thing more, and that is if we are going to decide this, why should we keep manning and the other things out?

THE CHAIRMAN: This is purely accommodation, ventilation, and conveniences.

HON. W. M. HUGHES: I see that, that is to say on vessels registered or engaged in our coasting trade.

The resolution was then put to the meeting and carried.

THE CHAIRMAN: Now we come to manning.

SIR JOSEPH WARD: I move the same resolution, with the word "manning."

MR. HAVELOCK WILSON: Does that dispose of the accommodation so far as the coasting trade is concerned?

THE CHAIRMAN: Yes, as far as coasting is concerned, of course we shall be subject to Australian and New Zealand conditions, and now Sir Joseph proposes the same resolution with regard to manning—that British conditions shall apply to oversea trade.

SIR JOSEPH WARD: My contention is we cannot extend beyond our own jurisdiction.

THE CHAIRMAN: Do you agree with that, Mr. Hughes?

HON. W. M. HUGHES: Yes, that is to say registered or engaged in.

The following resolution was then unanimously agreed to:—

"That the conditions imposed by Australian or New Zealand law as regards manning should only apply to vessels registered in those Colonies or engaged in their coasting trade."

MR. NORMAN HILL: We have agreed that the Colonies have the power, now in the application we do appeal to them that they will work with us in the international spirit that one nation works with another. Take this question of accommodation. We have defined in our Imperial Act the kind of accommodation to be provided for the crew, and the vessels are being built according to these requirements. To show the kind of hardship that a shipowner would be subjected to if other standards on such a point as that apply, it is only necessary to refer to the Australian Bill which was introduced as recently as 1904. There, in introducing the Bill, the Australian

Parliament gave notice to the shipowners that they thought 72 cubic feet accommodation for the crew was sufficient. Take it that a shipowner who was anxious to comply with the regulations of the country started to build his ship strictly in accordance with that Bill, and provided 72 cubic feet, fixed his fore-castle. Now, according to the Report of the Royal Commission, they have rejected the 72 feet and recommended 120 feet, and I understand from Sir William Lyne that that is to be retrospective with Australian shipping. We build our ships in accordance with our law, we man them with crews engaged here under that law, and we send those ships out to the Colonies, and they should be governed by that law, even although they happen for some voyages to be engaged in the coasting trade.

HON. W. M. HUGHES: If you will allow me, I will read 134 and 135 of the original Bill. This section provides that the owner of every steamship regularly trading between any port in Australia and any other port in Australia, New Zealand, or Fiji, or British New Guinea, or the South Seas, shall make provision of 72 cubic feet. Now the Commission has recommended 120 cubic feet, and on the evidence there was drafted, for presentation to the Commission for its approval, by me the following clause:—On the certificate of the shipwright surveyor that the alterations, if any, necessary to give effect to clause A of Sub-section 1 of this section are impracticable, the Minister may, with the concurrence of the Medical Inspector, permit the owner of the ship to provide other accommodation. That is to provide for cases where such structural alterations have to be made as are in the opinion of the practical man, the shipwright surveyor, impracticable or almost so. In those cases, and those cases only where structural alterations are either impossible or impracticable or too costly, or mean cutting up the ship, 72 feet shall still suffice.

MR. NORMAN HILL: The position would be that a vessel could be sent out from here strictly conforming with our regulations, and until it got out there it would not know whether it could take up the employment or not.

HON. W. M. HUGHES: Quite so.

MR. NORMAN HILL: That surely is very serious, and the principle we have applied already with regard to safety regulations are equally applicable here. Our present standard is a good one; it is 120 feet, with a minimum of 72 feet, and under no circumstances can there be less than 72 cubic feet for sleeping accommodation. That 72 feet is the standard which Australia started with in 1904, so that there is no possibility of a ship which is grossly unprovided with accommodation coming into Australian waters.

HON. DUGALD THOMSON: They were not provided for by that resolution.

MR. NORMAN HILL: No; you have said in this resolution you have power to.

HON. DUGALD THOMSON: But it shall only apply to coastal ships, or ships registered in Australia.

MR. NORMAN HILL: Yes, but a ship which comes from here should be admitted into the coastal trade if it complies with our standard, which compares favourably with the standard under discussion.

HON. W. M. HUGHES: But in Section 64 of your new Act 120 cubic feet is laid down.

MR. NORMAN HILL: Take a practical point—

HON. W. M. HUGHES: Just one moment. Let me point out that Section 64 of your new Act says 120 cubic feet is the amount for each seaman or apprentice. Very well, we are only going to ask you to have that strictly complied with.

MR. NORMAN HILL: We do not make it retrospective. You say in your Bill 16 superficial feet; we say 15 superficial feet. Now, is the British ship that is giving 15 feet, according to our law, and which in nine-tenths of the trade in which it is employed will only be called on to provide those 15 feet, is it, because it wants to enter the coastal trade of Australia, to be barred unless it increases that 15 feet to 16 feet?

HON. W. M. HUGHES: First of all, it will take the best part of a year before our Act can come into force. This Act has been in force now six months.

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MR. LLEWELLYN SMITH : No; it comes into force on the 1st June.

HON. W. M. HUGHES : Now that it has been passed, every ship built during the past six months has had in contemplation this section. Of all those ships that are engaged in the trade, a very large number could be so altered as to make provision for this section. A number of gentlemen do not seem to see the necessity for this; but a very large number of those vessels ought to be altered without any delay at all. The accommodation on some ships is simply disgraceful; there is no other word for it. Some of the very best ships, so far as passenger accommodation is concerned, have absolutely the worst accommodation for seamen—absolutely the worst. I have lately had an opportunity on the Royal Commission of seeing these things. We went round to a large number of ships. Some are tolerable and some intolerable. We are only asking for suitable accommodation; 120 feet is not too much. We only ask that accommodation shall apply to those engaged in our trade.

THE CHAIRMAN : You are asking 120 feet in addition to bath room and mess room.

SIR JOSEPH WARD : Might I suggest we settle one point first. Is this to be retrospective or not? In our law in New Zealand we do not make it retrospective, neither do I think it would be a fair thing to suggest here that we should make all this retrospective.

SIR WILLIAM LYNE : You see what I don't like, want to ask one thing. The resolutions that have been carried, it is not for me to remind you, in reference to the conveniences of ships, could only apply to vessels registered in these Colonies or engaged in their coastal trade—what does that mean?

HON. DUGALD THOMSON : We have to define that yet.

SIR JOSEPH WARD : That is left open.

SIR WILLIAM LYNE : You see what I don't like, and why I raised the question. You are passing resolutions, and we may not pass resolutions. One resolution hinges upon another. The resolution as it is I don't agree with unless there is something passed to define, as we want it, what is coastal trade.

THE CHAIRMAN : It is all subject to that. And now we have got on to 4, we have to discuss this.

HON. W. M. HUGHES : Sir Joseph was saying something about not making this retrospective. So far as it can be made retrospective, it should be; that is to say, so far as alteration can be made to make the accommodation sufficient. I want you to follow this, Sir William; we suggest 120 cubic feet should be the minimum. Mr. Hill says that 72 cubic feet has been for many years the minimum to which the British mercantile marine has built its ships, and to ask them now to make such alterations as would enable them to comply with our section or our proposed law would entail very considerable expense and practically make it impossible to engage in the trade at all.

SIR WILLIAM LYNE : If the principle is right, the expense should not be considered.

HON. W. M. HUGHES : What I say is this. That in very many cases the accommodation is bad, and an alteration ought to be made, but where such alterations cannot be made, on the certificate of a shipwright surveyor that the alterations cannot be made at all, well then the Minister may, with the concurrence of the Medical Inspector, make some exemption in the case of ships already built. But there ought to be a time fixed; say, two years from the passing of the Act or twelve months when ships desirous of entering into the trade other than those registered in Australia should make an effort to comply with the Act, and those who do not get the exemption cannot expect to engage in the trade.

MR. HAVELOCK WILSON : I'd like to say a word on this. I think there are three members present who were members of the Mercantile Marine Committee which had to consider accommodation, and I think the members present will agree with me that the evidence submitted to that committee by shipowners

and Board of Trade experts went to prove that in very few cases were the men limited to 72 cubic feet. I think in the majority of the ships it was proved they had over 120 cubic feet. Well, the evidence is available, and if I am wrong I will stand subject to correction. It was said that German ships did not have a standard equally as good as ours; now we have information which proves that the German ships are equal to ours in every respect.

SIR WILLIAM LYNE : They are better.

MR. HAVELOCK WILSON : I am dealing with the evidence I gave the other day. I say the evidence is available, and it will bear out my statement that the whole of the evidence given by shipowners and Board of Trade experts went to prove that in few ships indeed were they limited to 72 cubic feet; and I cannot understand Mr. Norman Hill raising such a big point on this when the evidence given by the shipowners themselves went to prove that they did not limit the men to 72 cubic feet at all. Why this change of front? They must have either been wrong before the Mercantile Marine Committee or they must be wrong now.

MR. NORMAN HILL : There is no change of front. It is quite true that there are very few ships in which the men are limited to 72 cubic feet; but there are cases in which very ample accommodation is provided in the way of mess rooms and bath rooms, where it is practically impossible to give 120 feet in the sleeping accommodation. Mr. Hughes has used a hard word when he said the accommodation on some ships was simply disgraceful.

HON. W. M. HUGHES : I don't hesitate to say it. If you ask what ships, I will give you half a dozen.

MR. NORMAN HILL : The illustration was that 72 feet is disgracefully inadequate. May I remind you that the Government of Australia, when they introduced the Bill in 1904, thought that was the right amount.

HON. W. M. HUGHES : I should not hesitate to apply it merely because the Government said so. They come and go in Australia like they do here.

MR. NORMAN HILL : But it is a little bit hard that in making the Act retrospective there should be something like forfeiture or driving ships out of the trade.

HON. W. M. HUGHES : They won't be driven out of the trade.

MR. HAVELOCK WILSON : Mr. Norman Hill, I have the evidence here of the statement put in the other day of the difference.

MR. NORMAN HILL : I have worked them out.

MR. HAVELOCK WILSON : Here are the figures:—Lampport and Holt, 74; British India, 94.5; City of London, 84.3; Anderson Bros., 105.9; Furness Withy, 118.7; and so on, and in no case are they limited to 72 cubic feet.

MR. NORMAN HILL : I agree if you take those instead of taking them over the whole. If you take ships 10 years old, and five years, and new ships, you will find there has been steady improvement, and the old ships would be driven out.

HON. W. M. HUGHES : Some of the newer ships have as bad accommodation as the older ones.

MR. NORMAN HILL : But they are given much better mess room accommodation.

MR. BELCHER : I entirely agree with what has been said by Mr. Hughes that in the cases where it can be made retrospective it should be, because the complaint of the seamen both in Australia and New Zealand with regard to accommodation, even in some of the newest vessels, is that it is inadequate. That is the complaint of the men. I have visited ships myself and seen where these men have to live, and I say without any hesitation that the places are not fit for the number of men. Now if this idea is put into force and is not going to be made retrospective, we should have this condition: that there will be ships that are comparatively new now and which may run for the

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next 20 or 30 years where the men will have to put up with the inconveniences. That will be inequitable with regard to the men in the newer vessels. I shall certainly support the idea that it should be made retrospective where it is possible to make the alteration. I think the cases that have been mentioned, where it cannot be altered, will simply have to be allowed. But the accommodation in which the men at present sleep is not adequate, as you have heard.

MR. LLEWELLYN SMITH: But you say where it can be done it should be; but many things cannot be done because the cost is prohibitive.

MR. BELCHER: But looked at from the men's point of view, are the crews to suffer, or is the shipowner to be put to an expense. In other words, is the matter of money going to be put up against flesh and blood.

HON. W. M. HUGHES: Mr. Belcher refers to the workers under this industry, which is one of the largest and most important. The employers are making claims to be regarded differently from the employers in any other business. A factory owner in Lancashire has to comply with an Act, not in respect of a new mill, but in respect of his old mill. He may complain, but he has to comply. Why should a shipowner be treated differently from anybody else. A shipowner says his is the most important industry in the Empire.

MR. COX: Does that ever go to the extent of making him pull down his factory?

HON. W. M. HUGHES: He only wants to make a little more provision for the crew and a little less for the cargo.

SIR WILLIAM LYNE: The point you raise has been done, and they refuse a licence in some cases where they did not do it, and therefore I agree with Mr. Hughes; I do not see why there should be an exemption made for shipowners. I want to point this out: that this is one of the most important matters we are going to deal with. There is one other as important, and we want to do something that will make the conditions of seafaring men an inducement for British men to go into the ships. If this matter is not dealt with in the way we have suggested in the Act we are proposing, you won't do very much good, because I have seen and know conditions under which seamen are subjected at the present time which are simply disgraceful. That is one reason why a lot of men will not go into the service. There is no doubt that the statement made by the Royal Commission that it is not on all fours with the inducements of land conditions is deterring a number of men in Australia from going into the marine service who under better conditions would do so. If this Conference refuses to give better conditions, we are doing no good, and if you refuse to give retrospective conditions you are doing that which is deterring the seamen from going on these ships. It is a very big question, a very important question, and I hold most decidedly that if a ship has not the conveniences—I don't care whether she is built now or hereafter or before—she should conform to them in the same way as Mr. Hughes says a factory is compelled to conform to certain conditions, even though the factory was built long before the principle was established. I do not think the Conference will have much effect unless it deals very clearly with this particular question. In one case we are dealing with the question of the expense to the shipowner; in the other case we are dealing with human life and health. I say human life and health should go before the expense to the shipowner. To my mind, 120 feet should be the limit.

SIR JOSEPH WARD: This is a very important matter, and I think there ought to be some effort to compromise it to get out of a difficulty, and it struck me during the discussion that perhaps this might meet the position: That it be a recommendation to the Board of Trade that where practicable the accommodation be fixed at 100 feet, such alteration to be made two years from date, and with steamships built on and after 31st July next, the minimum be fixed at 120 feet.

HON. DUGALD THOMSON: I do not know that that resolution of Sir Joseph Ward's is necessary, because I understand the only question raised by Mr. Hill is with regard to vessels engaged in the coastal trade of Australia. Is the point that is raised a matter of much importance?

MR. HAVELOCK WILSON: The shipowners don't want to give more than 72 feet.

SIR WILLIAM LYNE: Why should there be any interference with our coastal trade regulations?

HON. DUGALD THOMSON: Mr. Hill has only raised it in connection with the vessels engaged in the coastal trade of Australia, as to whether it would not be just to consider that vessels already built could not provide the accommodation, and therefore should not be compelled.

SIR WILLIAM LYNE: Does not that apply to our own coastal vessels, too?

HON. W. M. HUGHES: After all, it is only in connection with such ships that this Conference can deal. With other ships this Conference has no concern. We are here to deal with ships that are engaged in the Australian trade, and engaged in travelling from here to Australia, and, therefore, no matter how insignificant by comparison or numbers those ships may be, we are here to endeavour to draw up something that will suit them. Now, Sir Joseph Ward suggests 100 cubic feet in the case of existing ships. I say, if a ship now provides 72 feet, and you say she shall not engage in coasting trade unless she provides 100, and you say that can be done, I say then that the whole case has been given away, because if you can make such structural alterations as will provide 100 cubic feet, it appears to me you could make such structural alterations as would provide 120 cubic feet, because, after all, with a crew of, say, 40 all told—and this will mostly apply to mail steamers—it appears to me 800 cubic feet more than that would be required at the outside.

CAPTAIN CHALMERS: These vessels have a crew of 240.

HON. W. M. HUGHES: What vessels?

CAPTAIN CHALMERS: The Orient Line.

THE CHAIRMAN: I am told that the best class of vessel, where you can always get good sailors, is just the class of ship where there is structural difficulty in accommodating the crew.

HON. W. M. HUGHES: Why?

HON. DUGALD THOMSON: They say, because they have provided wash-houses and mess rooms.

HON. W. M. HUGHES: Not very long ago I was on a very good ship, and the wash-house accommodation consisted of a bucket and the free use of the latrine. That is a very common thing, and you may see it on some of the best steamships.

MR. NORMAN HILL: Surely it is worth consideration that New Zealand has provided that this is not to be retrospective, and Australia in 1904 put down in the Bill 72 feet.

SIR WILLIAM LYNE: We are not doing that now.

MR. NORMAN HILL: But it is only two and a half years back.

SIR WILLIAM LYNE: That point was objected to when the Bill was brought forward.

MR. NORMAN HILL: The Government must have thought that was reasonable. There is one other point. Our Parliament considered the question last Session, and substantially increased the minimum from 72 to 120 on every new ship, and in forcing up the standard, we venture to think it is an act of justice to excuse the old ship.

HON. W. M. HUGHES: I do not know whether you are overlooking the fact that our coastal trade is largely carried out under tropical conditions 72 feet on the Atlantic would be better than 100 on the Australian coast, provided that the men had to sleep in the forecabin and not on the deck. Going round Australia, ships carry a cargo of fruit, and it is impossible for men to sleep on deck, therefore, they have to use the forecabin, and it is necessary it should be well ventilated and roomy.

MR. NORMAN HILL: That does not apply to over-sea passenger ships, because the men continuously sleep on deck.

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HON. W. M. HUGHES: When your oversea ships carry cargo, suppose they engage in trade, they would largely carry cargo, say, from Adelaide to Fremantle, and they would carry it on deck.

THE CHAIRMAN: I have been inquiring about the German provisions, and in some respects I agree they are better than ours, but the provisions apply only to vessels the orders for the building of which are given after October 1st, 1905. You see the Germans have realised that difficulty.

SIR JOSEPH WARD: I think it is a matter upon which a compromise is necessary, and I therefore propose:—

“That the limit of accommodation prescribed by Colonial laws should apply to existing vessels, except in cases where the Minister is satisfied that the character of the structural alterations necessary in order to comply with the limit would be unreasonable.”

There must be someone to settle where the alteration can be carried out.

SIR WILLIAM LYNE: The Government of the country is the proper authority to appoint officers to decide that. If you go into the court it is a never-ending business.

MR. NORMAN HILL: The difficulty is, we send out our ships, and we do not know until we get there whether they can trade. Surely it should be decided here whether the accommodation can be increased.

SIR JOSEPH WARD: You must have a little latitude.

SIR WILLIAM LYNE: It should be left to the officers.

SIR JOSEPH WARD: That is all right for ships to be built hereafter.

SIR WILLIAM LYNE: I think it is right in reference to ships built.

SIR JOSEPH WARD: You cannot pull a ship down and rebuild it like you can a factory.

SIR WILLIAM LYNE: You can alter the internal arrangements.

SIR JOSEPH WARD: Our owners of New Zealand ships are doing that, but you cannot do it in all of them and not to the hulls of any of them.

MR. BELCHER: If Mr. Hughes' suggestion is adopted that would cover it—that in cases where structural alterations to the ship cannot possibly be effected that it shall then be permissible for an inspector and a medical officer to attest to that. And then the shipowner would not be under the obligation to alter his ship. I understand that is your suggestion, Mr. Hughes?

SIR WILLIAM LYNE: The proposal we are going to make is this, if the Minister is satisfied on expert evidence that it is not practicable to make the necessary alterations to give effect to the requirements of Paragraph A, Sub-section 1, of this section, the Minister may permit similar and equivalent accommodation to be substituted for the crew space, which does not fulfil the requirements of this Act in another part of the ship; that leaves the matter in an elastic way entirely in the hands of the Government.

MR. MILLS: I understand the provision to be that in cases where it is impossible to provide the increased accommodation in the space provided, the shipowner can put it in some other part of the ship.

HON. W. M. HUGHES: What that means is, that the accommodation shall be on the basis of the 120 cubic feet; that is to go, anyhow. I have not seen the sub-section before, but I take it that it contemplates the erection of deck-houses for the accommodation of seamen anywhere in the ship, provided they got the 120 feet.

SIR WILLIAM LYNE: It means if the ship cannot be altered they can allow that to be dealt with in another part of the ship.

HON. DUGALD THOMSON: That is no exception; it makes it imperative.

SIR WILLIAM LYNE: Not under the stringent regulation that it might have to be done in a particular part of the ship. Paragraph A, Sub-section 1, says it need not be done. It says: “And make provision to the satisfaction of the inspector or official for the adequate ventilation of the officers' rooms and engine room and stokehole.” Sub-section No. 3 of Section 135 provides that the owner of every ship shall provide such sanitary and lavatory accommodation, including bathrooms, as in the opinion of a medical officer is sufficient for the crew.

HON. DUGALD THOMSON: That does not fix any particular situation.

SIR WILLIAM LYNE: I know it does not, but as Mr. Hughes said just now, this accommodation is, as a rule, and should be, provided in the fore-castle. The provision is that the accommodation can be provided somewhere in the ship. It does not say where.

HON. DUGALD THOMSON: If the location is not named in the Act, then so long as the space is provided, wherever it is provided, it is in accordance with the Act.

THE CHAIRMAN: You might treat your crew as first-class passengers.

SIR WILLIAM LYNE: The object of this is they have to get it somewhere, and if the ship is so constructed that you cannot do it in one part, you can do it in another. That is going to be submitted to our Parliament.

MR. DUNLOP: The whole point is, whether this shall be made retrospective. It seems very dangerous that an Act altering an Act passed two years ago should be made retrospective. The danger of such a position is demonstrated by the fact that our own Government has never made such matters retrospective, nor have the German Government. Now it appears to me that, perhaps, a little too much has been made of this. Unfortunately, the life of a ship is not very long, and those old ships will very quickly be getting out of the trade. Then another point that occurs to me is, suppose you provide so much accommodation, the men are never in the accommodation altogether.

MR. HAVELOCK WILSON: When they are in port.

MR. DUNLOP: Which is very seldom; that is a mere point. But another point is that the seaman, after all, if he finds a ship uncomfortable will very soon leave her.

MR. BELCHER: That is what he is doing now.

MR. DUNLOP: The very best class of ship will suffer if we make this retrospective. These large vessels would need an enormous alteration. Is it really a matter of flesh and blood and life and death, as has been suggested? I think, gentlemen, we are making too much of it. I suggest as a matter of principle you should use a little latitude. It does seem unfair that two years ago you laid down regulations, and now you alter them. After all, it is a matter of money. You may say money is no consideration, but it is, as the cost may make it impossible. After all, it is only a matter of opinion whether the additional space is necessary. Your Government a few years ago did not think it was. I think a little too much has been made of this matter, and you ought to be very careful in departing from the laid-down principle, and not make this retrospective.

MR. BELCHER: I think there is too much being made of what the Federal Government suggested two years ago. What I think has happened in the meantime is this, that the evidence which has been brought before the Royal Commission that was set up by the Commonwealth, and the examination they have made has opened their eyes to such an extent as to convince them that what they are suggesting is absolutely essential to the well-being of the men who man the mercantile marine. It is not only a matter of space, either cubic or floor, it is also a matter of where some of the crew's living quarters are situated. Now, to give you one or two cases, concrete ones, of where men have to live in vessels that I know myself, vessels trading on the New Zealand coast. Let me explain. The men coming off watch from the stokehole have to go through

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an alley way, they have to climb up to the ship's upper deck, they then have to proceed along the main deck, which is exposed to all the fury of the elements and is the most dangerous part of the ship when driving into a head sea, they have to go right forward, have to pass the entrance to the steerage accommodation, and then they come to an iron scuttle where they reach their own accommodation, and then they have to go down a flight of steps and then a ladder of 10 or 12 steps. These ladders are almost perpendicular, and I say that is no place to have men stowed away; and it is a well-known fact that the men have sometimes to remain in the stokehole because they cannot reach their own quarters. I say it is essential that the Board of Trade officials should see that the men are not only well treated, in so far as space is concerned, but they should also exercise a judicious supervision over the portions of the vessel where the crew are located. There are other vessels in New Zealand which, if they are going to be allowed to run under the conditions that obtain at the present time, the shipowners will probably find them laid up, and they will get no crew to go into them at all. The alterations will have to be made sooner or later. I indorse the remark that it is an important matter in so far as our mercantile marine is concerned. It is almost impossible in Australia or New Zealand to get native-born people to go to sea, and, so far as I can understand, the British is a diminishing quantity.

THE CHAIRMAN: No, there has been an increase of about 6,000.

SIR WILLIAM LYNE: But you do not give the increase of tonnage?

THE CHAIRMAN: I am answering the question put by Mr. Belcher.

MR. BELCHER: If he is not diminishing, the alien is on the increase.

THE CHAIRMAN: If you include the Lascar, yes.

MR. BELCHER: No, no, for they are all aliens.

THE CHAIRMAN: No; he is a British subject.

MR. BELCHER: Is he treated as a British subject?

THE CHAIRMAN: That is a different point.

HON. W. M. HUGHES: Would you say that the 6,000 that have increased since 1900, have increased *pro rata* of the population.

THE CHAIRMAN: Oh, no.

HON. W. M. HUGHES: Have they increased proportionately to the increased tonnage?

THE CHAIRMAN: No.

HON. W. M. HUGHES: As a matter of fact, it is the only industry that shows a diminishing rate.

MR. DUNLOP: How can we expect that the seamen would increase proportionately, looking to the recent vast increased tonnage of the Empire?

THE CHAIRMAN: You will see the point put in the "Shipowners' Memorandum." You will remember in the last few years we have increased enormously the number of seamen in our Navy—from 70,000 to 129,000 in the British Navy—that has made a great difference in the supply.

HON. W. M. HUGHES: Can you show us one other industry that puts forward as an excuse the fact that the Admiralty and the Army are taking the men, because if the Admiralty takes the cream of the men for the sea, the Army might be said to take the cream of the men for the Army. I think it is a very poor cause, indeed, that looks to find a way out of the difficulty by saying that the Admiralty has taken the cream of the men. As a matter of fact, there would be no difficulty at all in getting British seamen provided they paid a decent wage and gave him a decent place to live in—better than a dog kennel. I think the question of accommodation is the most important point we can deal with.

THE CHAIRMAN: Take naval seamen; I am told they are exceedingly well paid, and their accommodation is all right; but they have great difficulty in getting them.

MR. HAVELOCK WILSON: The reason of that is because there are many better opportunities on shore to earn better wages.

HON. W. M. HUGHES: The evidence given before our Commission was, that in Germany they had few, if any, desertions. Mr. Bonar gave evidence that it was frequently the case that the father was followed by his son and his grandson in the same service.

THE CHAIRMAN: You are talking about the Norddeutscher; you are quoting a first-class German steamship; they have not a great tramp business like ours. It is not a fair comparison.

MR. FERNIE: You might say the same about the Cunard.

HON. W. M. HUGHES: I have not been on a Cunard, but I have been on an Orient. Some of the accommodation on the ships of the Orient Line is very inadequate.

SIR JOSEPH WARD: Might I be allowed to ask the British shipowners who are here whether the compromise I have suggested is agreeable to them. I want to take the opportunity of saying that when the law which was put on the Statute Book in 1903 in New Zealand, before that was put into operation, we had a Committee sitting for two sessions. It gave a minimum of 72 feet and a maximum of 120 feet; that was taken from the British law, and we did not make it retrospective in its application. In our Parliament we are strongly averse to retrospective legislation. All classes in our Parliament are generally opposed to it, and for that reason I want, if possible, to see something done to improve the position of the sailor, but I want to guard myself as a representative man from affirming a matter of principle we usually oppose in New Zealand. If the suggestion I have made is agreeable to the gentlemen round the table, we get at this position, and I would put it to Sir William Lyne as an experienced Minister. What the Minister has to guard against is the attempt on the part of an official to do that which is going to be unfair or unjust to interests which ought to be protected. My belief is, that if something of the kind were done, where it is not an unreasonable request that an alteration should be made, and if we safeguarded it by giving the people concerned the right of appeal to somebody, then we go a long way to protect both the seaman and shipowner. And for my own part, much as I should like to see advanced legislation put upon the Statute Book in the general interest of seamen, yet, speaking for the Government of New Zealand, I am certain we will not make a law that would break contracts of any kind. What I have suggested as a compromise, is practically the suggestion of Mr. Hughes and myself. Alterations should be made, and in addition to that, to insure reasonable safety for interests we have a right to consider, we should give a right of appeal to somebody, I suggest the Supreme Court. If the representatives of the shipowners are averse to that, well, for my own part, I cannot vote for retrospective legislation, and the other members of the delegation from New Zealand, who have the same independence here that I profess to exercise, must, of course, speak for themselves. We want to do something from a New Zealand standpoint that we can ask our country to indorse. I am quite prepared if necessary to withdraw the motion, but I moved it with the hope of having something settled.

THE CHAIRMAN: We have arrived at a very difficult stage of the proceedings, and I should like the shipowners to put their heads together—

SIR WILLIAM LYNE: I think they have done that already.

THE CHAIRMAN: I mean in view of the suggestion thrown out by Sir Joseph Ward, and they should consider it very carefully, and it might be put on the paper for the next meeting.

SIR WILLIAM LYNE: I should like to say I disagree absolutely with the remarks made by Sir Joseph Ward. So far as I am concerned, I do not agree to the principle that we cannot bring in retrospective legislation, so far as this particular matter is concerned, if the principle is bad. If we have been doing wrong in the past where human life is concerned, and human health is concerned, we have no right to allow that to continue regardless of any such principle as the monetary

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concern of the shipowners, and I shall not agree to anything of the kind, so far as I am concerned. Now the point seems to me to be as to whether or not improper ships are to run in the trade. I say, so far as I am concerned, they are not to. We have to look first to the sanitary arrangements, and to the accommodation of the men, and to the health of the men. That is certainly predominant above any consideration for shipowners. If, as the shipowners say, we are going to injure our trade, we are prepared to put up with all that. We will not injure our trade in any shape or form, that I am convinced of. But whilst I should like, so far as I possibly can, to meet the shipowners in a reasonable way, I do not think we should subject ourselves to the consideration of the shipowners altogether, and I am a little surprised at the remarks just made by Sir Joseph Ward, because the words used seem to me to coincide with the shipowners, and I do not believe in that at all, in this particular case. I do know the feeling that exists in our country in this matter, and I do feel and know that Australia without a very big struggle is not going to give up the right of dealing with these matters. There is no doubt in my mind about that. And however much it may be the desire of the shipowners to control the trade of their ships, Australia is not going to allow it unless they are overruled, and that would not be a very pleasant thing to be done. I speak from my knowledge of Australia, in which I give place to no man, or the ideas of our legislators, and our electors in this particular regard, and I feel that so far as I am concerned I have to be very firm regarding the accommodation given to ships. And one of the sorest points that we have in Australia is the fact that so many foreigners are employed in the shipping trade, and also so many Hindoos are employed. They are British subjects, but when you pay a man 4½d., as against 6s. or 7s., it comes home to the pockets of the men very strongly. That is what they are paying Lascars to-day, 4½d. I speak emphatically about this, because I know how emphatically it is thought of in our country. I hope nothing will be done that will restrict absolutely the power of the Government in dealing with a question of this kind. As I said before, the shipowners must trust Australia a little more than they do in this and every other regard, although they do not seem to like to. But the Government of a country, where life and limb and health is concerned, is the proper instrument to deal with it and not the Supreme Court; and I also oppose the power being taken out of the hands of the Government by the Supreme Court.

SIR JOSEPH WARD: I should just like to say I have not consulted any shipowner in connection with any motion I have moved, nor am I likely to. What I have done, I have done as expressing my own opinions, and I intend to do so on every question and as I think proper. I only want to say that in New Zealand we have no Lascars in the employ of the owners; we have no Lascars trading to the country except with an occasional cargo that comes from Calcutta.

SIR WILLIAM LYNE: You are in an absolutely different position from us.

SIR JOSEPH WARD: I want to do what appears to be right. We have a very advanced shipping law. I am only anxious to try and help out of what I know to be a great difficulty. We had our shipping law held over for the assent of the King for nearly two years. That was on account of the advanced state of our law, and there is not a thing in our law which is retrospective. I am anxious to help Sir William Lyne to see a better position of affairs in the Australian waters. I made my remarks believing that finally there will be an honest effort made as a compromise if we want to have an effective law.

SIR WILLIAM LYNE: Will you allow me to say, so far as these remarks are concerned, would you sit quietly by as the Prime Minister of New Zealand if there was a ship built already coming to your waters that you knew perfectly well was an unwholesome ship for seamen? I want to ask you that question, because according to your remarks you would have to allow it.

SIR JOSEPH WARD: No, I certainly would not.

SIR WILLIAM LYNE: I say I will not agree to the Government of the country's power being taken away if an urgent case arises.

SIR JOSEPH WARD: And neither will I. That is not the question, however.

HON. W. M. HUGHES: Mr. President, I want to say this. I would very much like to see a compromise arrived at, because while it is perfectly true, no doubt, that the Australian people will do what they think right in making such legislation as is suitable for them, yet if we can get by a compromise something that will be operative throughout the Empire I am sure we ought to agree. That is what we come here to do, because we all of us have the power of doing anything we please for ourselves, but we come here to do something for us all. Well now, the New Zealanders are in an entirely different position to us. They can sit down and watch the business going on. They have passed their Act, and now they have come here to discuss whether what they have done is or is not suitable. But anything this Conference may do may very seriously affect our legislation, because, as I have no doubt the Conference know, parties are very easily balanced in the new Parliament of Australia, and if any opposition to our proposals will strengthen the hands of the opposition. It might make all the difference between a certain clause passing and not passing, and so it is a very important thing to us, but in New Zealand it does not matter at all.

SIR JOSEPH WARD: Oh, yes it does. We have not the power to do anything under this now; we have not the power to force an alteration on an existing ship.

HON. W. M. HUGHES: You have certain powers given to you by the Act. With us, we are seeking to introduce new legislation entirely, and although in some respects we propose to go farther than in New Zealand, in general we propose to go along the same line. What we are chiefly anxious to do is to be fair to the Australian shipowner, and what he says is this: If you are going to compel me to pay certain wages, to provide certain accommodation, and to compete with men who do neither, you are going to do me a great injustice. We do not want to do them an injustice any more than we want to do an injustice to the crew or the passengers or to you. Now the shipowners will have to provide 120 feet, and what is more they will have to provide for each officer up to at least four a separate room with cubic capacity of not less than 180 feet. They will have to provide a certain number of men, and in two States there is an Act which provides machinery for declaring how much wages he shall pay, and by an award of the High Court of Australia, the Arbitration Court, it has been declared what wages and conditions officers are worked under, and these officers are paid according to the law laid down. Now you seek to compete with these people, and we are only asking you to compete on fair terms. So far as accommodation is concerned, it may be impossible or very expensive for you to make structural alterations; but it is not so much the cubic space, although that is of course very necessary, but it is the ventilation and the sanitation. Now as to ventilation, every man knows that a ship is usually ventilated by shafts, and the sailor whose bunk is underneath to prevent being blown out stuffs his clothes up the spout. He gets some little relief, but the man two bunks off is nearly asphyxiated. Now our proposals as to ventilation can be complied with; you can ventilate without very much expense and without any structural alterations at all. If you will ventilate your ships properly—scientifically—you will do a great deal towards reconciling us to any suggestion you can make which shall apply to ships now constructed. I feel sure Parliament will go a long way out of its way to meet you in regard to any fair proposal. But the men ought to get fresh air and baths and wash-houses.

SIR WILLIAM LYNE: That you suggest should be retrospective.

HON. W. M. HUGHES: Sir Joseph Ward suggested 100 cubic feet to apply retrospectively. If that were to apply retrospectively wherever the 120 feet was not possible, and ventilation and mess rooms and a bath, we would do what we could to meet you.

MR. MILLS: Sir William Lyne expresses himself so uncompromisingly; that is to say, under all conditions the increased space must be provided. We also have to bear in mind that a further provision of the Bill



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will require ships to carry larger crews than at present, so assuredly in the case of some of the older ships it will be impossible to provide the accommodation. I do not see any objection where it can be done in a reasonable way, but I hope he won't tie his hands so that the Minister can have no discretion at all, so that in the case of ships where it is impossible to comply with the Act, as I understand the clause he has read, it gives the Minister no latitude at all.

SIR WILLIAM LYNE: The power of variation.

HON. W. M. HUGHES: I think you would find every effort would be made to meet requirements in reference to structural alterations of an important character.

MR. MILLS: Take the case of a ship carrying a crew of 20. If she is obliged to carry 28, to have to give 50 per cent. more accommodation per man, and 30 per cent. in number of men, it means an enormous addition to the space now occupied, an almost impossible thing in some of the smaller ships of the tramp type.

HON. DUGALD THOMSON: I quite agree with what Mr. Hughes says, that there will be a desire on the part of the Australian Parliament to meet such a reasonable proposal, and to allow that ships which are built according to the present law should receive fair consideration before any alteration is demanded. I think there is good reason for that, because, as Sir William Lyne admits, the Bill brought into the Australian Parliament declared in favour of 72 feet. In a couple of years it may be that 140 feet is required, and unless consideration is to be given, owners will be placed in a very awkward position; alterations will have to be made which cannot reasonably be made. But what I particularly want to say is this: I do not see there is really very much in the matter as it has been brought forward. We have passed a resolution, I understand, that the Australian law in this respect shall only apply practically to vessels registered or owned in Australia or conducting the coastal trade of Australia. Now when you come to the coastal trade, if it is decided that vessels that simply call in at Australia as a part of an oversea voyage and carry passengers and goods from port to port are coastal boats, then they will have to submit to much greater and to them more important provisions than this, they will have to submit to Australian conditions, Australian rates of pay which may be fixed by the Arbitration Court, and other conditions which will be more burdensome than these, sufficient I think to keep them from carrying passengers or cargo from port to port. Well then, it is only as coasters that they would be brought under this provision at all; but if they do not carry passengers or cargo, they are not coastal boats and they do not come under the provision, hence where is the importance? Having passed a resolution that vessels which are not coastal, and which are not registered in Australia, are not subjected to these provisions, I do not think there is any importance in the present proposal.

THE CHAIRMAN: I was going to point that out. We have already passed a resolution that ships engaged in the coastal trade in Australia shall be subject to Australian conditions. Well now, I should like to know from Sir Joseph Ward and Sir William Lyne whether this new proposition is to be applicable to ships incidentally engaged in the coastal trade.

SIR WILLIAM LYNE: How do you interpret the word "incidentally"?

THE CHAIRMAN: I think it was explained very well by Mr. Thomson—a ship calling at Fremantle, picking up cargo or a passenger there, and going on to Sydney and dropping the passenger or cargo there.

SIR WILLIAM LYNE: That is absolutely coastal trade.

HON. W. M. HUGHES: I suggest that the Australian delegation should have an opportunity of discussing something that may be suitable to us and submit it in the morning.

THE CHAIRMAN: That was what I was going to suggest. I don't think we can possibly decide this to-night. It is a very important and very difficult problem.

HON. DUGALD THOMSON: After consideration it may be the mover of the resolution would come to the conclusion that under the circumstances it is not of sufficient importance to necessitate it being moved.

THE CHAIRMAN: I think on the whole this would be a very admirable opportunity for adjourning. I don't think we can gain much by discussing this at the present juncture. I think we shall be in a better position after consultation to consider it in the morning. But I should like to say one or two words, more especially with reference to what fell from Sir William Lyne. I recognise the desire of the Australian delegates to meet us as far as they possibly can, but I am sure Sir William does not wish to suggest that the Imperial Parliament has not been exceedingly anxious to do its best for the accommodation and the comfort and the health of the seamen, in its legislation.

SIR WILLIAM LYNE: I think they have had that feeling, but I don't think they have gone as far as they could.

THE CHAIRMAN: They have gone pretty far. Allow me to point out that the British Imperial Parliament has been the pioneer of the world in the protection of the life and in the improvement of the conditions of seamen, and in the load line regulations. We were the first to initiate legislation; we were the first with regard to life-saving appliances; we were first with regard to seaworthy ships, and we have been the first with regard to food scales, and I am not sure we have not been in advance of Australia. Australia is discussing a food scale. So that on the whole we are dealing with what is, after all, a very enormous interest in this country. I want the Australian delegates to remember that when we pass a law affecting shipping we are passing a law which affects the biggest interest in this country, and we have to move a huge body, and it is a much more difficult matter for us, apart from the principle, to propose retrospective legislation. We have about 11,000,000 tons of British shipping already constructed under the old conditions. That is a very gigantic interest, and I want Sir William just to bear that in mind. We are moving very steadily, and we have moved in advance of Australia in one or two particulars; in fact, we have shown Sir William the way.

SIR WILLIAM LYNE: I dispute that.

THE CHAIRMAN: And I congratulate him upon following the admirable example we have set him, and I am very glad to see that with the enthusiasm of a convert he has rather exceeded the lesson which we have given him. But I want him to bear in mind that the lesson is ours. We are the pioneers in this matter. We do consider the health of the seamen, and I am glad to say on the whole the shipowners have assisted us in this particular. They have not resisted the Bill of last year, although it imposed enormous obligations; they have not challenged it. That on the whole is very creditable. Therefore, I want to put that in as a note from the old country, if Sir William does not mind.

SIR WILLIAM LYNE: I do mind very much, because we proposed the scale before the old country.

THE CHAIRMAN: We proposed it and carried it.

SIR WILLIAM LYNE: We have taken the trouble to ventilate it properly.

THE CHAIRMAN: We did it, and you talked about it.

SIR WILLIAM LYNE: We proposed the old scale before you did.

THE CHAIRMAN: Well, we will put Sir Joseph Ward's motion on the paper for to-morrow morning.

(The Conference then adjourned.)

## THIRD DAY.

Friday, April 5th, 1907.

The following were present:—

*Acting-Chairman:* Mr. H. LLEWELLYN SMITH, C.B.

*United Kingdom Delegates.*

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| Mr. WALTER J. HOWELL, C.B.,<br>Mr. R. ELLIS CUNLIFFE,<br>Captain A. J. G. CHALMERS,<br>Mr. H. BERTRAM COX, C.B.,<br>Mr. A. B. KEITH, | }<br>}<br>}<br>}<br>} | Of the Board of<br>Trade.<br>Of the Colonial<br>Office. | }<br>}<br>}<br>} | }<br>}<br>}<br>} | }<br>}<br>}<br>} | Mr. K. ANDERSON,<br>Mr. H. F. FERNIE,<br>Mr. R. J. DUNLOP,<br>Mr. NORMAN HILL,<br>Mr. J. HAVELOCK WILSON, M.P., representing Seamen. |
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*Australian Delegates.*

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| Hon. Sir W. J. LYNE, K.C.M.G.<br>Hon. W. M. HUGHES. | }<br>} | Hon. DUGALD THOMSON.<br>Dr. H. N. WOLLASTON, LL.D., I.S.O., of the Australian Commonwealth Department of Trade and Customs, was also in attendance. |
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*New Zealand Delegates.*

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| Hon. Sir JOSEPH WARD, K.C.M.G.<br>Mr. JAMES MILLS, | }<br>} | Mr. WILLIAM BELCHER.<br>Mr. A. R. HISLOP.<br>Dr. FITCHETT, Solicitor-General of New Zealand, was also in attendance. |
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*Secretaries.*

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| Mr. J. A. WEBSTER,<br>Mr. G. E. BAKER, | }<br>} | Of the Board of Trade.<br>Mr. J. HISLOP, Private Secretary to Sir J. Ward.<br>Mr. D. J. QUINN, Private Secretary to Sir W. Lyne. |
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### AGENDA.

1. Accommodation, ventilation, and conveniences.—Question, how far requirements should be retrospective.  
 Sir Joseph Ward's motion that "the limit of accommodation prescribed by Colonial laws should apply to existing vessels except in cases where the Minister is satisfied that the character of the structural alterations necessary in order to comply with the limit would be unreasonable; the shipowner to have the right of appeal to the Supreme Court from the Minister's decision."
2. Manning.
3. Wages.
4. Classes of voyages to which "Australian conditions" should be applicable.
5. Licences to engage in the coasting trade.
6. Bills of lading legislation.

THE CHAIRMAN: I am sorry that the President of the Board of Trade should have found it impossible to be here this morning. He has asked me to take the chair in the interim on his behalf.

SIR WILLIAM LYNE: Is there any necessity for any motion?

THE CHAIRMAN: I do not know that there is.

SIR WILLIAM LYNE: There will be no opposition, I expect. I wish, before we proceed with the business to-day, just to make a remark or two with reference to the information that is given of the Conference. It is very meagre, and I have been pestered a good deal about it, and I have information from Australia that the people there are very dissatisfied that they are not getting more information. I am sorry the President is not here to-day. I wanted to see whether it was not possible to devise some means of giving more information which would not cause any trouble, because we have come a long way, and the people at the other end of the world want to know what we are doing, and they want more information than they have been able to get so far. They will get it somehow or other—in fact, they very nearly took possession of my room last night; they bombarded me until 7 o'clock last night. I had a conversation with the cable service manager, and he pointed out to me that they were not

getting any information which was at all satisfactory. I told him I would very likely bring the matter before the Conference to-day, to see if we were able to make some arrangement by which some more information could be given so far as the Conference is concerned, but I presume we cannot do anything in the absence of the President. But I should like you to consider that, and perhaps you could speak to the President to see if anything can be done.

MR. BELCHER: Sir William Lyne has forestalled me in connection with this matter. I intended to raise the question as to what is the nature of the report that is being supplied to the Press here, and in which papers can it be found. I understood that an official report would be handed to the newspapers. I spent a lot of money in purchasing almost every newspaper published in London, and have looked carefully through their columns, but have not yet discovered any reference to the business of this Conference. I would like to know, sir, if any official report is being given to the newspapers, and I would also like to know in what newspapers that information may be found.

THE CHAIRMAN: In answer to that I may say that, as was agreed at the first meeting, a brief report is drawn up at the close of each sitting by the secretaries in consultation, and is then submitted to the President

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of the Board of Trade, Sir Joseph Ward, and Sir William Lyne, and sent to the Press—sent to a large number of papers. Unfortunately, we cannot control them as to publication, but I have not spent so many pennies in finding out what they have published as Mr. Belcher appears to have done, and I did not know that the reports had not appeared extensively. I believe they have appeared in the "Times" and other papers. Can you tell us, Mr. Webster?

MR. WEBSTER: I think about 14.

THE CHAIRMAN: The reports have been sent to the "Times," the "Tribune," the "Daily Mail," the "Daily Chronicle," the "Daily News," the "Standard," and the Press Association, which is an organisation for distributing information, and to other papers.

SIR WILLIAM LYNE: I saw it in the "Chronicle" this morning.

HON. W. M. HUGHES: What report was that?

THE CHAIRMAN: That was the report that was sent of yesterday's meeting, but we are entirely in the hands of the Conference as regards the amount of detail given, and the shape in which it is presented.

HON. W. M. HUGHES: But was one sent yesterday?

THE CHAIRMAN: Yes. It is well worth consideration whether the actual text of the resolutions passed should not be furnished.

SIR WILLIAM LYNE: That is what I think.

HON. DUGALD THOMSON: Some of them are rather contingent upon what may happen in the future, and there might be a danger in making them public.

THE CHAIRMAN: Yesterday was only the preliminary stage, but perhaps after to-day we might decide to send all the resolutions that have hitherto been passed.

MR. DUGALD THOMSON: Some yesterday were rather contingent.

THE CHAIRMAN: Mr. Cox, on behalf of the Colonial Office, do you see any objection?

MR. COX: None whatever.

THE CHAIRMAN: Shall we take that as an instruction—that in to-day's proceedings all the resolutions passed up to and including to-day be given out?

HON. W. M. HUGHES: Is it proposed to merely hand to the Press the resolutions?

THE CHAIRMAN: We cannot exactly report the discussions.

HON. W. M. HUGHES: May I ask why you cannot—is it against nature, or opposed to some great principle? Why cannot you?

MR. NORMAN HILL: May we say what our experience of the London Press is? They give us a miserably small notice. The London Press treats shipping questions as of no moment to anyone.

HON. W. M. HUGHES: I know it is a very vicious and entirely irresponsible Press, but I do not see anything to encourage it in the report which we furnish. A number of very eminent persons have their names put down on a piece of paper: no doubt those names are very striking, but they can hardly convey much information to the average person outside, who likes to know what is said, but does not care much about the name of the man who said it.

MR. NORMAN HILL: If you turn to the way the London Press reported the debates in our Parliament over the Merchant Shipping Act of last Session, you will see that they were most condensed, and gave no information.

SIR WILLIAM LYNE: Will not you give our Press a show?

MR. NORMAN HILL: Whatever you do, the Press will pay no attention to it. They will treat it as a small matter.

SIR WILLIAM LYNE: In Australia and New Zealand at the present time there is a very keen desire

to know what is being done, and I feel very strongly that the people there are not satisfied, and think they ought to get more information. I have brought this up to-day, because I do not want in any way to divulge what is done, but if they repeat what they did last night they are very likely to take possession of all my papers. I thought this morning I would bring it up; in fact, I told the manager of the Cable Service I would do so, because he said he ought to have more information, as he was cabling out to Australia.

THE CHAIRMAN: I feel—and I think it is the general feeling of the Conference—that all the results achieved might fairly be given to the Press. I think there is more room for difference as to whether our freedom of conversation would be fettered a little if speeches were reported in detail.

HON. DUGALD THOMSON: They cannot report them.

THE CHAIRMAN: It was discussed.

HON. W. M. HUGHES: After all, what those of us who are public men in Australia are here to do is to advocate certain principles, and to endeavour to arrive at certain conclusions. In Australia they get merely the bald resolution as carried—they do not know what one does towards this, or why one agrees to it, or anything else. I think it is most unsatisfactory.

HON. DUGALD THOMSON: We considered this matter before, and it was decided that only the actual results should be communicated to the Press, or only so much as was approved by the Committee should be communicated: I do not see any half-way house between that and admitting the Press. If there is going to be a report of the speeches, who is going to be responsible for the reports? Who is going to select the speeches to be communicated by the Conference to the Press? Who is going to be responsible for their accuracy in a condensed form? Either we must have the Press present (which you have decided against, and I think for good reasons), or we must rest content with what we have done—giving the results, and giving anything else, that the Committee (which is the representative Committee of Australia and New Zealand as well as of the Board of Trade) decide. I should say there is no half-way house between. We will only get garbled reports.

THE CHAIRMAN: You do not object to the text of the resolutions being given.

HON. DUGALD THOMSON: I do not object to that.

SIR JOSEPH WARD: I want to say that Australia and New Zealand are taking a very deep interest in what is going on at this Conference, and it is very important to the public men of Australia as well as of New Zealand that what they are doing here should be cabled out. I offer the suggestion (it is for you to consider whether it is feasible or not) that something might be furnished a little more fully than what is considered as sufficient here,—to be cabled out to Australia and New Zealand. I have no objection of course to it being and not to be published here. What I would suggest would be that resolutions carried here dependent upon contingent resolutions—if they are waiting for contingent resolutions to confirm what the first resolution is directed to—should be held over until the matter is finally disposed of. There is no reason why the Australian and New Zealand delegates should not together agree upon some cable to be handed over to the Press for Australia and New Zealand. But I should be very glad to confer with Sir William Lyne, and see whether we cannot agree upon something for cabling out.

HON. DUGALD THOMSON: How much further would that go?

SIR WILLIAM LYNE: If we are all agreed—

HON. DUGALD THOMSON: Yes, because I would object to any—

SIR JOSEPH WARD: None of us are anxious to send out anything to the prejudice of representatives of the delegation. What is wanted is to send out information as to the class of work upon which we are engaged.

HON. DUGALD THOMSON: How would that affect the British Press?

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SIR JOSEPH WARD: I do not know whether they want full details.

MR. COX: The only thing is that the next day the information you sent out might be cabled back here.

MR. NORMAN HILL: They will not waste their money over shipping questions here.

SIR WILLIAM LYNE: Last night the cable manager made that suggestion to me, and I raised just that very point—that the information would be cabled back again. He said, "No, it would not be cabled back unless any private individual did it."

MR. COX: I should imagine that Reuter's agents would telegraph it here, or some of it.

SIR JOSEPH WARD: It is very important that information should go out—reliable information. We have to remember, of course, that the opponents of some of the proposals submitted here are anxious to get information too, so it requires to be done impartially and with care.

SIR WILLIAM LYNE: If anything on the lines of your suggestion could be done, it would be a good thing.

SIR JOSEPH WARD: I may say that with the concurrence of the Conference we will see whether we can formulate something that would suit Australia and New Zealand. If so, that would solve the difficulty.

HON. DUGALD THOMSON: It is understood that nothing shall be done until your suggestion is brought before the Conference.

SIR JOSEPH WARD: Absolutely.

THE CHAIRMAN: We may take it that the result of this conversation is that the text of the resolutions, except such as are held over by the wish of the Conference, should go to the Press here, and that the Australian and New Zealand delegations will try to consider something that will suit their purpose—but that, I suppose, would not go out until our next meeting. I should have liked the President of the Board of Trade to have seen it first.

SIR JOSEPH WARD: Perhaps we had better hold it over until he can come.

SIR WILLIAM LYNE: Certainly. Is this the time, sir, to give notice of any motion?

THE CHAIRMAN: If you please.

SIR WILLIAM LYNE: I beg to give notice of a motion:—"That the law of any British possession, which operates in regard to vessels registered, or usually trading, in that possession, shall also operate in regard to all vessels coming into a final port of destination in that possession, or clearing outwards from any port therein." I think that will tack on to another resolution. There were two resolutions carried while I was absent; those are not complete, as I understand, and there is a subsequent resolution to be carried before they become part and parcel of the Conference business.

THE CHAIRMAN: That will come under No. 4—the classes of voyages to which Australian conditions should be applicable.

SIR WILLIAM LYNE: Yes. Another resolution I wish to give notice of is this:—"That no seaman should be permitted to engage as A.B. on board any British ship who cannot show that he is justly entitled to that rating." I know that my friends will agree to that.

MR. COX: Would you mind reading the first one again?

SIR WILLIAM LYNE: "That the law of any British possession, which operates in regard to vessels registered, or usually trading, in that possession, shall also operate in regard to all vessels coming into a final port of destination in that possession, or clearing outwards from any port therein."

HON. DUGALD THOMSON: Might I point out that these matters that you propose are dealt with in the Report of the Royal Commission.

THE CHAIRMAN: I think we had better not discuss them except as they appear under the various items of

the Agenda. Sir William Lyne's first proposition will come clearly under No. 4—"classes of voyages to which Australian conditions should be applicable." The words "Australian conditions" being put in inverted commas means—

HON. W. M. HUGHES: The point Mr. Thomson is making is this: these resolutions are already here in this Report, and there is no earthly use—so it appears to me—in giving notices of motion which are already, or should be, before us. The Report has been submitted, and is an Imperial paper for more than six months. We all are familiar with it, and there is no use in giving these notices, because to give notice of some of them would seem to indicate that we are only to deal with those and not with the others.

THE CHAIRMAN: I do not think it is out of order.

HON. W. M. HUGHES: If that is the case, what is the use of giving notice when they are all here.

THE CHAIRMAN: I am simply concerned with the question of order.

HON. W. M. HUGHES: With all deference, I do not think it is in order to give notice of motion of anything already before a committee. It is not so in the Houses of Parliament.

SIR WILLIAM LYNE: My third notice of motion is:—"That no person should be employed as an officer on board any British ship, who is not (a) a British subject, and (b) thoroughly conversant with the English language."

HON. DUGALD THOMSON: This Conference has been called—in fact, the origination of it was the existence of this Royal Commission. It was intimated that the recommendations of the Royal Commission would receive consideration at this Conference. I think we would have saved time if we had gone through these recommendations and their application; but if we are going to abandon the Royal Commission's Report entirely, then we are taking a course which I did not anticipate, and which I do not think desirable; and if, on the other hand, we are going to duplicate it by notices of motion, then I think it is undesirable, and that it would be better to go through the Report first, when these notices of motion, many of them, would be quite unnecessary. The proposals of the Royal Commission, in addition to recommending certain provisions, limit the application of these provisions, and there might be no difficulty with a great many of them owing to that limitation; but if we are going to duplicate these recommendations—

THE CHAIRMAN: I take it that when we get to section 4 it will be open to anybody in the Conference to propose anything as to the classes of voyages to which Australian conditions should be applicable. Sir William Lyne has given notice of one proposition; we can have amendments and alter them, but as to whether that is the best mode of discussing it, is a matter I am not concerned with.

HON. W. M. HUGHES: I think, with all deference, that that is a thing you should be concerned with, because if you are not here to prescribe some sort of order, anyone may bring forward any sort of motion whatever, and, provided it can be said in any way to be relevant, we can discuss it. This motion is already before us. The reason we have been called together is because of this Commission making certain recommendations, and now we are here to discuss these recommendations. Sir William Lyne now brings forward motions already before us, and others, which he does not bring forward, and which have to be discussed, are also in our report and so are before us. If he duplicated them all, it would be obvious what he was doing.

THE CHAIRMAN: It would be inconvenient.

HON. W. M. HUGHES: But when he duplicates some—

SIR JOSEPH WARD: You can get over that by giving notice in lieu of Sir William Lyne's motion.

HON. W. M. HUGHES: No doubt we can get over that very easily.

SIR JOSEPH WARD: I do not see how you can stop it.

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HON. W. M. HUGHES: We cannot stop it; that is the worst of it. There is no way of stopping it; I admit that.

SIR WILLIAM LYNE: That does not restrict me in what I am going to do in reference to the Royal Commission's Report at all. I only give that notice because I want the members to know what I am going to do.

HON. W. M. HUGHES: We do not want to know what you are going to do.

SIR WILLIAM LYNE: I am sure you do not.

THE CHAIRMAN: We were discussing the question as to how far the requirements would be retrospective. The only motion of which notice was given is Sir Joseph Ward's, which is before you, and I think it was understood that before to-day's sitting the shipowners would consider the matter, and I think the Australian delegates also.

SIR WILLIAM LYNE: I heard someone say so, but my colleagues say they did not suggest that.

HON. DUGALD THOMSON: I think the President said they would do so.

SIR WILLIAM LYNE: Someone said so.

HON. W. M. HUGHES: I did say so, but as nobody took the slightest notice, I presumed it was not the correct thing, and did not go any further with it.

SIR JOSEPH WARD: However, we might probably elicit opinion upon the question just now.

MR. BELCHER: I wanted an opportunity of asking another question, but I was hardly quick enough. It is this—

THE CHAIRMAN: Is that in connection with this motion?

MR. BELCHER: No, it is another matter.

THE CHAIRMAN: May we dispose of this first?

MR. BELCHER: I would like an answer to this question: I want to know if there is any provision in the Merchant Shipping Act which compels a master of a ship which is at sea to render assistance to another vessel in distress which might be in his locality.

SIR JOSEPH WARD: I moved this motion with the object of trying to arrive at something which would be a compromise in its retrospective application to this question of altering ships. I am fully in accord with those who desire to protect the interests of seamen, but the difficulty I have is in fixing what is the right course to be taken to compel a ship to be altered which has been built under approved conditions, and which is now carrying out its work. I put this latter portion of the motion in with the hope of getting support all round, because I know we want the concurrence, on a matter of this sort, of all at this table, if we expect to have the Board of Trade as representing the shipping of the Empire, from this end of the world, at all events—if we want to have them act in conjunction with the Colonies and if effective results are to be obtained. For that reason I suggest that where a decision is given by the respective governments calling for any alterations, if the decision is questioned as being unreasonable, there should be an appeal to some authority, and the Supreme Court appeared to me to be the one which was the most impartial. I have a feeling myself, with all respect to other delegates who are here, that the matter of altering a ship retrospectively—altering existing ships—is a serious matter, and that where retrospective legislation is suggested in that direction it requires to be adopted with reasonable safeguards. Therefore there ought to be some qualification. If we could arrive at a unanimous decision upon it, I should expect it to be asked upon. I know we should have in our own country, at any rate, the support of the shipping trade, inasmuch as they are readily conforming, as far as they can, to the suggestions that have been made. For my own part I think we should try to meet the shipping interests in a matter of this kind even though there may perhaps be a minority with strong feeling against any decision at which we may arrive. I have moved the resolution, because I think it necessary

that improved conditions should be effected, but we ought not to pass a resolution giving power to make a matter of this kind retrospective in its application, without giving any appeal whatever.

THE CHAIRMAN: Perhaps we had better ask the shipowners to consider this in the interval—whether this resolution of Sir Joseph Ward's is the right point of view, or if not, if they have any alternative suggestion.

MR. NORMAN HILL: We have considered it very carefully, and we fully appreciate what Sir Joseph Ward has said. We feel that as a matter of justice we have got a very strong case to argue that legislation of this kind should not be made retrospective. We would like, however, to keep the matter a little more open than we think Sir Joseph Ward's resolution keeps it. We would like, sir, to deal with it rather in this way. With regard to existing vessels, the new conditions are not to be applied as hard and fast conditions, but if in any particular case a ship is in fact insanitary, then we agree that that vessel should be made sanitary. We think it may be very difficult to effect that object by bringing it strictly in accordance with the new conditions. I think it was Mr. Hughes who pointed out yesterday that insufficiency or deficiency in space might be met by improved ventilation, and we would like it left very general. If an old ship is in fact insanitary, then let the proper authorities call upon the shipowners to bring it into a sanitary condition without regard to the new conditions. With regard to the appeal, we have rightly or wrongly (to my sorrow I have to say it) as shipowners a profound distrust of the courts; they take a long time to give their decisions, and they are expensive, and the appeal to the Court is, as a rule, very little good to us; it is better to shove through the job, and get the ship to sea, rather than await what the Court decides. I think what I suggest is entirely in accord with Sir Joseph's views, and if it would meet with the approval of the Conference, I think we should be quite willing to accept an arrangement of this kind—that the Governments of Australia and New Zealand, instead of imposing new conditions involving structural alterations as regards accommodation, ventilation, and conveniences on vessels built prior to the enactment of such conditions, should require only such existing vessels as have arrangements which are in fact insanitary to amend the same so as to bring them into a sanitary and healthful condition to the satisfaction of the local authority.

SIR JOSEPH WARD: Do you put that as an amendment?

MR. NORMAN HILL: It is hardly an amendment; it covers the same ground as your resolution.

SIR JOSEPH WARD: So far as I am concerned, in order to conform to the spirit of the suggestion in that resolution, I shall be only too glad to allow that to take the place of my motion. I have no desire other than to assist in having something done with existing ships. The difference between existing ships and ships yet to be built is so marked that I know, speaking with a full knowledge of the feeling in my own country, we would have very great difficulty in passing retrospective legislation. I am speaking with a very full knowledge of the matter, so for that reason, if the other delegates are agreeable to that motion, I should be only too glad to withdraw my motion and to accept the other.

THE CHAIRMAN: Shall I read it again—"That the Governments of Australia and New Zealand, instead of imposing new conditions involving structural alterations as regards accommodation, ventilation, and conveniences on vessels built prior to the enactment of such conditions, should require only such existing vessels as have arrangements which are in fact insanitary to amend the same so as to bring them into a sanitary and healthful condition to the satisfaction of the local authority."

SIR WILLIAM LYNE: I had an opportunity of reading that just now, and I must say that from my standpoint I do not think there is any harm in it as far as we are concerned, because it leaves the matter entirely in the hands of the local authorities, and I daresay the local authorities would see, as far as it was practicable (I know they would), that the ship was altered. It might be very hard to alter a ship, or by an Act of Parliament, or by any regulations to say exactly what those alterations should be in an old ship, and I think if the resolution is sufficiently elastic to leave it exactly to the discretion

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of those who would have to find what could be done, and what reasonably should be done, I cannot see any objection to it.

HON. W. M. HUGHES: Sir Joseph Ward's motion, so far as it goes, seems to me very reasonable, but it does not say what is the alternative—what is to be done in the case of those ships where the Minister is satisfied that the structural alterations necessary in order to comply with the limit would be unreasonable.

THE CHAIRMAN: That has disappeared. Sir Joseph has accepted Mr. Norman Hill's wording as an alternative, so that that is out of the field.

HON. W. M. HUGHES: I do not agree with that, and if necessary, I shall move this amendment. What I was saying is that Sir Joseph's motion seems to me very suitable, provided that it set forth what was to be the alternative. Now, the motion that Mr. Hill read is very indefinite, and very vague. To say that the sanitary and other health conditions should be maintained, involves merely a matter of opinion. If people are healthy, the assumption is that the conditions in which they live are sanitary and proper. But, in an Act of Parliament it is usual to set forth the conditions which are on the whole suitable for the promotion of health. Now in our Bill—the Bill the Commission sat on—Clause 135 says that "Every place in a ship appropriated to the use of seamen or apprentices shall have for each seaman or apprentice a space of not less than 72 cubic feet."

THE CHAIRMAN: What section is that?

HON. W. M. HUGHES: That is Section 135. That is the Merchant Shipping Act again. It is practically a repetition of Section 210 of the Merchant Shipping Act.

SIR WILLIAM LYNE: Does not that apply to new ships? Does that apply to all ships?

HON. W. M. HUGHES: This will apply to all ships. After saying that there shall be no paint-locker, latrine, and so on, it says: "If any place in a ship appropriated to the use of seamen or apprentices is not so kept free of articles, or if any paint-locker, latrine, or similar erection is built in contravention of sub-section (1)," certain things will happen. Now it is only contended by Mr. Hill on behalf of the shipowners that the expense of having to make structural alterations may be considerable, and in some cases that no alterations are practicable. I can understand that. You cannot say that if a ship has only been constructed to hold a certain number of seamen with 72 cubic feet of space each, and you are asked to provide 120 cubic feet each, that would be practicable. In some cases you simply could not do it, any more than you could put three pints into a quart pot. You cannot do it simply because a section in an Act of Parliament says that you must. But there seems no reason at all why the sanitary arrangements should not comply with the Act, and why baths and mess-rooms—

SIR WILLIAM LYNE: They come under the word "sanitary."

HON. W. M. HUGHES: Of course they do. The only thing is that it does not say so.

SIR WILLIAM LYNE: They come under the word "sanitary."

HON. W. M. HUGHES: No doubt they do. Am I to understand that the Merchant Shipping Act does not make provision for sanitary arrangements? Of course it does. The only thing is that the sanitary arrangements must be very largely a matter of opinion, unless it is specified what the sanitary arrangements are to be. The sanitary arrangements at present are quite inadequate, and therefore so far as the cubic capacity and cubic space is concerned, I am quite satisfied that a motion on the lines of that given notice of by Sir Joseph Ward should be adopted, provided that there should follow a proviso of this kind. "Provided that if the Minister is satisfied that the character of the structural alterations necessary in order to comply with the limit would be unreasonable, the Minister may, with the concurrence of the medical inspector or other person, permit the owner of the ship to appropriate other accommodation to the seaman or apprentice of space less than that specified, so that not less than 100 cubic feet and 15 superficial feet shall be provided." Of course, in asking 72 cubic feet, we are asking the shipowners to do nothing at all but

what they are doing now under the old Merchant Shipping Act, but in reference to sanitary arrangements, baths, the absence of impedimenta, from the seamen's quarters the efficient ventilation of the seamen's quarters—all these things are, in my opinion, even more important than the allotment of a certain given amount of space, because if that space be ill-ventilated, ill-lighted, and not free from bad odours, the condition of the seamen will be bad, even if you give them 200 cubic feet. It would be better to have 72 cubic feet well lighted, and well ventilated than 120 cubic feet badly ventilated and lighted, and therefore I say in respect to the ventilation and the sanitation required by the Colonial law, no exceptions can be made, or should be made. In respect to the cubic space allotted to the crew, I am quite willing that in cases where structural alterations would be impossible the 72 cubic feet should stand. I do not believe that in very many cases it would be necessary, but as far as ventilation and sanitary arrangements are concerned, I do not think any exception at all should be made, and I shall not vote for it.

MR. NORMAN HILL: Mr. Hughes must not, I think overlook the fact that we are discussing here British ships, and British ships have been under these conditions—the particular conditions he refers to as to keeping the crew's quarters free from stores and such things since 1867. The provisions as to ventilation and other things have been in operation here since 1854. There is no British ship conforming to the law that can spoil the crew's accommodation in this way.

HON. W. M. HUGHES: I am not overlooking it. The Commission went on board several ships, and quite apart from that I have been over a great many ships, and on hardly one have I found the sanitary arrangements adequate. Therefore it is not a question of conforming to the Merchant Shipping Act, but of conforming to a very much more stringent administration and a more stringent clause that is in question. The Colonial law will have to be made more drastic than the British Act in that respect, and you have no right to ask, I think, that in regard to the health of the crew you should be exempted at all, save in those cases where you really cannot make any more room for them. I admit that you ought to have exemption, so far as mere space is concerned, in those cases, but where it is a question of giving them fresh air, water to wash themselves in, and freedom from unwholesome smells, I do not think any shipowner ought to ask for any exemption.

MR. NORMAN HILL: We do not ask for it. The 6th section provides for that.

HON. W. M. HUGHES: I am quite aware of it, but the only thing is that nobody takes any notice of it.

MR. NORMAN HILL: Is not that a matter of administration? Have those cases been brought to the attention of the Board of Trade?

HON. W. M. HUGHES: I am quite aware of it.

MR. NORMAN HILL: Have they been brought to the attention of the Board of Trade?

HON. W. M. HUGHES: I could not say.

MR. NORMAN HILL: If the law as it stands—

HON. W. M. HUGHES: I am not a seaman. I will simply ask Mr. Belcher, who is a seaman, if it is not the fact that in nine cases out of ten there is no accommodation at all for seamen that can be termed decent in large ships and small in the British Mercantile Marine?

MR. NORMAN HILL: The law says they are to have proper accommodation, properly lighted and properly ventilated. Now, if the law as it now stands is of no use because it is not enforced, surely it is no good passing another law which would lead to the same thing.

HON. W. M. HUGHES: We are not passing any other law. We are not passing or seeking to pass any other law instead of that: we only say that with regard to our interpretation of what sanitary provisions and health conditions are, the Colonial law should govern the condition of vessels that trade to Australia, and in that respect you ought not to ask any exemption, because if present conditions are all that is required, the enforcement of those conditions can impose no hardship upon you, and therefore we are asking for no change. That cannot hurt you

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MR. COX : You are only asking that Australia should administer the law efficiently.

HON. W. M. HUGHES : No, we are saying that while we have been working under the Merchant Shipping Act we have found that the shipowners, just as is the case here, have not provided those conditions which make for the well-being of the seaman in regard to health.

MR. COX : Have any proceedings been taken? Mr. Hughes points out what is in my opinion a scandalous state of things, but apparently nobody seems to have prosecuted or done anything. I cannot understand it.

MR. BELCHER : Had Sir Joseph Ward's motion gone with the elimination of the last sentence in it, as to the right of appeal to the Supreme Court, I should have been prepared to agree to it, but I entirely disagree with the amendment now before the Conference. What we are aiming at is to constitute some authority which is going to see that the sanitary arrangements of the crew's quarters are carried out in a proper manner. It has been stated here that the Merchant Shipping Act has provisions in it for that purpose. The Merchant Shipping Act might be full of them, but so far as the administration of them is concerned, it has been very, very lax indeed.

THE CHAIRMAN : That is a very grave charge, and we should like some examples. That is a charge against Imperial administration which we should like to have some means of meeting.

MR. BELCHER : I make the charge in general terms, and I will not retract one word of what I say, that in nine-tenths of the ships afloat, the accommodation for the crews is not what it should be.

MR. WALTER J. HOWELL : That is a different point.

MR. BELCHER : I know of many cases where paint-lockers and store rooms, and many other things which the Act says shall not be contiguous to the crew's quarters, are right alongside.

THE CHAIRMAN : If you will give us particulars of these cases in which you say the Merchant Shipping Act has not been administered, we shall be happy to look into them.

MR. BELCHER : We have found it is almost useless to make complaints with regard to these matters, because no attention is paid to them at all. The law certainly says that certain provisions shall be made for the seamen, in so far as a certain amount of air and floor space is concerned. Provided that is done, the person who examines the place says the crew's quarters are in a fit sanitary condition. I am talking from my experience of what I know, more especially from a New Zealand point of view.

MR. WALTER J. HOWELL : Do you allege that the Merchant Shipping Act is not properly administered here, or in New Zealand?

MR. BELCHER : I am saying that, so far as my knowledge of British shipping is concerned when I go on board in the colonies, in my opinion the crew's quarters are not adequate.

MR. WALTER J. HOWELL : What do you mean by "British shipping"?

MR. BELCHER : I mean ships coming from the United Kingdom.

MR. WALTER J. HOWELL : A New Zealand ship is a British ship.

MR. BELCHER : At any rate I make that assertion, and can prove it beyond the shadow of a doubt.

MR. WALTER J. HOWELL : You must submit your evidence before we can take any notice of the assertion.

MR. BELCHER : I am not in a position to call evidence to prove it. I make the assertion, and if it wants support, you can take the report of the Royal Commission that sat in Australia in connection with the matter. They in unmeasured terms denounced the accommodation.

MR. WALTER J. HOWELL : To denounce accommodation is one thing. To say the law is not administered is quite another matter.

MR. BELCHER : I take the full responsibility of my utterances, but apart from that altogether the point I want to emphasize in connection with this matter is this : that there has been laxity in keeping the crew's quarters in a proper sanitary condition, and I want to lay down regulations whereby that shall be done. That can only be done by legislation, and notwithstanding the opinions held by Sir Joseph Ward and other delegates with regard to retrospective legislation, I do hold—and very strongly—that in every case where improper conditions for seamen's quarters exist, and where it is possible to make alterations and to improve those conditions, it should be done, and that there should be legislative enactment to compel it to be done.

THE CHAIRMAN : That is really provided for in this motion (Sir William Lyne has it in his hand), which Mr. Hill originally suggested, and which Sir Joseph Ward accepted,—in every case in which in the opinion of the local authorities the accommodation is deficient so as to make it not sanitary or healthful, they propose to take power to compel that accommodation to be improved. I am speaking without the text of it.

HON. W. M. HUGHES : My objection to that is that I only wish to except the 120 cubic feet clause and not those provisions dealing with the accommodation in general. These provisions regulating sanitary arrangements, ventilation, &c., should apply to all ships. The 120 cubic feet is not to apply to those ships where the Minister is satisfied that it is unreasonable to ask them to make the alterations, because it is obviously impossible.

MR. NORMAN HILL : Does it not amount to this : that Mr. Hughes would be content to have it as put in our Act of last Session? We adopted 120 feet. There was a difference about the mess rooms, but we adopted 120 feet for vessels built after a certain date. It left the old vessels under the old law.

HON. W. M. HUGHES : I am not content with that at all.

MR. BELCHER : I am not content either, because as I stated the other day those vessels built within the last year or two—the last few months—will live for 20 or 30 years, and if there is no attempt made to improve the condition of those vessels—and I give you my assurance that I have been into the crew's quarters of some of the most recent vessels that have come to New Zealand, and I say again that the conditions there are disgraceful,—the crew's conditions.

HON. W. M. HUGHES : Would you allow me now to just read what our Commission recommended in reference to this accommodation? It is on page 17 of our report, and on this we were unanimous, and it is not a matter, I am sure, that any man who will take the trouble to go through a ship will dispute. If this Conference will only allow us, we will take them through any ships in any port in the United Kingdom, and if four out of five are not as I state and Mr. Belcher says, I will abandon all opposition. It is a rare thing to find accommodation that is really adequate. The evidence given before the Royal Commission by seamen officers was that the accommodation and the general conditions were very bad and that they would not send a dog to sea, and I went down into the trimmers' quarters of a ship lately, where the men, although they were in a comparatively cool climate, were stripped to the waist before they could eat. We went on a ship where the latrine leaked through the bedroom or the quarters of the firemen and the greasers. This is what we say on pages 16 and 17 of our report—

MR. FERNIE : Our pages are different.

HON. W. M. HUGHES : You will find it under the heading of "Accommodation." It says here : "In respect of air space, very few witnesses favoured the retention of the present provisions. Three were in favour of 140 cubic feet, 11 were in favour of 120 cubic feet, 11 were in favour of 100 feet, six were in favour of 72 cubic feet. The medical men, eight in number, were practically unanimous in recommending a minimum of at least 120 feet, with such measurement as to floor space, and restrictions as to the erection and presence of impedimenta, as would insure the convenience as well as the health of the seaman." Now

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as to ventilation—sub-section (b) of that section—our report says this:—"The medical witnesses were emphatic in recommending that, in addition to the air-space, provisions should be made for adequate ventilation. Doctors Robertson and Ham"—they are the Health Officers, I think, of Brisbane and Melbourne—"stated that 3,000 cubic feet of pure air per hour per man was the recognised minimum for the maintenance of health and comfort. It would appear that the section of the Merchant Shipping Act dealing with this most urgent matter has proved ineffective. As a matter of practice, the usual method of ventilation is by means of a shaft, down which, on occasions, a current of air rushes, seriously affecting the comfort, and even the health, of individuals within its immediate radius. On those ships which your Commissioners visited, the ventilators were closed up with rags, and the quarters, in consequence, stuffy and permeated with disagreeable odours. Your Commissioners, therefore, recommend that provision be made for efficiently ventilating the sleeping quarters by such means as will secure a diffusion of fresh air without such draughts as would be likely to prove prejudicial to the health of the seaman or apprentice. Several witnesses stated that this could be accomplished by electric fans and foul-air extractors, that it was certainly no more difficult to ventilate a ship than an ordinary dwelling, and that sanitary experts could easily effect the desired improvements. Your Commissioners, therefore, recommend the adoption of such provisions as will insure this being done." Now, sub-section (c) deals with sanitary and hygienic arrangements, and the report says:—"With regard to sanitary and hygienic arrangements, these, as already pointed out, are in many cases non-existent; in others, inadequate; and in few, what they should be. Your Commissioners recommend that provision be made for the erection of bath-rooms, which in steamships should have an ample supply of hot water for the use of engineers, firemen, and greasers, and others, together with a sufficient number of suitable urinals and privies." With regard to light—sub-section (d)—we say:—"Notwithstanding the provisions of the Merchant Shipping Act Regulations that sufficient light should be available to enable ordinary newspaper print to be read by a seaman in his bunk under normal conditions, the generality of forecables are dark, gloomy, and depressing." I do not think, therefore, that, excluding the consideration of the 120 cubic feet which ought to be applied to all ships where it can be made to apply to those ships, although ships ought to be exempted where it would be unreasonable to ask them to apply it—but with respect to sanitary arrangements and ventilation, it should be applied to all ships without exception at all, and no Minister or anybody else should have the right to except them.

MR. BELCHER : Hear, hear.

HON. W. M. HUGHES : If 3,000 cubic feet of pure air hour per man is necessary to keep men in health, I do not think that any Act of Parliament, or any Minister, or any shipowner, should have the right to prevent that being supplied.

THE CHAIRMAN : Possibly discussion might be shortened by the fact that, if Sir Joseph Ward agrees, Mr. Norman Hill would be willing to strike out the words "ventilation and conveniences" from his motion.

HON. W. M. HUGHES : If you put it quite clear that so much cubic feet space is to be allocated to each seaman I shall be quite willing. But let us put exactly what we mean.

MR. NORMAN HILL : Cubic and superficial space.

HON. W. M. HUGHES : That will do.

MR. NORMAN HILL : Devoted to seamen.

HON. W. M. HUGHES : Now, will you read that, so that we may be quite sure how far it goes.

SIR WILLIAM LYNE : I was going to suggest, with reference to the pencilled memorandum, that those words would be better where they were suggested by Sir Joseph Ward than right at the end.

THE CHAIRMAN : That is a suggestion to put the words before "the local authorities" "are in fact insanitary." That does not change the motion, does it?

HON. W. M. HUGHES : In that motion, so far as I am concerned, I shall not give my vote for anything that mentions the word "sanitary" at all. It is to be understood that all the conditions shall apply to all ships, Colonial and other, except as to crew space—that that shall be, except where it is unreasonable, 120 cubic feet, or (where they are British ships) as provided by Imperial legislation.

SIR JOSEPH WARD : It would read this way—"That the Governments of Australia and New Zealand"—and so on—"as regards cubic and superficial space accommodation devoted to seamen" and so on. That meets it.

HON. W. M. HUGHES : I do not think so.

SIR JOSEPH WARD : The words "in the opinion of the local authorities" have been suggested.

SIR WILLIAM LYNE : They would be better.

SIR JOSEPH WARD : Might I say this on a point which has been exercising Mr. Belcher's mind, because I am anxious that we should be unanimous on a matter of this kind? It is not possible for this Conference to pass a resolution for retrospective legislation that is going to be the slightest use, because the Government of New Zealand I believe would not assent to it. All the administration we have there—the improvement of the conditions of the seamen and everything else—is done by the Act as it is, and they are all anxious to improve these conditions, and I know from experience of what took place with the Shipping Bill before the Committee, that retrospective legislation could not be carried through, and if we are going to do that, I for my part should vote against it. It is quite hopeless for us to get it in our country. We cannot get retrospective legislation there, for the Government would not introduce it.

HON. W. M. HUGHES : Can you call it retrospective legislation when you apply it to existing things?

SIR JOSEPH WARD : We call it retrospective if it applies to existing things which were authorised according to law, and makes what was lawful unlawful.

HON. W. M. HUGHES : Why, one of your chief legislative Acts deals with the existing landowners' land.

SIR JOSEPH WARD : Oh, and quite right, too, because we pay the landowner the full value of everything we acquire from him. If you were to put a clause in saying that the Government is to take over these ships by paying for them, and then do what it likes with them, that is another thing. That is as we treat the landowner. We say to a landowner, "We will acquire your land and pay you the full value. If you do not agree to the price then settle it by the Arbitration Court."

HON. W. M. HUGHES : And to your factory owner you say, "You must make your factory"—not your new factory, but your old factory—"to suit us."

SIR JOSEPH WARD : What we do is this. We establish a factory law providing for the conditions of the worker and the duties of the employer. A man need not carry it out unless he likes—he may close the factory. If he does not our inspector will come along and say to the people in charge of the factory, "This condition of affairs cannot continue and this must be done." But you cannot do that with a ship. In New Zealand we have by legislation provided for the most advanced things of any country in the world, but we could not do that.

SIR WILLIAM LYNE : Do I understand you to mean this,—that everything you are passing with regard to new ships should apply to old ships?

SIR JOSEPH WARD : No, I do not say that.

SIR WILLIAM LYNE : This very resolution that you are passing now is retrospective.

SIR JOSEPH WARD : No, it provides for administration, but does not affect existing rights without reasonable qualification.

SIR WILLIAM LYNE : Well, it is retrospective, because you are giving power to ships that exist to be so altered as to come up to sanitary requirements.

HON. W. M. HUGHES : Certainly, every ship that was built could not have been built in contemplation of this



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Conference coming and making certain other suggestions which would have the force of law; it would be retrospective in that fashion.

HON. DUGALD THOMSON: I agree that a good deal of objection could be taken on one side to vessels running for 20 or 30 years—possibly new vessels now—under conditions which are declared to be undesirable. I also agree that, on the other hand, it would be extremely harsh to compel shipowners to do what was next to impossible with existing vessels, and what might not really be necessary as a matter of health. Well, now, it has been stated by Mr. Hughes, I think, and Mr. Belcher, that they prefer Sir Joseph Ward's proposal to the one that is now before the Conference, and to bring matters to a point, and perhaps to meet the views of both sides, I would suggest that Sir Joseph Ward's motion be slightly altered and read thus: "That the cubic and superficial space for the accommodation of seamen prescribed by Colonial law should apply to existing vessels except in cases where the Minister is satisfied that the arrangements of the vessel are not insanitary, and the character of the structural alterations necessary to comply with the limit would be unreasonable." That meets Mr. Hughes's case as regards not insisting on unreasonable alterations, but it also gives safety against insanitary conditions by specially providing that this permission is not given where the arrangements of the vessel are insanitary. Would that meet the views of the shipowners?

MR. NORMAN HILL: No, I could not except that. That is at once conceding the principle.

SIR WILLIAM LYNE: What principle?

MR. NORMAN HILL: That you are entitled to legislate retrospectively. We want you to accept the principle, if you will, that you cannot legislate retrospectively, but we have built our vessels knowing that we were bound to provide proper accommodation properly lighted and ventilated, and we quite understand that you will enforce that.

SIR WILLIAM LYNE: But my feeling about your resolution was that it is retrospective in the sense that on vessels that exist you have a perfect right under that resolution to have proper sanitary arrangements in every way, and ventilating arrangements if desirable.

MR. NORMAN HILL: That is so, if you are entitled to it.

SIR WILLIAM LYNE: But do you not think that is the principle, to a certain extent, of retrospective legislation?

SIR JOSEPH WARD: It is with a reservation. Your motion has the reservation that I conceive from my point of view to be essential to enable that to be carried out. It says: "That the Governments of Australia and New Zealand, instead of imposing new conditions involving structural alterations as regards accommodation, ventilation, and conveniences of vessels built prior to the enactment of such conditions, would require only such existing vessels as have arrangements which in the opinion of the local authorities are in fact insanitary, to amend the same so as to bring them into a sanitary and healthful condition to the satisfaction of the local authorities."

HON. DUGALD THOMSON: It is a mere verbal objection, I take it, because that puts it in another form which brings it into the same category as regards that objection as the proposal of the shipowners—that is to say, that the cubic and superficial space for the accommodation of seamen prescribed by Colonial law shall not apply to existing vessels (that is your own proposal) except in cases where the Minister is satisfied that the character of the structural alterations necessary to comply with the limit would not be unreasonable and the arrangements of the vessel are not in fact insanitary.

THE CHAIRMAN: You have now got to make it "are."

HON. W. M. HUGHES: With that "not" and the other "not" out, it will be right.

MR. NORMAN HILL: As it reads now, it seems to me to be laying down that the new conditions are the only conditions which will give proper accommodation in the old ships. I want to make it so that there might be

give and take, that the old ships might not be able to give the space but might be able to give better ventilation. Would it not meet the case if the Act were made retrospective only so far as regards ventilation and conveniences?

HON. W. M. HUGHES: I take it that the principle of the proposed Colonial law is this: that it shall apply to all ships. That is, the broad general principle. Now we get some excepting clauses.

HON. DUGALD THOMSON: The recommendation of the Royal Commission is only to apply to Australian ships.

HON. W. M. HUGHES: Or ships trading on the coasts.

HON. DUGALD THOMSON: Yes.

HON. W. M. HUGHES: Quite so; it is only those ships that it will apply to. It shall apply to all ships; but any ship, whether Colonial or British, which can make out a case where the structural alterations would be unreasonable to bring it to the cubic and superficial capacity may be excepted so far as that is concerned, but not so far as the sanitary, the hygienic, and other conditions are concerned.

THE CHAIRMAN: The motion, as it has been altered, meets your point as regards ventilation and conveniences; those are struck out entirely.

HON. W. M. HUGHES: Will you just read it, Mr. President?

THE CHAIRMAN: "That the Governments of Australia and New Zealand, instead of imposing new conditions, involving structural alterations as regards cubic and superficial space accommodation devoted to seamen on vessels built prior to the enactment of such conditions will require only such existing vessels as have accommodation—"

SIR JOSEPH WARD: "Arrangements."

THE CHAIRMAN: I have put in "accommodation" as a consequential alteration after knocking out "ventilation and conveniences"—"as have accommodation which, in the opinion of the local authorities, is in fact insanitary or unhealthful, to amend the same so as to bring it into a sanitary and healthful condition to the satisfaction of the local authorities."

HON. W. M. HUGHES: Whose motion is that?

THE CHAIRMAN: Well, everybody has had a turn at it, but they are Sir Joseph Ward's words.

HON. W. M. HUGHES: I cannot agree to it.

SIR JOSEPH WARD: Might I put this proposition to Mr. Hughes: You are giving power to local authorities where there is insufficient space, where the accommodation is bad, to have alterations made in existing vessels, and you are doing that under this proposal with the full concurrence of the shipowners who are at this Conference. Now, I only put it to you for your consideration, is it not most important in the seamen's interests that where you have unanimity expressed by the shipowners we should take the opportunity of having that put on record in its application to existing vessels, instead of fighting for what we know will be most difficult to get. They are making it a matter for retrospective legislation, which if carried here would be of very little use to any of us. With all deference to you, my opinion is that you should support this; it is a tremendous march forward.

HON. DUGALD THOMSON: If you add the proviso, "not less than 72 feet."

HON. W. M. HUGHES: They cannot be less than 72 feet, because that is the Imperial law. Sir Joseph Ward's original motion is, I think, more satisfactory. I do not like the preamble to that resolution; and I think Sir Joseph Ward's motion is more satisfactory, more to the point. His original motion was—"that the limit of accommodation prescribed by Colonial laws should apply to existing vessels, except in cases where the Minister is satisfied that the character of the structural alterations necessary, in order to comply with the limit, would be unreasonable." Now, I think if you put it this way: "The limit of cubic and superficial space for the accommodation of seamen prescribed by Colonial law

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"shall apply to all vessels, except in cases where the Minister is satisfied that the character of the structural alterations necessary, in order to comply with the limit, would be unreasonable and in those cases the requirements of the Merchant Shipping Act" or Acts—"Act, I suppose it would be—"shall be deemed sufficient."

MR. COX : I do not like referring it to the Imperial Act, because then you get a conflict of jurisdiction between the Acts. I think it would be better to leave out any reference to the Imperial Act.

HON. W. M. HUGHES : This is merely declaratory ; because, of course, every shipowner is either subject to your law or to some other law—to our law, for instance.

MR. COX : He may be subject to both.

HON. W. M. HUGHES : He must be subject to one, at any rate.

MR. COX : Certainly.

HON. W. M. HUGHES : If he is not subject to ours, we ask that he shall be subject to yours.

MR. COX : It is perfectly clear that he must be subject to ours ; and, why put that in ?

HON. W. M. HUGHES : Of course, it is perfectly clear ; but, at the same time, this is a statement of what we really mean. The man in the street, or the man in Australia (who is generally in the street), wants to know, "What does this mean ? What will happen ? Are they to have nothing to regulate them at all ?" Yes, they must comply with the Imperial Act.

MR. COX : Of course, everybody knows that a ship must be under some law or other ; it must be under the Imperial Act.

MR. BELCHER : You are coming to this point, are you, that your Australian Bill is going to provide for more space than already exists ?

HON. W. M. HUGHES : Yes.

MR. BELCHER : A ship which could not comply with that, would then comply with the provisions laid down in the Imperial Act ?

HON. W. M. HUGHES : Yes.

HON. DUGALD THOMSON : 72 feet.

HON. W. M. HUGHES : I am perfectly willing to admit that everybody ought to know the law, but they do not.

MR. BELCHER : Can you not get over that difficulty by specifying the minimum space allowed by the Shipping Act ?

HON. W. M. HUGHES : If you like, I will put that in my amendment.

MR. COX : I think it is clearer, because it tells them exactly what to do, rather than carrying them from one Act to another.

HON. W. M. HUGHES : I will move this—

SIR WILLIAM LYNE : I should like to say a word, first.

HON. W. M. HUGHES : I should like to move it first, and then we shall get it down in black and white. I am going to move practically Sir Joseph Ward's motion again with an addendum : "That the limits of cubic and superficial space for the accommodation of seamen prescribed by Colonial laws should apply to existing vessels, except in cases where the Minister is satisfied that the character of the structural alterations necessary in order to comply with the limit would be unreasonable, in which case the owner of the ship shall appropriate for accommodation to the seamen or apprentices space not less than 72 cubic feet, and 12 superficial feet measured on the deck or floor of that space."

SIR WILLIAM LYNE : The objection I have to mentioning 72 cubic feet is that if you mention that in the resolution it becomes the maximum, instead of the minimum—

HON. W. M. HUGHES : It cannot.

SIR WILLIAM LYNE : I know how these things are worked ; it gives an excuse, if an excuse is wanted.

HON. W. M. HUGHES : That can only apply to vessels that are exempt.

SIR WILLIAM LYNE : But once you fix a minimum, the officials who examine and report to their Minister have some sort of guide as to what is wanted in that regard ; and they come to 72 cubic feet as the maximum.

HON. W. M. HUGHES : You can move another figure.

SIR WILLIAM LYNE : I am not going to move anything at present. That has come up since. But, in reference to this resolution, I feel as strongly as anyone here, and as anyone from Australia or New Zealand, in favour of the alteration of old ships, to get them as nearly as possible to the requirements of the new ; but for the life of me, I cannot see what earthly harm is going to take place if you leave the matter entirely in the hands of the local Government, because that is what the resolution does. And if you pass the resolution here it does not follow that the resolution is going to be put into an Act of Parliament. In this Act, or this Report, there is nothing very definite ; and the question was raised by Mr. Thomson the other day as to retrospection. I am fighting for retrospective legislation in a sense, to get it as near as possible to what new ships have to conform to ; but it does not follow that you can get everything you want through a House of Parliament. And now that we have heard an expression of opinion from Sir Joseph Ward, which is very strong on this point, that if the shipowners are agreeable, to leave the matter practically in the hands of the local Government, which means the local Parliament. I know Mr. Hughes well enough to be fully aware that if the Minister did not carry that out properly he would soon have him by the throat. And whilst Mr. Hughes is in Parliament the thing is quite safe, and this will be carried out in its entirety. There are a good many other gentlemen also who will see that it is done. If we are left unhampered in this way Parliament would pass regulations, and very likely would provide power to pass regulations, and Parliament will discuss this matter ; and we shall be backed up by a resolution voted by this Conference, unanimously perhaps, which is a very strong point, regarding retrospective legislation. But if we have a resolution only consented to by a portion of the Conference and not by the shipowners, it gives us a little harder work to get the Bill through Parliament. Another point is this : it may be that some ships—I hope there are very few—but I indorse every word Mr. Hughes has said about the insanitary condition, and not only the insanitary condition, but the little thought that is given to the men on board ship to have their meals in comfort ; and I see there is a special provision here with regard to this very matter. All these things ought to be taken into consideration by our local Parliaments or local Ministers ; and if the Ministers, who have the power of their Parliament behind them, allow ships to go that can be altered, and will be altered as nearly as possible to the requirements of the new ships, and do not do it, they will suffer for it. But, once you put a restriction upon it, I am afraid that is almost a direction as to what is to be done. And, strongly as I am in favour of retrospective legislation and to making every ship afloat on the water conform to the new ideas and the new regulations for comfort, still there are ships on which you cannot possibly carry that out by approaching perhaps to the requirements of the new ships. I am sure no one will accuse me of giving way on any point if I do not see some fairly good reason for doing so, but I must say that after the discussion last night, I looked into this matter, and again this morning, and I have not seen my way as to what course to take ; because I very much object to the idea of leaving these matters to the Court. But this resolution seems to me to give us unlimited scope under the direction of our officers and under the direction of the Ministry ; and I do hope Mr. Hughes may see his way, as we others do, to meet it in some way or the other, and let us get the matter settled.

THE CHAIRMAN : Can we get the opinions of the delegations ? I do not want to shorten the discussion unduly, of course.

HON. DUGALD THOMSON : I think we ought to try to arrive at a resolution unanimously. That is really another amendment of Sir Joseph Ward's original proposition ; and I would like to know if it would meet the shipowners' views that the limit of accommodation

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prescribed by Colonial laws shall not apply to existing vessels—that is just in accordance with their own proposal—in cases where the Minister is satisfied that the character of the structural alterations necessary in order to comply with the limit would be unreasonable and the existing accommodation is not less than 72 cubic feet and 12 superficial feet? Now, Mr. Hughes is in favour of that.

SIR WILLIAM LYNE: 72 cubic feet and 12 what?

HON. DUGALD THOMSON: 12 superficial feet.

SIR WILLIAM LYNE: Do you think it is a good thing to put a minimum?

HON. DUGALD THOMSON: It does not matter in this case. I agree with you that if it were a new provision creating a new condition, the naming of a minimum tends to make that minimum almost a maximum, but this is a different case; this is a special provision given for non-alteration, and it is really a limit that that non-alteration shall not be allowed when there is not that much accommodation, but the circumstances have to be such as to make it difficult or impossible to make the alteration—then you say that you may give permission, but not below that limit. That is really the safeguard in such a case.

SIR WILLIAM LYNE: They cannot give it below.

HON. DUGALD THOMSON: But you could.

SIR JOSEPH WARD: As there appears to be some difficulty—

HON. W. M. HUGHES: One moment. Mr. Thomson put it one way, and I have it the other.

SIR JOSEPH WARD: And I have a third.

HON. W. M. HUGHES: I should just like to have it "right; that the limit of cubic feet and superficial space for the accommodation of seamen and apprentices prescribed by Colonial law shall apply to existing vessels, except where the Minister is satisfied that the character of the structural alterations necessary in order to comply with the limit would be unreasonable, in which case such other cubic and superficial space shall be provided as the inspector or other officers shall recommend."

SIR JOSEPH WARD: I am trying to suggest a middle course which I think would probably commend itself to the shipping trade, and I hope to the representatives from Australia and New Zealand as well. Taking the original motion, I move "that the limit of accommodation prescribed for officers and crew should apply to existing vessels except in cases where the Minister is satisfied that the character of the structural alterations necessary in order to comply with the limit would be unreasonable, in which case he will require only such existing vessels as have accommodation which in his opinion is in fact insanitary to improve the same so as to bring it into a sanitary and healthful condition to his satisfaction."

HON. W. M. HUGHES: No, I am perfectly fixed in my opinion that as far as sanitary and ventilation and hygienic arrangements generally are concerned, under no circumstances ought the Minister to be permitted—or if he were permitted, ought he for a moment to allow any exemption.

SIR JOSEPH WARD: I know you want to meet the shipowners as far as you can, and if you stick out for something they do not agree to, it comes back to this, that this end of the world is different to ours—and are we going to stick out for something that cannot be done, and to refuse something which everybody agrees to do?

HON. W. M. HUGHES: I will put in your motion down "to unreasonable" and leave it to the good sense of all parties to interpret the rest the best way they can. There is one point you made there which I think is very necessary, and that is, the limit of cubic and superficial space for officers, seamen, and apprentices.

SIR JOSEPH WARD: "Officers and crew."

HON. W. M. HUGHES: "Officers and crew"—that will do. "That the limit of accommodation prescribed for officers and crew should apply to existing vessels except in cases where the Minister is satisfied that the character of the structural alterations necessary in

"order to comply with the limit would be unreasonable"—that is all.

MR. NORMAN HILL: We do attach importance to the form. I believe we are absolutely at one with what Sir Joseph Ward and Sir William Lyne have said about this, but we do not think that it is right that the legislation should be made retrospective.

SIR WILLIAM LYNE: If the result of the vote that you ask me to give is to be interpreted that I am against retrospective legislation, I could not vote with you.

HON. DUGALD THOMSON: That is not the effect.

SIR WILLIAM LYNE: Then Mr. Hill says that in his motion he wants to get clearly an indication that it is not retrospective.

MR. NORMAN HILL: We want you to judge of a ship as to whether it is sanitary or not, and not by any regulation made after the ship was built. Mr. Hughes's resolution leads off with a statement that the new conditions are to apply to the old ships. Now, sir, we do want you to put it the other way—that you will judge of old ships by their merits—are they sanitary or are they not? If they are not sanitary, how can they be made sanitary—not how can they be brought strictly in accordance with your new regulations.

HON. W. M. HUGHES: Sanitation has nothing to do with cubic and superficial space. They might be in a place like this room, and yet be woefully insanitary.

MR. MILLS: It is recognised that the Colonies have the right to legislate for the shipping trade in their waters, whether the vessels are locally owned or owned in Great Britain. It therefore becomes a question of compromise, and it is hopeless to expect that all modern ships could comply with these much more extensive requirements. The proposal now is, that all ships already built, where it is not unreasonable to make them comply with modern requirements, should do so, and at a reasonable expenditure.

MR. ANDERSON: What meaning do you attach to "structural alteration"? Structural alteration may be quite practicable, but, commercially speaking, it may be impossible.

MR. MILLS: It is difficult to define.

SIR WILLIAM LYNE: I do not quite understand.

MR. MILLS: The question of whether alterations are unreasonable must be left very largely to the officers.

SIR WILLIAM LYNE: But the Minister should decide. No doubt, any Minister would get the advice of his officers.

MR. MILLS: Certainly.

SIR JOSEPH WARD: Do you see any objection to this last suggestion of mine?

MR. NORMAN HILL: It may be only form, but you lead off with a statement that the new regulations apply to old ships.

HON. DUGALD THOMSON: It is a question of words, really—it is "shall" or "shall not." Now, why not omit that first portion altogether? Surely we have got so near that we can arrive at a settlement. Why not omit that first portion and say, as an addendum to the resolution already passed (Resolution 4), something to the effect that has been proposed with regard to the accommodation of the crew, but without using the words "shall" or "shall not."

THE CHAIRMAN: The difference between the two forms is, that that proposal would impose the new standard upon all vessels, except in a particular case, where an exemption was given. The other form of resolution would not apply, but would give full powers to the local authorities to require improvements where they thought them necessary.

SIR JOSEPH WARD: I am quite willing to accept that.

HON. W. M. HUGHES: This is the position. Every Colonial shipowner will be a competitor with every one of these British vessels, because it will only apply to those

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British vessels that do trade on the coast, practically. Now, we shall insist upon every Colonial shipowner bringing his ship right bang up to date. We shall accept no excuses at all. We shall demand that he shall make such accommodation as is essential to bring his ship up to date, and we shall only exempt him so far as space is concerned where structural arrangements are unreasonable. Now you are asking that you shall be placed in a better position than our Australian shipowners.

MR. COX: I do not see that. The difference between Mr. Norman Hill's motion and the other motion is simply that one puts the proposition affirmatively and the other negatively.

SIR WILLIAM LYNE: Another point that strikes my mind is this, from a practical standpoint. Our law is passed, and unless some provision such as this is made, which I think is just as strong as the reverse (that is, Mr. Norman Hill's), they have all got to haul themselves up right away, and to put themselves in alteration. In the other case, the Government will make arrangements, I have no doubt, to compel them to do it as soon as they reasonably can.

THE CHAIRMAN: They will screw them up one by one.

SIR WILLIAM LYNE: That will be the practical way of its being done, but if the Act is passed on the basis of every one having to be up to date as soon as it is passed, I do not see how it is going to be carried out.

HON. W. M. HUGHES: I would say this—I would give my vote to the House to give the British shipowner fair time to bring his ship up to date; say 12, 18, or 24 months. I would do anything reasonable in that way to give them time to bring their ships up to date. You cannot expect a shipowner to bring his ship up to the requirements of the Act immediately because the Act comes into force; you must give him time.

MR. FERNIE: How long would you propose to give from the time your Act comes into force? Within what date of your Act coming into force would you apply it to these vessels?

HON. W. M. HUGHES: You are given the outside limit in your Act for certificated cooks, and that comes into force about 18 months after your Act comes into effect. For the rest, the provisions of the Act come into force—nearly all of them—next June. Now, do you say that 12 months is a fair time?

MR. FERNIE: I think you might get some steamers which would be on time charter, which would go away afterwards, and would not wait to comply with the Act.

HON. W. M. HUGHES: If 12 months' time is a fair thing, I feel sure that shipowners could make out a case. Exemption in certain other cases might be provided for, too.

MR. NORMAN HILL: I think we feel very strongly that the old ships should be judged on their merits, and not by this new standard.

SIR WILLIAM LYNE: With reference to the point of trying to prevent any idea or intention of having retrospective legislation, that is a very awkward point you bring in, and that is why you do not want, as you said just now, to have these words transposed.

MR. NORMAN HILL: We do not want them brought all under the standard; we want them to be left to be judged separately, as to whether they are sanitary or not.

THE CHAIRMAN: You are not committed, Sir William Lyne, by this resolution, to repudiating retrospective legislation.

SIR WILLIAM LYNE: I would not vote for it if I were. If I were the Minister dealing with this case when the law came into operation I would take very good care that they brought their ships up as far as they reasonably could. But I do not want to try and do an impossibility.

HON. W. M. HUGHES: I say this resolution of mine as it is now, with a rider which Mr. Hill can move if he likes, that such time ought to be permitted after the

passing of the Act—reasonable time to enable shipowners to bring up their ships to the requirements—would meet the case.

MR. NORMAN HILL: I am quite content to put in an exemption to apply to vessels built prior to the enactment of such conditions, having not less than 72 cubic feet, if that will meet Mr. Hughes's case.

HON. W. M. HUGHES: I do not object, subject to my proviso.

MR. NORMAN HILL: Vessels built before, but having in fact 72 cubic feet of space for each of the crew. That is No. 1. No. 2 is that it must have a minimum of 72 feet, and if the vessel comes within those conditions, then it is to be judged on its merits as to accommodation—leaving out ventilation and conveniences—and if the sanitary effect is not according to the views of your authority, let them order an increase.

HON. W. M. HUGHES: I say, as far as an insanitary ship is concerned, there ought to be no exemption at all.

SIR JOSEPH WARD: How would this do in order to meet the position, "The limit of accommodation devoted to officers and crew prescribed by Colonial laws should apply to existing vessels, except in cases where the Minister is satisfied that, having regard to such limit, the accommodation actually provided is in fact insanitary, but may require the owners to amend the same so as to bring it into a sanitary and healthful condition to the satisfaction of the Minister."

MR. NORMAN HILL: I rather think you have a negative too many.

SIR JOSEPH WARD: I will read it again:—"That the limit of accommodation devoted to officers and crew prescribed by Colonial laws should apply to existing vessels, except in cases where the Minister is satisfied that, having regard to such limit, the accommodation actually provided is in fact insanitary, but may require the owner to amend the same so as to bring it into a sanitary and healthful condition to the satisfaction of the Minister."

HON. W. M. HUGHES: That exempts all ships excepting those ships where the conditions are insanitary. I say the result would be that no shipowner will attempt to make any structural alterations at all.

SIR JOSEPH WARD: But the local authority—the Minister—can do it in that case.

HON. W. M. HUGHES: Not at all. Your motion takes all out except those that are insanitary.

MR. FERNIE: The Minister can say that it is insanitary.

HON. W. M. HUGHES: It applies to accommodation.

SIR WILLIAM LYNE: The motion is drawn with a great number of variations.

SIR JOSEPH WARD: It would be a good thing to have lunch now. We have got into a bit of a knot, and we could have it out afterwards.

THE CHAIRMAN: Can we do any more business before we adjourn?

SIR WILLIAM LYNE: There is one question, and that is this: As this resolution now stands it leaves out all other conditions but the sanitary condition.

HON. W. M. HUGHES: No, not "but the sanitary condition"; it is the other way about.

THE CHAIRMAN: It leaves everything except the cubic quantities and the superficial areas, and I think, if I may say so, that is a very big concession from the shipowners, having regard to their previous point of view.

SIR WILLIAM LYNE: To be quite clear, if this resolution is carried, the moment it is to come into operation all these things, whether a new ship or old ship, come into force on that ship.

HON. W. M. HUGHES: Yes.

SIR WILLIAM LYNE: Do you not think that is a great step to get?

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HON. W. M. HUGHES: Certainly it is a step—everything is a step. One bite is a step towards lunch, but not a very satisfactory one. Give every ship an opportunity of coming into compliance with the Act by giving, say, 12 months to do it, and if he cannot do it owing to the structural alterations being unreasonable, then the Minister may exempt him so far as cubic and superficial space are concerned, but he cannot exempt him in reference to sanitary and hygienic arrangements.

HON. DUGALD THOMSON: He cannot under this proposal.

THE CHAIRMAN: You have got the ventilation, you have got the conveniences; you have got your way there.

HON. W. M. HUGHES: If we have lunch now, we can see what we can do afterwards.

SIR WILLIAM LYNE: I think you are safe in doing it.

MR. BELCHER: There is one question I should like to ask Mr. Hill, and it is this: In the event of a vessel having the bare amount of space allowed by your Act, and an expenditure of £10, £15 or £20 would make the conditions of the ship equal to the demands of the Act, would there be any objection to that being done? I gather from what is being said by the shipowners that they object to any alterations being made in any ship at all built prior to the regulations. I gather that from their remarks. It appears to me that they are very insistent on that point—that they do not want to be compelled, under any circumstances to make any alterations whatever. The point we are trying to come to is this, that where it is possible without dispossessing the shipowner or putting him to undue cost—

MR. NORMAN HILL: I am very sorry that anything I have said has conveyed to Mr. Belcher the idea that we would intentionally not introduce an improvement which would involve a trifling expenditure of the sum Mr. Belcher has named. I think our records warrant us in saying that it is hardly a reasonable suggestion to make. We should be only too glad to introduce any improvements we can to make our men more contented.

SIR WILLIAM LYNE: I think if I understood the question Mr. Belcher put, it was whether, if this resolution was decided on, there would be any hesitation on the part of the shipowners to carry it out.

HON. W. M. HUGHES: I have made another amendment to this, and I should like to read it before we go to lunch. "That the provisions relating to the limits of accommodation prescribed by Colonial laws shall not apply to existing vessels for a period of two years from the passing of that Act" (our Act that means) "except in cases where the Minister is satisfied that the structural alterations are necessary in order to comply with the sanitary and hygienic arrangements."

SIR WILLIAM LYNE: Why give them two years, if it ought to be done at once.

HON. W. M. HUGHES: Two years for what?

SIR WILLIAM LYNE: Two years to alter their ships.

HON. W. M. HUGHES: Certainly, I would give them a chance.

MR. COX: Mr. Hughes has given us a most deplorable condition of things. If I were in Australia, I would not perpetuate that for two years. I would not give them six weeks.

HON. W. M. HUGHES: I want to give them an opportunity to bring their ships up to our requirements so far as cubic space is concerned. In other respects, of course, there ought to be no time allowed.

SIR JOSEPH WARD: Here is my amendment: "The limit of accommodation prescribed by Colonial laws should apply to existing vessels provided that in cases where the Minister, having regard to such limit, is satisfied that the accommodation actually provided is in fact unsatisfactory and unhealthful, he may require the owner to amend the same so as to bring it into a sanitary and healthful condition to the satisfaction of the Minister."

MR. NORMAN HILL: "Having regard to such limit"—it is not quite clear what that refers to.

SIR JOSEPH WARD: It refers to the limit of accommodation provided by the Colonial laws.

MR. NORMAN HILL: "Having regard to the accommodation" actually provided.

SIR JOSEPH WARD: "Where the Minister is satisfied that the accommodation is actually provided"?

HON. W. M. HUGHES: Yes.

SIR JOSEPH WARD: No. "Where the Minister is satisfied that the accommodation actually provided is in fact unsatisfactory and unhealthful, he may require the owner to amend the same so as to bring it into a sanitary and healthful condition to the satisfaction of the Minister."

MR. NORMAN HILL: It is not what we wanted, but we will support it in order to get unanimity.

SIR JOSEPH WARD: I think we ought to have unanimity if possible.

THE CHAIRMAN: Can we get the unanimity of the delegations? You will accept that, Sir Joseph, on behalf of the New Zealand delegation?

SIR JOSEPH WARD: I would accept that because it puts it into the power of the Government to do what these gentlemen wish.

SIR WILLIAM LYNE: I do not care which one it is. I do not want to move any more amendments.

THE CHAIRMAN: We obviously cannot vote here by numbers. We must take the Australian view, and the New Zealand view, and the United Kingdom view.

HON. W. M. HUGHES: I cannot agree to that.

THE CHAIRMAN: Would you be satisfied to record your dissent? We must get on.

MR. COX: Provided your dissent is recorded. I suppose that would satisfy you?

MR. BELCHER: The scope of the resolution is too restricted altogether. What I mean is this: Assuming there is a place located in a ship which is altogether an improper kind of place, where light and ventilation cannot be adequately provided for, and that place by an expenditure of a very small amount of money (assuming in the first place there is just the bare amount of space allowed) could easily be made all right. With soap and paint and so on you can make the place clean and sanitary, but you cannot make the place proper for a man to live in unless you enlarge it and light it better. It is largely a matter of space, and what I wanted to see inserted in any resolution carried in connection with this matter is that where it is possible to do so reasonably, as Mr. Hughes has put it, the shipowners should be compelled to enlarge the crew's quarters, in order to give them the full amount of space.

THE CHAIRMAN: Are you not satisfied to leave that to the Minister?

HON. W. M. HUGHES: Not at all.

SIR WILLIAM LYNE: I am inclined to think that the first resolution, as amended in two or three ways, is the one I like the better.

HON. W. M. HUGHES: The whole thing is this: that if that motion is given effect to there will be practically no alteration whatever made in any existing ship.

MR. COX: What are your Ministers about?

HON. W. M. HUGHES: What Mr. Belcher said was perfectly right; if you give an hour before the inspector comes, the latrine and bilge water and all that sort of thing—offensive effluvia and so on—will be got rid of, but the moment the inspector is out of the way it will be worse than ever.

MR. COX: But you cannot make 72 feet into 120 feet in an hour, and you cannot make your bath-houses in an hour.

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MR. ANDERSON : Would you be satisfied with existing ships if they had 72 cubic feet and complied with all the other conditions?

HON. W. M. HUGHES : No; my ideal is 120 cubic feet if it can be done; but if they cannot comply with that without making such structural alterations as are unreasonable, then I am prepared to wait for a given period.

MR. BELCHER : I am quite prepared to leave myself in the hands of the Minister in New Zealand with regard to the matter, if something is mentioned in the resolution with regard to the space being increased where it is possible to do so.

HON. W. M. HUGHES : If Mr. Hill will amend his motion by putting in a period at the end of which ships must come the other way about, that is to say, his resolution for two years—that until after two years, or any other period you like, it shall not apply where the sanitary arrangements are suitable, and that after that period they shall apply, then I will consider it.

MR. FERNIE : The only thing we can do is to protest against all retrospective legislation.

HON. DUGALD THOMSON : I think we had better leave that question out.

THE CHAIRMAN : Sir William Lyne, can we vote on that resolution before we go? It seems for the moment as though we are not likely to get unanimity.

SIR WILLIAM LYNE : I should like the original motion as it was altered.

THE CHAIRMAN : Sir William Lyne now says that on the whole as a matter of wording (the two resolutions really point to the same intention) he prefers the original motion as amended. I think we may say on behalf of the United Kingdom that we do not care which of the two is passed; either would do for us.

HON. DUGALD THOMSON : Which is Sir Joseph Ward proposing?

THE CHAIRMAN : Sir Joseph is proposing this new wording, but Sir William prefers the original one.

SIR JOSEPH WARD : I am quite prepared to accept the old one if unanimity can be got.

THE CHAIRMAN : I gather that Sir William Lyne is in favour? I am afraid we do not carry you, Mr. Hughes, with us.

HON. W. M. HUGHES : No. I understood most emphatically that every motion was to be voted upon. I asked the President about this yesterday—as to what had to be done in a case of voting when we were not unanimous. What do you say, sir?

THE CHAIRMAN : If I had to rule, I should have said it had to be by delegations; that is to say, the Australian delegation, if not unanimous amongst themselves, would have to settle as between themselves which way they voted. But I think that a dissentient member should have the right of recording his dissent.

SIR WILLIAM LYNE : Certainly, and I was going to suggest that the last time we were here. I think the right should be reserved to any one of the delegation to express his dissent. The majority goes one way, that is the delegation; but an individual member should have the right to record his vote the other way.

THE CHAIRMAN : Yes; otherwise there is no method that I know of.

SIR WILLIAM LYNE : Will you read the first resolution as amended?

THE CHAIRMAN : "That the Governments of Australia and New Zealand, instead of imposing new conditions involving structural alterations as regards cubic and superficial space accommodation devoted to officers and crew on vessels built prior to the enactment of such conditions, will require only such existing vessels as have accommodation which in the opinion of the local authorities is in fact insanitary or unhealthful."

SIR WILLIAM LYNE : That is to say, "local authority" means the Minister?

HON. DUGALD THOMSON : Whatever authority is fixed.

SIR WILLIAM LYNE : So long as it covers that, I am content.

THE CHAIRMAN : Or "in the opinion of the Minister," if you like.

MR. COX : It is quite clear that it is not the Court.

THE CHAIRMAN : Then the resolution goes on, "To amend the same so as to bring it into a sanitary and healthful condition to the satisfaction of the local authorities."

SIR WILLIAM LYNE : You have my pencil alteration in?

THE CHAIRMAN : Yes, I have "in the opinion of the local authorities" put in

HON. DUGALD THOMSON : I have it "authority."

HON. W. M. HUGHES : I wish to vote against that.

THE CHAIRMAN : That will be recorded.

The resolution was then adopted.

HON. W. M. HUGHES : My vote is recorded against that; but what I want is to set down my reasons. Whether they can be taken down or not I do not know; but, if not, I shall furnish you with my reasons. Shortly, why I dissent—

THE CHAIRMAN : Would it not be sufficient to say, "For reasons given in the record of the proceedings"?

HON. W. M. HUGHES : Only just a short statement of my reasons. My reasons are that I think all ships should comply with all the required conditions; but, if it can be shown that the structural alterations are unreasonable then, so far as cubic and superficial capacity is concerned, the ship might be exempted. But in the case of sanitary, hygienic, general, and other arrangements—no exemption should be made under any circumstances whatever.

HON. DUGALD THOMSON : We are not proposing that.

HON. W. M. HUGHES : I want that set down.

SIR WILLIAM LYNE : Mr. Hughes's vote or the minority vote should be recorded for the reasons given in the speeches made to-day.

SIR JOSEPH WARD : Personally, I was going to say that the individuals of a delegation here, I think, with all due deference to those present, should not vote as individuals. They may in their speeches, of course, put their opinions on record. But, speaking for New Zealand, we are here as a joint delegation to represent our country; and it is our duty if we can possibly secure it, to have as a delegation unanimity. I am putting their sentiments as well as my own. We do not want to go back to our country and say that two men voted one way and two voted another. Compromise is always essential in these matters; and we want to have it put to New Zealand that we have voted in a certain way unanimously with regard to these matters.

SIR WILLIAM LYNE : And I would like to do that; but unfortunately I have not got such an unanimous team as has Sir Joseph Ward.

THE CHAIRMAN : I quite appreciate that. But, in view of the fact that there is a strong difference of opinion, it would be best to adopt the plan of letting a dissentient delegate express his opinion.

HON. W. M. HUGHES : It does not matter what we say here; it can make no alteration. I do not propose to put my name to anything which I am not going to stand up for in the House.

MR. HAVELOCK WILSON : I am not in favour of it; I have never consented to the law being altered as it has been last year. I say it ought to have been made retrospective; and I hold by that.

THE CHAIRMAN : We cannot reopen the discussion now.

MR. HAVELOCK WILSON : I do not wish to do it, but I am giving my vote. That is in accordance with what I have always held by, and I stand by it now.

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HON. W. M. HUGHES: Hear, hear. I am not alone.

MR. DUNLOP: Well, I agree for the sake of unanimity but I do not at all like it; I am simply agreeing in order to settle the matter; but I consider it is a bad principle which we are embarking on.

THE CHAIRMAN: We know that you have done great violence to your feelings in agreeing to this compromise.

HON. DUGALD THOMSON: I take it that it was decided that the provision as regards accommodation should apply only to existing vessels under certain conditions. We might now discuss what this accommodation is to be.

Adjournment for lunch.

THE CHAIRMAN: Although we are not all here, I think the great majority of us are; and there is one question we might now settle, that is, about our meeting to-morrow. I have rather gathered from the remarks which have fallen from various members of the Conference that on the whole the feeling is against it, and that the members of the Conference as a whole are rather in favour of adjourning till Monday. I only want, of course, to do what is the wish of the majority.

SIR JOSEPH WARD: I think we had better adjourn till Monday.

THE CHAIRMAN: Very well. Monday at 11.30. Now, gentlemen, Mr. Hughes has a point to bring forward with regard to the question of "accommodation."

HON. W. M. HUGHES: The point that I wish to bring under the notice of the Conference is, that, while we are quite familiar with the principle of accommodation for seamen, it is proposed in our Bill to make accommodation for officers; and in Clause 134 of our Bill —

THE CHAIRMAN: Is that the old Bill?

HON. W. M. HUGHES: Our Bill, the Bill on which we were appointed to sit, Clause 134.

SIR JOSEPH WARD: What is that in?

HON. DUGALD THOMSON: It is in the Blue Book, at the end.

HON. W. M. HUGHES: Our Bill is the Navigation and Shipping Bill of 1904; Clause 134 of that Bill says:—"The owner of every steamship regularly trading between any port in Australia and any other port in Australia, New Zealand, or Fiji, or British New Guinea, or the South Seas shall (a) make provision to the satisfaction of the Superintendent for the adequate ventilation of the officers' rooms, engine-room, and stokehole; (b) Provide for each officer, up to at least four, a separate room having a separate entrance to the deck, and not opening directly into the engine-room." I just wish to bring under the notice of the Conference the fact that that section exists, and that it will probably pass. There has been no evidence at all brought forward against it, excepting the kind of evidence that was brought forward against increasing the cubical capacity for seamen from 72 cubic feet to 120 cubic feet—that there is not sufficient room. Subject to such exemptions as seem proper in such a case, I take it that this clause will pass. That ought to be brought under the notice of the British shipowners. They may not have noticed it. It is a very necessary thing that accommodation for officers should, as far as possible, provide for separate rooms; and certainly these ought not to open directly into the engine-room. As to the other matters in connection with officers I must deal with them under the headings "Manning," "Wages," and so on. I merely wish to bring this under the notice of the Conference. I do not know what the New Zealand Act says on the matter—

MR. HISLOP: Practically the same.

HON. W. M. HUGHES: What does it say?

MR. MILLS: Clause 121 says:—"In all home-trade or intercolonial-trade steamships the owner thereof—(a) Shall make provision to the satisfaction of a surveyor for the adequate ventilation of the officers' rooms, engine-room, and stokehole; and also (b) Shall provide for each mate and engineer, up to at least three, a

"separate room which does not open direct from the engine-room, but has a separate entrance to the deck otherwise than through the engine-room."

HON. W. M. HUGHES: We say "up to at least four"; that is practically a re-enactment of the provision of the New Zealand Act. There will be then uniformity as far as New Zealand and Australia are concerned. At present, New Zealand shipowners are compelled to comply with certain conditions which the Australians are not. I have nothing further to say on that head, sir.

HON. DUGALD THOMSON: I do not suppose it is meant that we should discuss that; because if we are to discuss not only what will apply to Australian and British shipping and trade, but also what will apply to British trade in general, it will enlarge the discussion very much. Mr. Hughes has called attention to the matter, and that, no doubt, is desirable.

HON. W. M. HUGHES: I did it because I thought the shipowners should know it was there. As the majority of the Conference has decided that the space accommodation is to remain as it is, so far as existing ships are concerned, subject to certain qualifications it may only apply to certain ships. Nevertheless, I thought it was right that attention should be drawn to the fact that it will apply to those.

MR. NORMAN HILL: It is directly opposed to the policy of the Imperial Act. The Imperial Legislature has never legislated with regard to the accommodation of officers.

HON. W. M. HUGHES: I said that when I started.

MR. NORMAN HILL: We certainly could not agree that this policy is to be preferred to that of the Imperial Act. We believe that the policy of the Imperial Act has worked well; and we do not agree that it is desirable that we should change it.

HON. W. M. HUGHES: I am not asking you to agree to anything.

MR. NORMAN HILL: If Mr. Hughes draws our attention to it, I think it should be on the Minutes that we are not in accord with the Colony on that point.

HON. W. M. HUGHES: I quite accept that. I merely drew attention to it because I thought it proper that I should do so.

MR. NORMAN HILL: We are not discussing what is the proper accommodation for officers. We have said, and the policy of our Acts has always been, that that is a matter to be settled between the shipowner and his officers, and that there is no necessity for the State to interfere. We believe that policy has worked well, and that it should be left in that position.

HON. W. M. HUGHES: We do not leave these things to the shipowner and his officers, but the pernicious and "demnition" Government steps in and makes a certain regulation.

MR. HAVELOCK WILSON: I cannot agree with Mr. Norman Hill that the Imperial Act has worked satisfactorily. In the majority of ships I agree it has worked satisfactorily, but still a good many complaints have been made by some officers as to their accommodation.

HON. W. M. HUGHES: The accommodation provided for some officers leaves nothing to be desired; the accommodation for other officers leaves everything to be desired; no doubt some gentlemen regard it as very satisfactory in both cases.

THE CHAIRMAN: That will appear on the record of our proceedings. Now, if we have nothing more on the question of accommodation, may we go to the next head, "Manning"? We have passed a resolution about manning, as to the limits within which that applies; but there is one point I may mention. I am sorry Sir William Lyne is not here, as he has given notice of a motion as to this: "That no seaman should be permitted to engage as A.B. on board any British ship who cannot show that he is justly entitled to that rating." That is provided for in our Act by Section 58.

HON. DUGALD THOMSON: It is not enforced, though it is provided for.

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MR. HAVELOCK WILSON: That was in the old Act, and should have been put in force in 1882; but one of the Presidents of the Board of Trade got round the matter somehow or another by putting in the letters "N.P." (not proven) after A.B.; and the Act has remained a dead letter.

THE CHAIRMAN: But this is a modification of that Act.

MR. HAVELOCK WILSON: But the old Act was quite clear; the old Act said that no seaman was to be entitled to be rated as an able seaman unless he had done four years' service. I always contended that no person should be engaged as an A.B. unless he could prove that service. Then one of the Presidents of the Board of Trade, to oblige the shipowners, adopted the principle of putting "N.P." opposite the name of a man who could not show that service; and that made the Act a dead letter.

MR. HISLOP: In what respect?

MR. HAVELOCK WILSON: That it was never carried out.

HON. W. M. HUGHES: We took some evidence on this. The section in the Merchant Shipping Act is well known.

THE CHAIRMAN: This is the new Act?

HON. W. M. HUGHES: What section?

THE CHAIRMAN: Subsection (2) of Section 58.

HON. W. M. HUGHES: "Any superintendent or other officer before whom a seaman is engaged shall refuse to enter the seaman as A.B. on the agreement with the crew unless the seaman gives such satisfactory proof as is required by section 126 of the principal Act of his title to be so rated; and if any seaman, for the purpose of obtaining a rating as A.B., makes any false statement or false representation, he shall be liable on summary conviction in respect of each offence to a fine not exceeding £5." That does not apply to persons with the discharge of A.B., and this will not prevent a man who has a discharge as an A.B. from being shipped as an A.B. We understand this point very thoroughly, and everybody is aware, I presume, that any man can be shipped as an A.B. who possesses a discharge as an A.B.; and any man can get a discharge as an A.B. to whom the master of the ship chooses to give such a discharge. Anybody can get a discharge as an A.B. who has been, say, a month at sea; there is nothing to stop him, nothing in the world. The section in the Merchant Shipping Act was put there to prevent anybody getting shipped as an A.B. who had not been four years at sea; but from the day this was enacted until now, I ask, if there is any gentleman here who has had charge of the issue of the certificates under that section, how many certificates he has known to have been issued in Great Britain during the whole period that that section has been current? I will tell him that in the whole time of over 20 years in Australia only two certificates were ever issued under that section—one to a man now in Parliament, and one by another person who, I think, is happily dead.

MR. HAVELOCK WILSON: We have had six in England.

CAPTAIN CHALMERS: No certificate is issued.

HON. W. M. HUGHES: How many certificates have ever been issued? If you will turn up the principal Act, you will see that a man is entitled to the rating of A.B., and neither the Board of Trade nor any other person is competent to prevent him being rated; and no man can get a discharge as an A.B. unless the master chooses to give him that discharge. The man must be given the rating of A.B. if he has been four years at sea as an able seaman.

CAPTAIN CHALMERS: Rating does not take place until the man has been actually entered upon the Articles, then the superintendent says, "Produce your certificates of discharge"—he produces them; and, if he does that he is put on the Articles. That is the rating; there is no certificate.

MR. HAVELOCK WILSON: Under the Old Act there was a provision that a certificate should be issued, but there were only about six such certificates issued in the United Kingdom.

CAPTAIN CHALMERS: Because they were not applied for.

MR. HAVELOCK WILSON: Because the seamen were not aware at the time that they could have such certificates. We had evidence of that before the Mercantile Marine Committee. That is the point Mr. Hughes is dealing with.

HON. W. M. HUGHES: It says here—(this is Section 126 of the Merchant Shipping Act, 1894)—"A seaman shall not be entitled to the rating of A.B., that is to say, of an able-bodied seaman, unless he has served at sea for four years before the mast, but the employment of fishermen in decked fishing vessels registered under the first part of this Act shall only count as sea service up to the period of three years of that employment; and the rating of A.B. shall only be granted after at least one year's sea service in a trading vessel, in addition to three or more years' sea service on board of decked fishing vessels so registered. The service may be proved by certificates of discharge, by a certificate of service from the Registrar-General of Shipping and Seamen (granted by the Registrar on payment of a fee not exceeding sixpence), specifying in each case whether the service was rendered in whole or in part in steam-ship or in sailing ship, or by other satisfactory proof." And, therefore, it is not necessary at all that he should have a certificate of discharge. That is only one of the ways of proving. It is not necessary to have a certificate of service. He may get it in three ways, according to the section. In Australia, so far as I know, no one at present has ever been rated as A.B., as provided by that section, or the one which we have re-enacted in the terms of that section, and what we want to see is that no person shall be engaged or permitted to act as A.B. on any ship unless he has been, say, four years at sea.

THE CHAIRMAN: We have altered it now to three years.

HON. W. M. HUGHES: I am not going to quarrel about three years.

THE CHAIRMAN: We have reduced the four years to three years in the new Act.

HON. W. M. HUGHES: I know you have, but at the same time, is it clearly understood that that means that no man can ship on board a ship as an A.B. unless he has been three years at sea?

CAPTAIN CHALMERS: Yes. Sub-section (2) provides for that.

MR. COX: Sub-section (2) of Section 58 of the Act of 1906 says:—"Any superintendent or other officer before whom a seaman is engaged shall refuse to enter the seaman as A.B. on the agreement with the crew unless the seaman gives such satisfactory proof as is required by Section 126 of the principal Act of his title to be so rated."

HON. W. M. HUGHES: What does the principal Act say? "A seaman shall not be entitled to the rating of "A.B.," and so on. Now before the ship can go to sea the men have to be rated. Very well. Therefore, the ships cannot go to sea—you may ship as many men as you like, but they must be rated. Therefore, Section 126 just as effectually prevented sending men to sea unless they have been four years to sea, as the new section does.

MR. COX: The superintendent must satisfy himself now; in the old Act it was the captain who had to satisfy himself.

THE CHAIRMAN: Anyhow, we are quite satisfied that we can comply with the terms of that resolution which Sir William Lyne put down—that no seaman should be permitted to engage as A.B. on board any British ship who cannot show that he is justly entitled under the old rating. I mean we can accept that.

HON. DUGALD THOMSON: It is enacted in Britain, and it is proposed in the Report of the Royal Commission of Australia.

THE CHAIRMAN: We should like to add, for the sake of uniformity, that the service qualification should be three years, as we have reduced ours from four to three.

SIR WILLIAM LYNE: I do not think there is any objection to that. We also propose three in our new Act.



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HON. W. M. HUGHES : I should just like to read our recommendation.

SIR WILLIAM LYNE : That was four years.

HON. W. M. HUGHES : Evidence was given on the subject, and Section 9 of our report says : "Of the shipping masters of the different States who gave evidence before us only one had issued any certificates under the section. He had, in the course of 27 years, issued about half a dozen. Of the others"—(that is the other shipping masters)—"some had neither heard of nor received any application for them. They had never considered that the section necessitated, or provided for, such certificates. Evidence was also given that anybody could be engaged as an A.B. who had an A.B.'s discharge, and that this discharge must be given to persons who had absolutely none of the qualifications of a seaman. Cases were cited where a man had, on the completion of his first voyage of less than six months, received such discharge. It was freely stated that a very large number of those signing on as A.B.'s were men who were not entitled to be so rated."

MR. BELCHER : This is the point I want to understand in connection with the matter. There is a vast deal of difference between a certificate and a discharge. If a man is qualified to be an able seaman, and he goes to an official and says, "Give me a certificate to the effect that I am an able seaman; there are my papers to prove that I am an able seaman," and he has issued to him a certificate, it stands, I take it, in exactly the same relation to the man as the certificate of an officer does, and it will obviate the necessity of that man at any time producing the discharge which he gets from a ship to prove that he is an able seaman. I can see the distinction that Mr. Hughes is driving at. And what I do know in connection with this matter is this—that men have gone on board a ship for the matter of a few days or a few weeks, and when they have left that ship they have been given an able seaman's discharge without having gone through the probationary periods which the law lays down, and when once a man gets that discharge into his possession no one can question his rating as able seaman unless he is put through some examination by someone who is qualified to test his capabilities.

THE CHAIRMAN : I see your point.

CAPTAIN CHALMERS : Under the present conditions, under Section 58, no seaman who fails to give the proof required by Section 126 of the principal Act will be allowed to sign on.

MR. BELCHER : What I want to find out is this. Is any attempt made when a man goes to sign on any ship—is there any attempt made by the superintendent or the shipmaster, to ascertain from that man whether he is an able seaman or not, notwithstanding the fact that he produces a discharge? For instance, I am a landsman; I meet a seaman, and I get from him a discharge purporting to show that I am an able seaman. I persecute that man and go to the shipping office and present that discharge. Is there any attempt made to examine me with the view of ascertaining that I am really what I represent myself to be?

THE CHAIRMAN : I understand under the old Act that might have happened, but under the new Act, which comes into force in June, that will be impossible.

MR. BELCHER : By what means?

MR. HAVELOCK WILSON : A man will have to prove his three years' service by his book. That is what we intended when we passed this Act last year.

MR. BELCHER : I understand, then, that there has been a departure from the old system, and that an entirely new one is to be adopted.

THE CHAIRMAN : That is so.

MR. BELCHER : In that case may I ask whether, where a man has satisfied the superintendent that he holds sufficient discharges to qualify him for the position of able seaman, he is then granted this certificate, which is different from his discharge?

CAPTAIN CHALMERS : Only if he applies for it.

MR. BELCHER : It is not given to him automatically.

CAPTAIN CHALMERS : No.

HON. W. M. HUGHES : It appears to me that it would be very much more satisfactory if, under this section, it was possible for the seaman to get a certificate as Mr. Belcher has stated. He would have to prove first of all that he was entitled to get it, but once he got it he would not have to keep on showing his discharges, because discharges, after all, are only—

MR. BELCHER : A record of a term of service.

HON. W. M. HUGHES : They are a record of character, and a man's competency might be entirely independent of that. He could prove that he was entitled to be rated as A.B. by production of this parchment certificate, and I think it would be a good thing that these certificates should be issued. You see this contemplates his making a statement, because it says—"And if any seaman, for the purpose of obtaining a rating as A.B., makes any false statement or false representation"—that is, supposing he has lost his discharges, or a man says to him, "Have you been four years at sea?" and he says, "Yes, I have."

MR. HAVELOCK WILSON : He must prove it.

CAPTAIN CHALMERS : Our present system is a continuous system of discharge, in book form. We consider that more useful than a certificate. For this reason, that, under the continuous system we can test his identity, because it contains a record of his height, description, of hair, eyes, and complexion, marks on his body, and so on. With a certificate alone a man can come up and say : "I have lost my continuous certificate of discharge, but here is my certificate as A.B."—and how are you to detect impersonation? He says his name is John Jones, and "John Jones" appears on the certificate.

MR. HAVELOCK WILSON : And it would be a bad thing to have the two, for this reason. A man might present himself with a certificate; he gets an engagement on that, and then his continuous discharge-book he could hand over to somebody else, and it would be easy to have the two used in that way. All we ask for here is that the superintendent will satisfy himself that the man can prove that he has been three years at sea. He must do that at the time he signs on. That is what we are aiming at in this section.

HON. W. M. HUGHES : In those Colonies where the continuous discharge system is not in force, and where consequently it would be a very desirable thing to have something in place of it—namely, a certificate—would your Board of Trade accept our certificate?

CAPTAIN CHALMERS : Certainly, if you word your certificate so as to enable you to detect personation, and put on the certificate the man's name, and make him sign it, and give a description of his height, complexion, and so on.

SIR WILLIAM LYNE : Is not that a measure of great detail?

CAPTAIN CHALMERS : We do not find it so.

SIR WILLIAM LYNE : But you cannot put that sort of thing into an Act of Parliament.

CAPTAIN CHALMERS : That would be a measure of regulation.

THE CHAIRMAN : "That no seaman should be permitted to engage as A.B. on board any British ship who cannot show that he is justly entitled to that rating, and that the period of service qualification should be three years." I venture to add that to your resolution, Sir William.

SIR WILLIAM LYNE : That is in conformity with what was proposed.

THE CHAIRMAN : Yes.

SIR WILLIAM LYNE : In our proposed Act we have this provision : "Any superintendent or other person before whom a seaman is engaged shall refuse to enter a seaman as A.B. in the agreement with the crew unless the seaman gives to him satisfactory proof of his title to be so rated."

THE CHAIRMAN : We have those words in our Act.

SIR WILLIAM LYNE : Then with regard to the discharge, we propose that "No person shall give a discharge to a seaman as fireman or greaser unless the

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"seaman has served in the capacity in which the discharge "is given for the time specified in such discharge." It positively intimates the capacity in which the seaman shall serve. The next clause provides for the delivery to the seaman of a copy of the discharges. Those two provisions we intend to propose, and I move this resolution because I want to stop the system which has been carried on in some of our ports—the system of crimping—which is going on to a fearful extent. There were two or three cases in Sydney lately, just before I left, where the exposures were really very horrible, as to what was done under this buying and selling in the crimping system.

MR. HAVELOCK WILSON: Buying and selling discharges—single sheets.

SIR WILLIAM LYNE: Oh, yes; but they go and take money.

MR. MILLS: That is an argument in favour of continuous discharge. I think I am right in saying that the system of continuous discharge is in existence in New Zealand—not in book form, but of sufficient size to admit of something like 14 discharges being entered upon it.

SIR WILLIAM LYNE: This resolution, I submit, does not interfere with continuous discharge.

MR. MILLS: You are speaking of the facility that they have to transfer their discharges.

HON. DUGALD THOMSON: It is already the Imperial law, and it is in this Royal Commission Report. We are all agreed as to that.

MR. BELCHER: So far as the men in New Zealand are concerned, they are not favourable to continuous discharge at all.

THE CHAIRMAN: That is not involved in this resolution. This resolution does not raise the question of continuous discharge.

MR. BELCHER: But it was being referred to, and I wanted to make my position clear, that the men do not favour it in New Zealand, and some very good reasons can be advanced for that. So far as the continuous discharge-book is concerned, I believe it emanated in the first place from the Shipowners' Federation.

MR. HAVELOCK WILSON: I think that is a point worth the consideration of the Conference. If we could get a uniform kind of discharge through the Empire it would be a good thing for Australia and New Zealand. The only objection we have to the continuous discharge is to the character being inserted in the book, otherwise we are in agreement with it. I speak from an experience of over 20 years, and I say, certainly the continuous discharge has done a good deal to put down crimping, and the selling of the single-sheet discharges. The only thing we object to in it is the character report, but otherwise it is a very good thing, and it would be beneficial if it could be adopted throughout the Empire.

THE CHAIRMAN: That must, of course, come up at a later stage.

HON. W. M. HUGHES: I should be glad to supply the Conference with the evidence given for and against.

THE CHAIRMAN: Can we adopt this resolution?

HON. W. M. HUGHES: Three years?

The resolution was then adopted.

THE CHAIRMAN: Three years, yes. Now is there anything more on "Manning"?

HON. W. M. HUGHES: Oh, yes, I think so. I think we have not started on "Manning" yet.

THE CHAIRMAN: We have no resolution before us at the moment.

HON. W. M. HUGHES: I will move a resolution about this. In Clause 8 of our Report we deal with the manning of ships, and there it is set forth that the recommendations contained in that section are "to apply "to (a) ships registered in Australia; (b) ships licensed "to trade on the Australian coast; (c) ships continuously "trading to any port in the Commonwealth whose articles "are drawn out in the Commonwealth, and whose final "port of discharge of crew is in the Commonwealth."

Now we considered this very fully, and, after a good deal of discussion and evidence, we came to the conclusion that it was not sufficient to see that a ship was sound in boilers and machinery, life-saving appliances, unless manned with a sufficient crew of competent persons. Now, the competency we sought to secure by the recommendation that has just been passed—namely, that no person should engage unless he was qualified for the rating which he engaged in, and so far as sufficiency in numbers we recommend the adoption of a manning schedule we considered. We say in the 7th paragraph of Section 8: "The weight of evidence was very "strongly in favour of a manning scale of some sort, "and in this opinion your Commissioners most heartily "concur. They consider that no ship can be regarded "as seaworthy unless she is not only properly constructed, "provisioned, and in every respect equipped to encounter "the perils of the voyage which she is about to under- "take, but also manned with a sufficient crew of competent "persons. We have, therefore, adopted the recommend- "ation of the Draft Bill, as set forth in the judgment "of Hedley v. Pinkney S.S. Co., as to what 'seaworthy' "ought to mean." Now "seaworthy" means, according to that, that the ship should be manned, &c., in accordance with the judgment as set out in 10 Appeal Cases, page 227. Now we have provided for the "manning" in the different schedules which appear in the Report. They deal with the officers, the deck hands, the engineers, and the stokehold hands. Now whether they are suitable schedules or not, we need not discuss that, although I shall be able to discuss it, if it is wished; but, I think it is very necessary that some scale should be adopted. Take first the question of officers. Under the Merchant Shipping Act, a ship may go to sea, provided it is in the home trade, without any certificated officers at all. Mr. Lawrence, Secretary of the Merchant Service Guild, an association which is composed of officers and masters in the Australian trade, gave evidence before us, and on page 335 of our evidence, he says: "The conditions in "England are very bad." Of course, he said this in Australia; had he been in England he would probably not have dared to say it. "They can hardly be said to be "commensurable. A cargo vessel in England does not require to carry a master according to my reading of the "Act. If she trades as a passenger steamer she has to "carry a master and one mate. (Q.) Can she go to sea "without a mate? (A.) A home-trade cargo vessel need "not have officers at all." I asked him: "What section "of the Merchant Shipping Act do you refer to?" and he said, "Section 92, 1 (a), (b), (c)." That is the principal Section. Now Section 92 says: "Every British "foreign-going ship and every British home trade "passenger ship when going to sea from any place in "the United Kingdom, and every foreign steamship "carrying passengers between places in the United "Kingdom, shall be provided with officers duly certi- "ficated under this Act according to the following "scale:—(a) In any case with a duly certificated master; "(b) If the ship is of one hundred tons burden or up- "wards, with at least one officer besides the master "holding a certificate not lower than that of only mate "in the case of a foreign-going ship, or of mate in the "case of a home trade passenger ship." There is no mention of any cargo ship, so that a cargo ship may go to sea not only without certificated officers, but without a certificated master, according to that section. "(c) If "the ship is a foreign-going ship, and carries more than "one mate, with at least the first and second mate duly "certificated; (d) If the ship is a foreign-going steam- "ship of one hundred nominal horse-power or upwards, "with at least two engineers" (up to that point there is no need to carry any engineers at all), "one of whom "shall be a first-class and the other a first-class or "second-class engineer duly certificated." It would appear then that a home trade passenger ship can go to sea without any certificated person at all.

CAPTAIN CHALMERS: A home trade cargo ship.

HON. W. M. HUGHES: A cargo ship. Now, no home trade cargo ship, as far as I know, ever does go to sea without certificated officers.

CAPTAIN CHALMERS: Oh, yes.

HON. W. M. HUGHES: Well, that is even worse than we thought.

CAPTAIN CHALMERS: They go without a certificated master, but they must have a master.

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HON. W. M. HUGHES: Oh, yes, certainly; they do not go to sea by themselves. I never imagined that. They have a person who calls himself a master.

THE CHAIRMAN: They never get over in your part of the world.

SIR JOSEPH WARD: I will move a motion that each Colony has the undoubted right to make regulations as to the shipping within its own territory.

THE CHAIRMAN: We have got it.

HON. DUGALD THOMSON: We have passed a resolution to that effect already.

SIR JOSEPH WARD: We cannot extend it beyond our own jurisdiction.

HON. DUGALD THOMSON: I do not see the benefit of our discussing these matters.

HON. W. M. HUGHES: I do, and I will tell you why.

HON. DUGALD THOMSON: We have already passed a resolution on this point—that the conditions imposed by Australia and New Zealand as regards manning should only apply to vessels registered in those Colonies, or engaged in their coasting trade. We have been able to give a unanimous decision with regard to that, and if we are going to enter into what should obtain under the Imperial law, it will be going outside our affairs altogether. We shall open up the whole question of the Merchant Shipping Act, and, whilst we are moving slowly now, I do not think anybody will live till the end of the discussion that will take place if we do that. It might be alluded to, but I do not think we ought to discuss it.

THE CHAIRMAN: We do not propose, I believe, to challenge your manning scale in the coasting trade.

HON. W. M. HUGHES: Will you allow me to show some justification for what I am doing. I have here the "Correspondence Relating to Merchant Shipping Legislation in Australia and New Zealand." It was this correspondence that I understand was responsible originally for the calling of this Conference. In that is set forth at considerable length some criticisms of the principle that I have just now spoken of.

MR. COX: Do I understand that Mr. Hughes's remarks are directed to giving recommendations to Great Britain as to what ought to be adopted here? Is that so?

HON. W. M. HUGHES: I do not confine my remarks particularly to Great Britain.

MR. COX: Well, to France, Germany, or anybody else—because if so, we are entering on a rather wide field.

THE CHAIRMAN: I do not want to narrow the discussion unduly, but the main point is to discuss things that are mutual—where our interests touch.

HON. W. M. HUGHES: If you have no concern with our trade at all, might I just inquire why we are here?—

HON. DUGALD THOMSON: But we passed a resolution saying what we assented to.

HON. W. M. HUGHES: You do not ask us to discuss what laws we shall make for our own shipping?

THE CHAIRMAN: Certainly not, except so far as it touches our own shipping.

HON. W. M. HUGHES: Then what do you ask us for?

THE CHAIRMAN: We want to discuss questions of mutual importance—questions which touch both you and us.

HON. W. M. HUGHES: What is your idea of mutuality? Is it your idea of mutuality to say to us, "We want so-and-so done by you," and directly I suggest something to be done by you, you say: "Oh, dear me, you must not do that"?

THE CHAIRMAN: If you could show us there was an appreciable amount of Australian tonnage engaged in our home trade, then it would come within the sphere of discussion. It is because there is a large amount of

British tonnage engaged in the Australian coasting trade that we conceive we have an interest there.

HON. W. M. HUGHES: On page 31 of this Blue Book there is a document No. 12—"Shipowners' Parliamentary Committee to Colonial Office," 5th August, 1904—which sets forth a number of objections to the legislation we proposed to introduce. It says here:—"To the extent mentioned in those two sections the Commonwealth Parliament can alter the Imperial Act" (that is, Sections 735 and 736 of the Merchant Shipping Act), "but they can do so no further without a breach of the Constitution, which, of course, cannot and will not be permitted." (This is signed "William Milburn, Chairman.") "Not only is the Bill contrary to the Merchant Shipping Act, 1894, to which I have referred, but many of its provisions are, I submit, void under Section 2 of the Colonial Laws Validity Act, 1865, Section 2 of which provides that any Colonial law which is repugnant to the provisions of an Imperial Act extending to the Colony shall be void and inoperative. I trust, therefore, that you will see your way to impress upon the Colonial Government that the alterations which they propose to make in the law embodied in the Imperial Act of 1894 must be limited in accordance with Sections 735 and 736 of that Act."

SIR WILLIAM LYNE: Has not that already been agreed to in the New Zealand Act?

HON. DUGALD THOMSON: Yes; but what we have decided is, that even if those powers do not exist, and without entering into the argument as to whether they do exist or not, we will try to meet the wishes of Australia and Great Britain. This Conference agrees to our proposal as regards our own shipping.

MR. COX: May I submit that we here do not want to raise constitutional questions. Our object and aim is to let Australia and New Zealand legislate for themselves.

SIR WILLIAM LYNE: I am glad you have mentioned it in that way, because it allays a good deal of what is in my mind if that is to be the attitude of the Colonial Office on the matter of the law we pass. Is the Constitutional question not to be raised so far as the Colonial Office is concerned?

HON. DUGALD THOMSON: Speaking of the Conference, that is.

MR. COX: So far as what I may call strictly Australian trade is concerned, the policy of the Colonial Office has always been that Australia should do what she wants for herself. When she comes to apply that outside Australia it becomes a different matter.

SIR WILLIAM LYNE: Australian trade may come to mean Imperial or British vessels that come backwards and forwards to Australia. In that case the constitutional question might have to be raised.

MR. COX: Certainly it would.

SIR WILLIAM LYNE: But not as regards purely Australian shipping.

MR. COX: Trading in Australia.

SIR WILLIAM LYNE: Quite so.

THE CHAIRMAN: I should like just to call Mr. Hughes's attention to the fact that in sending forward, for communication to the Australian Government, that letter from which he has quoted—the letter from the Shipowners' Parliamentary Committee—the Secretary of the Board of Trade said that in communicating those views to Lord Northcote, "care should be taken to point out that His Majesty's Government do not altogether agree with the criticisms put forward on behalf of the "Shipowners' Committee."

HON. W. M. HUGHES: With all deference, that is not information at all; that is the usual thing with which all Governments carefully hedge about any responsibility for anything they do. But, with deference to you, I submit that they must have meant something.

MR. COX: You are not referring to Australian Governments?

HON. W. M. HUGHES: Oh, no! Australian Governments mean nothing.

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MR. BELCHER: I am very pleased that Mr. Hughes has mentioned this matter, because I have had occasion to read very carefully the blue books referring to this subject; and the conclusion I have come to is this: that the British shipowner has undoubtedly used more than a due influence with the Board of Trade. We are here engaged in passing a resolution which we think is highly necessary for our own convenience; and we have a perfect right, when we come here, to expect that no obstacle shall be put in the way, and that the subject should not be hung up for two or three years before it can be passed. We have a perfect right to express our opinion, and to resent very strongly indeed the interference of any private traders with any Government which has the power of putting a veto on our legislation. We Colonials want to make that clearly understood: that we do not want, and are going to resent, the interference of private individuals. We have no voice in any legislation you pass here; you can pass whatever legislation you like; and the Colonies are never asked whether they think it right or wrong, good, bad, or indifferent.

THE CHAIRMAN: I do not understand Mr. Belcher to take the view that His Majesty's Government should be restricted in the advice they should take as to how a particular statute will affect the interests here. Obviously, the Government must go to the best sources and to the only people who can tell them.

MR. BELCHER: But I notice in all the despatches and communications here that they are purely from ship-owners.

HON. W. M. HUGHES: Look at this letter, the letter from the Colonial Secretary on page 82, to His Excellency the Governor of New Zealand, Lord Plunket; in the 9th paragraph it says: "Your Government will understand that His Majesty's Government have no desire to withdraw from the consideration of Colonial Parliaments such questions as those raised by the New Zealand Bill. But in considering the subject they have been forced to the conclusion that if the merchant shipping of the Empire engaged in the oversea trade is to prosper in the future as it has done in the past, it must be governed by a code as nearly uniform throughout the Empire as the diversity of circumstances will allow, and that it is impossible in practice to work towards such a code unless the principles and the more important details can be definitely settled in concert by the Imperial and Colonial Governments. Such a settlement so far from impeding the labours of Parliaments and Governments in the Colonies will, in the opinion of His Majesty's Government, ultimately lighten them. It is as a first step to the attainment of that object that His Majesty's Government now propose a Conference with the representatives of Australian shipping." And in the same letter, paragraph 6, it says: "The practical inconveniences which may arise from divergent or opposed legislation in different parts of the Empire are indicated in the second memorandum of the solicitor to the Board of Trade, and in the memorandum of Messrs. Hill, Dickinson and Co. His Majesty's Government must not be taken to indorse all the criticisms made in these documents; but it would appear from both memoranda that British ships trading between this country and New Zealand may conceivably comply with the requirements of the Law here, but nevertheless find on arriving at Colonial ports that the Law to which they were there subject demands of them compliance with conditions differing in important respects. I have already said that in the opinion of His Majesty's Government the time has come to reconsider the whole situation. It is impossible to discuss and settle by correspondence questions of the magnitude and complexity which such a reconsideration involves," and so on. Now, we come here because the proposals we set forth in that Bill, or rather the proposals which the Government set forth in that Bill, are not suitable, in the opinion of the shipowners, and in the opinion of your Government, for the Mercantile Marine. We come here, and you say—Mr. Lloyd George suggested it himself—that you do not propose to alter your law for the next 10 or 20 years. I venture to say that that is one of the most astounding statements I ever heard in my life. To ask men to come 10,000 or 12,000 miles to discuss questions with reference to uniformity of legislation, and then calmly to tell them that you are all in favour of uniformity but that, for

your part, you are not going to alter your laws for 10 or 20 years, strikes me as a most extraordinary procedure.

MR. COX: My recollection differs somewhat as to what Mr. Lloyd George said; I think he laid stress upon the extraordinary difficulty of getting Acts through Parliament in this country. I do not think he meant that, providing we came to the conclusion that alterations were desirable, we would not be perfectly willing to do our level best to bring them about. What he meant was that there were practical difficulties standing in the way.

HON. W. M. HUGHES: I have no doubt of that; but, at the time when Mr. Lloyd George introduced that Bill into Parliament he knew very well that this Conference was going to meet; we had been invited here to discuss certain anomalies in connection both with your own Act and with ours; and we had anticipated that all attempt to do anything more than introduce stop-gap legislation was to be postponed until this Conference had decided upon some *via media*. Instead of that, you pass something into law, and then you tell us, "That is all we can do for the next 10 or 20 years." It is quite immaterial whether you are willing to pass an Act but cannot get it through, or whether you are not willing to pass it and can get it through; the fact is that for 10 or 20 years you propose to do nothing.

SIR WILLIAM LYNE: It seems to me that what we are mainly considering is, whether or not there will be unanimity as far as the Colonial legislation is concerned, and whether we will have control over British ships at the time they come into Colonial waters. If the Imperial Act is not altered, I do not take it that any alteration we make will be attempted to be overridden by the Imperial authorities; that is to say, that if we come to an understanding or an agreement we shall get the advantage of a New Zealand Act, as we desire to have it in reference to everything that comes within our control.

HON. W. M. HUGHES: But we have that already.

SIR WILLIAM LYNE: No, we have not got the Act passed.

HON. W. M. HUGHES: Oh! you mean the King's assent. But you are not going to say that His Majesty's assent is to depend upon what this Conference does?

SIR WILLIAM LYNE: I do not think that as far as the British shipping on the coast of England and in other parts of the world is concerned, it would be a good thing to have it. Uniformity, if we can get it, or as nearly so as possible, is desirable; but that does not particularly appeal to us if we get what we want.

HON. DUGALD THOMSON: What I understand is this: We are here to try to obtain uniformity of legislation. The representatives of the United Kingdom say, "We wish you would make your 'legislation'—that is Australian and New Zealand legislation—uniform with our Acts, the original Merchant Shipping Act and the amendment of that Act which we passed last year." But they have said, in connection with this manning and some other things, "In view of your representations, we acknowledge the difference of your circumstances, and therefore, so far as your shipping is concerned, we agree to the resolution which has already been passed, that your conditions shall have force in connection with your shipping." That is all we can expect; and if we go into the larger question of what is to be done in Great Britain with the Merchant Shipping Act, there will be no end to it; it is a bottomless pit.

THE CHAIRMAN: I think we ought to get before us a substantial motion; but I feel some diffidence, in Mr. Lloyd George's absence, in dealing with the matter.

HON. W. M. HUGHES: Under the circumstances, I quite see the difficulty; and I will defer what I have to say till the President of the Board of Trade is here.

THE CHAIRMAN: I think you may take it that what he said was not in any way an expression of intention, but only in anticipation of the difficulties.

HON. W. M. HUGHES: Quite so; but what I said was drawn from me by Mr. Thomson mentioning that certain things had been decided as to what we were going to do, and I felt justified in explaining exactly how it

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was I was bringing this matter forward. However, I will postpone any further discussion on this head until the President is here.

SIR WILLIAM LYNE: Do I understand that the bald word "manning," as put down in our programme of business, has reference to that resolution which was passed up to a point (resolution 5) yesterday—that the conditions imposed by Australian or New Zealand law as regards manning should only apply to vessels registered in those colonies, or engaged in their coasting trade. I am only asking whether this discussion applies to that.

THE CHAIRMAN: I think not. The word "manning" was down on the agenda yesterday, and we disposed of it so far as that resolution could do; but it was put down again, because it was thought there might be other questions arising upon it.

SIR WILLIAM LYNE: I raised the point to the President about this very thing.

HON. W. M. HUGHES: We did not discuss the question of manning at all. We only said that whatever was decided with reference to manning should only apply to certain ships.

THE CHAIRMAN: We did not discuss what the manning exactly should be in any way, and I do not know that we, in the United Kingdom, have any concern with that particularly. I do not know whether the ship-owners wish to say anything about it.

SIR WILLIAM LYNE: The President said in reply to me that this was carried only up to a certain point.

MR. NORMAN HILL: To be dealt with under resolution 4.

SIR WILLIAM LYNE: I am not satisfied with the resolution as it stands now, but what I want to see is a decision as to what are the vessels to be registered under our law.

THE CHAIRMAN: I am anxious to get on to that.

SIR WILLIAM LYNE: Am I in order in moving the motion now, of which I gave notice:—"That no person should be employed as an officer on board any British ship registered in Australia or New Zealand, or engaging in the coasting trade of those colonies, who is not (a) a British subject, and (b) thoroughly conversant with the English language."

THE CHAIRMAN: If we have disposed of the manning scale question generally, I think we could go on to pass that at once.

MR. NORMAN HILL: I am sorry if the position is not perfectly clear. We meant by supporting the resolution which proposes that manning should relate to vessels registered in Australia and vessels engaged in Australian coasting trade, to make it perfectly clear that Australia could legislate with regard to those vessels in any way it liked. We wanted no reservation on that point, but at the same time we wanted to put it on record for what it was worth—not with a view of moving a resolution, or asking the Conference to agree with us—but to put it on record that any kind of scale based on tonnage, or on coal consumption or fire-grate area with regard to firemen, is a mistake, a delusion, and a rare. You cannot get any satisfactory scale on any of those bases. Those bases as to the manning you provide in relation to the seaworthiness of the ship have no relation to the amount of work the man will do. It ignores altogether the enormous advances which are continually being made in labour-saving appliances. If you treat the manning of a vessel according to the tonnage, you might as well treat the hours of labour of a man working in a factory according to the size of the factory he works in. As far as I know, the first manning scale that was ever talked about in this country was in the reign of Elizabeth, and they laid it down as a principle then that there ought to be two men for every 3 tons.

HON. W. M. HUGHES: Are you not sure that it was not two tons for every three men.

MR. NORMAN HILL: No, it was the other way about. That gives you the kind of idea.

THE CHAIRMAN: You do not propose that?

MR. NORMAN HILL: No, but if you go back to the kind of vessels which were in existence in your

Australian trade 50 years ago—if you take their tonnage and their cargo and their carrying capacity and the crews they had, and compare them with the steamers now, they prove we submit that tonnage is an absolutely fallacious basis for calculating the seaworthiness of your ship. It is expressed in our Act of Parliament that a vessel is unseaworthy unless she is sufficiently manned. But as for tonnage and coal consumption there were certain recommendations made in 1896. Well, since 1896 what have been the improvements in the facilities for working coal in the modern type of vessel? There has been an enormous advance.

HON. W. M. HUGHES: No doubt; but there were plenty of ships going in 1896, which are still going.

MR. NORMAN HILL: And if you take further improvements—improvements in the direction of oil fuel and such things—any scale you can think of, except judging the ship on its own merits and the amount of work the men have to do, we believe is utterly fallacious, and what we would like, with all respect to the Commonwealth, and also to New Zealand, to do is, to place on record as our opinion, that a manning scale based, in the case of seamen, on tonnage, and in the case of firemen on coal consumption, or fire-grate area or indicated horsepower, is not necessary to secure the safety of life at sea—any of these standards can only place a very varying and uncertain limit upon the amount of work required from the men, and must act as a serious check upon the shipping trade.

HON. W. M. HUGHES: Are you opposed to the principle of a manning schedule altogether? For instance, do you oppose a manning schedule for deck hands?

MR. NORMAN HILL: Entirely.

HON. W. M. HUGHES: For officers?

MR. NORMAN HILL: Entirely.

HON. W. M. HUGHES: Your law lays down that you can send a vessel to sea without any certificated officers at all. Do you say that is right?

MR. NORMAN HILL: In our home trade—yes. It has worked for the last 53 years.

HON. W. M. HUGHES: Oh! no doubt it has worked.

MR. NORMAN HILL: And we will show you the returns—the way those vessels have made their voyages, the loss there has been, and such things.

HON. W. M. HUGHES: I have no doubt you have read the very splendid defence of the Rotten Boroughs.

MR. HAVELOCK WILSON: I would like to say a word on this as one of the English delegates. I do not at all agree with Mr. Norman Hill in his conclusions with regard to the manning. As a member of the Manning Committee that sat for three or four years taking evidence, I say that we did come to the conclusion—the majority of the members of that Committee—that it was possible to have a manning scale by tonnage for deck hands, and that it was possible to have a manning scale of stokeholds on the consumption of coal, and we say, as far as we are concerned, that the manning of ships, at the present time, is done in a haphazard manner, and that no regard is paid to the amount of work that the men have to perform. And with regard to labour-saving appliances on board a ship, very little benefit have the firemen derived from any labour-saving appliances, and certainly very little benefit have the deck hands received from such, and we are of the opinion that a manning scale ought to be adopted; and, as a matter of fact, the manning scale is in operation now, I believe, on the New Zealand coast, and has worked satisfactorily. If it is possible to work a manning scale there, there is no reason why it should not be worked in other parts of the Empire. I only want to put on record my view, that a manning scale ought to be adopted both for deck and engine-room.

THE CHAIRMAN: I understand that Mr. Norman Hill is not moving a resolution. He has made his statement, and Mr. Havelock Wilson has made his statement; and those will go on the notes.

HON. W. M. HUGHES: I will move a resolution—that this Conference approves of the adoption of the principle of a suitable manning scale for all ships.

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THE CHAIRMAN: Will you give notice of that, or will you move it now?

HON. W. M. HUGHES: I will move it now, or give notice of it and move it on Monday, whichever you like.

HON. DUGALD THOMSON: I am very much afraid—

SIR JOSEPH WARD: Then that confirms the right we have to legislate in our own waters, and we cannot go beyond our own waters.

HON. DUGALD THOMSON: We are not appealing to this Conference, surely, to get authority for what we shall do as regards a manning scale. Your approval or non-approval of a manning scale is not necessary to us, when we have already got power to create a manning scale for vessels registered in Australia or trading on the coast.

SIR JOSEPH WARD: Not beyond our own waters.

HON. DUGALD THOMSON: No.

SIR JOSEPH WARD: We have done that.

HON. DUGALD THOMSON: I do not want to go beyond that.

HON. W. M. HUGHES: That is where I differ. I want to know whether this Conference is here to merely try and settle Australian affairs, or whether it is a kind of embryo Imperial Council.

MR. COX: Certainly not.

HON. W. M. HUGHES: Is the Imperial Council then a Council in which the Australian and New Zealand members merely sit down and listen.

THE CHAIRMAN: You were going to put that off until later, Mr. Hughes.

SIR JOSEPH WARD: I want to say that upon that motion yesterday I intended to have moved this. I read it at the time, but deferred it on account of the absence of Sir William Lyne. This is a motion I wrote out yesterday in connection with this very matter. We wanted a definition of coastal trade, and my definition was this: "Coastal trade shall comprise—"

HON. W. M. HUGHES: We have not got to that yet. We shall come to that presently. It is under "4."

SIR JOSEPH WARD: No, it was connected with a motion we carried yesterday. It arose from a discussion as to what was the definition of the term "coast-wise."

HON. W. M. HUGHES: No doubt, but it would be better to discuss that in the proper place under Section 4. We have got to deal with wages next, and one or two incidental matters.

SIR JOSEPH WARD: I was only going to say that it arose upon the definition of "coast-wise," and that it was part and parcel of it. The point is this: I recognise—and I presume you do, too,—that we are concerned in legislation as affecting Australia and New Zealand with regard to this matter of manning, and we have affirmed we have a right to do it. We have got to settle what the term "coast-wise" covers. I do not see myself that we are going to gain anything by saying to the British representatives, "What are you going to do in 'the matter of manning ships trading from your country' to ours?" They cannot do that because they have to trade to the East, to the Mediterranean, and all over the world, and what applies to us is local to us, and would have a fixed application to us; but it would not necessarily apply to other parts of the world.

HON. W. M. HUGHES: We differ fundamentally in opinion about that, and therefore there is no good in talking about it.

SIR JOSEPH WARD: Suppose we pass a resolution then; we cannot do any good.

HON. W. M. HUGHES: I have moved a resolution with regard to manning. I shall be very glad to deal with it now, or to withdraw it for the present,—which ever is preferred.

HON. DUGALD THOMSON: The President announced when he opened the Conference, that this was not an Imperial Conference, and could not be an Imperial

Conference, as some of the self-governing portions of the Empire were not represented. Consequently we are not dealing with a law for the Empire; we are representatives of Australia and New Zealand dealing with these matters, where our two jurisdictions may be considered to touch, or where our interests are intermixed; and this Conference having agreed to Australia and New Zealand legislating as they see fit as to coastal trade—it has to be settled what coastal trade is—and as to vessels registered in Australia, then I think we have fulfilled all we have to do in that connection.

MR. COX: May I add to that that that was precisely the reason why we did not invite Canada, and why we deprecated the attendance of that and other responsible government colonies, because it was considered that this was a practical question between Australia, New Zealand, and ourselves, and we wanted to discuss it, as it concerned us three, and not to discuss the question as it concerned the whole Empire, because that would be a very big question. It is open to the Prime Minister of Canada, of Australia, or of any other Colony, to open the matter at the Imperial Conference, and it is a very, very wide question indeed.

HON. W. M. HUGHES: What I understand here is that clause 7, of Letter No. 21, (Mr. Lyttelton to His Excellency Lord Northcote) says, "The practical inconveniences which may arise from divergent or opposed legislation in different parts of the Empire are indicated in Messrs. Weightman & Pedder's report on the "Commonwealth Bill."

MR. COX: In the case of Canada, in the case of the Cape, and in the case of Natal, no such divergence has arisen. In the case of Australia and New Zealand it has arisen, and therefore we wanted to discuss, as practical men, those cases where divergences had arisen, leaving the larger question to be discussed elsewhere.

HON. W. M. HUGHES: The Imperial Government subsequently to this introduced fresh legislation, and on the lines (although not proceeding so far) recommended by our Commission—that is to say you have got your rating for seamen, you have got your increased accommodation for seamen, you have got your certificated cooks, your food scale, and so on.

HON. DUGALD THOMSON: We should not object to that.

HON. W. M. HUGHES: No, we rejoice in it.

THE CHAIRMAN: We had better leave that until Monday.

HON. W. M. HUGHES: Very well, I will leave that.

THE CHAIRMAN: I would rather you did.

SIR WILLIAM LYNE: The proposal in our Government Bill is: "All ships registered in Australia, and all other ships (British or foreign) when carrying passengers or cargo shipped or taken on board in any port in Australia to be carried to and landed or delivered at any other port therein or in New Zealand, shall carry as crew the number and description of persons specified in the scale set out in Schedule II., or as prescribed." That is the main point.

HON. DUGALD THOMSON: Are we on the matter now?

SIR WILLIAM LYNE: That is what we were on.

HON. DUGALD THOMSON: I thought that would come on the coastal trade.

SIR WILLIAM LYNE: "Provided that the Minister may exempt any ships from the operation of this section in regard to boys or apprentices." That is what we have provided so far in the Bill, and the schedule is given here,—Schedule II.

HON. DUGALD THOMSON: Might I ask you whether this Bill is to be constantly referred to in the Conference, and whether, in that case, there would be any objection to members having a copy of it?

SIR WILLIAM LYNE: We have not got copies enough, I am afraid.

HON. DUGALD THOMSON: If it is being constantly referred to it would be advisable, otherwise it does not matter.

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SIR WILLIAM LYNE : That is not the matter I was going to raise a question about.

HON. W. M. HUGHES : This has not yet been laid before your Government.

SIR WILLIAM LYNE : Not the whole of the members.

HON. W. M. HUGHES : It might create an impression that it was not a Government Bill.

SIR WILLIAM LYNE : Practically it is a Government Bill. The matter is in my hands, and except as to certain minor details it is a Minister's Bill, and it will be accepted. There is another thing that has been repeatedly referred to—the Report of the Commission that sat in Great Britain, it was referred to by one of the members of the Commission. Is there any objection to our seeing the result of that inquiry?

THE CHAIRMAN : No, it shall be circulated.

MR. HAVELOCK WILSON : There were two Committees—the Committee on Manning, and the Mercantile Marine Committee.

THE CHAIRMAN : Copies shall be furnished to members of the Conference.

MR. ANDERSON : Before leaving the subject of manning there is one point that might be shortly dealt with. The Australian Bill contemplates the granting of a third-class certificate to engineers. Now there are on British ships men rated as engineers, who do not hold certificates. The third-class certificate is not known to the Board of Trade, and I want to know what will happen to these men who are non-watchkeeping engineers if they come within the purview of the Australian Bill—that is to say, how will they rank for the purpose of the Australian manning scale?

MR. HISLOP : The same as they rank in New Zealand. The Bill was not retrospective, and he was granted his certificate, and he was allowed a certain time to apply for his certificate.

HON. DUGALD THOMSON : Was that an engineer on watch?

MR. HISLOP : Yes.

HON. DUGALD THOMSON : Mr. Anderson is talking about an engineer who is not on watch.

MR. HISLOP : He can take his third engineer's certificate without going to sea at all. His sea service dates from the time of his start as third engineer.

HON. W. M. HUGHES : I cannot see how this matter can possibly affect other shipowners. A third-class engineer is only permitted in New South Wales, Victoria and one or two other States to take ships under a certain nominal horse-power a certain distance; he cannot trade between States.

MR. ANDERSON : I am not speaking of engineers in charge; I am speaking of junior engineers non-certificated.

HON. W. M. HUGHES : If you send a man out who is not certificated,—say you send three certificated engineers and one uncertificated on a ship which by our scale requires four,—for instance, if you send a ship of the nominal horse-power of 240 to 300 that will require four engineers, and if you send three certificated and one uncertificated that will be a breach of the schedule.

MR. ANDERSON : My point is this, that the non-certificated British engineer in such a case would probably be as well qualified as your third-class engineer.

HON. W. M. HUGHES : But a third-class engineer would not be allowed to drive such a boat.

MR. ANDERSON : I am not speaking of driving—I am not speaking of a watch-keeping engineer.

HON. W. M. HUGHES : Would he be a mechanic?

MR. ANDERSON : A mechanic, yes.

HON. W. M. HUGHES : The law would not prevent your carrying such a man, but if the law said you had to have four men on the watch—capable of going on the

watch—supposing you divided your ship into four watches, each one of those, if the ship was of 240 to 300 nominal horse-power, would have to be certificated men; but if of 120 to 240 nominal horse-power—if one was a third-class mechanic, the law would not stop you. He would not rank as an engineer for any purpose.

MR. ANDERSON : If he held a third-class certificate, surely.

HON. W. M. HUGHES : No, he would be simply a supernumerary; you might rank him as a greaser. Here is what New Zealand says—that where an applicant for a third-class engineer's certificate "has worked as apprentice for at least five years in a workshop or shops where engines are manufactured or repaired, or where other work of a similar class is performed, and during three years at least of such service has been employed in fitting and erecting machinery," he may be exempt from examination.

MR. ANDERSON : These are men who would have served probably five years in the shops.

SIR JOSEPH WARD : As it will not be possible to-day to go into this question of confining this to the coastwise trade, I desire to give notice of motion, "That it be a recommendation to the Board of Trade to consider the desirability of altering the designation of 'officers and engineers' under the term 'seamen' in the Imperial Merchant Shipping Act to that of 'officers and engineers.'"

THE CHAIRMAN : Sir William Lyne has already given notice of a motion bearing on much the same subject, and we will put both down for Monday. Could we, before we separate to-day, just to finish the manning, take the motion of Sir William Lyne about officers?

HON. W. M. HUGHES : About speaking English?

THE CHAIRMAN : Yes,—“That no person should be employed as an officer on board any British ship, registered in Australia or New Zealand, or engaged in the coasting trade of those colonies, who is not (a) a British subject, and (b) thoroughly conversant with the English language.”

MR. MILLS : Naturalised, I suppose?

SIR WILLIAM LYNE : Oh, yes.

THE CHAIRMAN : Does that mean any British ship trading anywhere—home trade or anywhere?

SIR WILLIAM LYNE : That can only apply as far as we have control.

HON. W. M. HUGHES : I should like to suggest this to Sir William, as I have a motion which will definitely raise this question as to whether this Conference ought or ought not to offer expressions of opinion as to the desirableness of amending the Imperial law. It might be, perhaps, as well for you not to move that until that is settled, because it is a desirable thing, from our standpoint, that the principle should obtain right throughout the British Mercantile Marine, and a recommendation from this Conference to that effect might have some weight.

HON. DUGALD THOMSON : You have got that in your amended Bill, have you not?

THE CHAIRMAN : We can accept "(b)" right off.

SIR WILLIAM LYNE : "(a)" is the important one—at least, one of the important ones.

THE CHAIRMAN : If it only applied to your own waters, of course we should have nothing to say.

HON. W. M. HUGHES : I will ask Sir William not to press that. As to our own ships, that would be accepted right off.

HON. DUGALD THOMSON : Sir William Lyne is proposing that only with regard to our own vessels.

HON. W. M. HUGHES : I am asking him not to put it now.

SIR WILLIAM LYNE : I am willing to let it stand over. Mr. Hughes has a motion to define how far this goes.

THE CHAIRMAN : Would you like to have it put in the restrictive sense and leave the other question?

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SIR WILLIAM LYNE: I do not mind.

THE CHAIRMAN: Because, I take it, we have no objection so far as vessels under the jurisdiction of the Commonwealth and of New Zealand are concerned.

MR. MILLS: What is your definition of "officer," Sir William? Does it include an engineer?

SIR WILLIAM LYNE: I think it does.

HON. DUGALD THOMSON: Yes, it includes an engineer.

THE CHAIRMAN: We are prepared to put that at once in the restricted sense, otherwise I should like it held over.

SIR WILLIAM LYNE: Restricted sense in this way—I am quite agreeable to that, because the other motion, when it comes on and is decided, will affect this.

THE CHAIRMAN: "That no person shall be employed as an officer on board any ship or British ship registered in Australia or New Zealand or engaged in the coasting trade—"

SIR WILLIAM LYNE: You have put that in?

THE CHAIRMAN: To make it in the restricted sense. It makes it uniform in the other resolutions, in accommodation and manning, and so on—"who is not (a) a British subject, and (b) thoroughly conversant with the English language."

MR. NORMAN HILL: We do not like it. In the restricted sense, perhaps, we have no right to criticize it. It will apply to an engineer picked up in a voyage by reason of death—a British trading ship may turn up in Australian waters, and possibly be chartered for the Australian trade.

THE CHAIRMAN: It is quite clearly within the sphere of their powers.

MR. NORMAN HILL: Perfectly. The Commonwealth are not asking our opinion with regard to what they are enacting with reference to vessels under their jurisdiction. We have not got any business to criticize it.

SIR WILLIAM LYNE: I would like it to be made specific.

HON. DUGALD THOMSON: The only thing is how far we are to introduce these show motions.

SIR WILLIAM LYNE: This is not a show motion.

HON. DUGALD THOMSON: We have passed what covers that already.

SIR WILLIAM LYNE: I do not think so.

HON. DUGALD THOMSON: Oh, yes. It enables us to decide the conditions of manning within our own sphere.

SIR WILLIAM LYNE: I objected to that motion the moment I saw it.

HON. DUGALD THOMSON: There are so many other things which come under "manning." However, the British law is now in accordance with that.

THE CHAIRMAN: Not "a British subject." We have got "thoroughly conversant with the English language." With regard to the provision that he should be "a British subject" there are difficulties over here.

MR. COX: That would prevent the employment of any inhabitant of a British protectorate. Supposing you found—I am only taking an extreme case—a man

whose father was not a British subject, but who was born (the man himself) in France of an Australian father he would not be a British subject, but he would be an Englishman to all intents and purposes, and might have lived in Australia all his life, but technically he is not a British subject.

SIR WILLIAM LYNE: He could be naturalised.

MR. COX: With all deference, I think you naturalise very freely in some of the Colonies—for instance, in South Africa.

HON. W. M. HUGHES: We have never had anything like that.

SIR WILLIAM LYNE: The very fact of our giving easier means of naturalisation removes all that.

MR. COX: You are so careful to stop it at the fount—you do not allow undesirables in, and therefore *prima facie* if a man is fit to come in you consider him fit to be naturalised.

SIR WILLIAM LYNE: That is so.

MR. COX: But other British Colonies that let these men in wholesale ought to be more careful.

SIR WILLIAM LYNE: You cannot bring that against us.

MR. COX: No.

SIR WILLIAM LYNE: We are grumbled at the other way.

THE CHAIRMAN: I understand, then, the desire of the Conference is this. We do not feel that we have any right to interfere with what you have proposed to do, but at the same time, from our point of view, we could not say that we think it desirable, because if we thought it desirable we should enact it here. I mean we do not oppose it. It is not our business.

SIR WILLIAM LYNE: I should like you to put the motion.

THE CHAIRMAN: The Australian delegation are in favour?

SIR WILLIAM LYNE: Yes.

THE CHAIRMAN: And the New Zealand?

MR. BELCHER: Yes.

SIR JOSEPH WARD: Mr. President, might I give notice of motion: "That it be a recommendation to the Board of Trade to consider the desirability of altering the designation of 'officers and engineers' under the term 'seamen' in the Imperial Merchant Shipping Act to that of 'officers and engineers.'" In your law as it stands now "seamen" covers everybody except the master. In our Act it is as indicated in my motion.

HON. DUGALD THOMSON: Would not that be opening up the very question which was proposed to be opened under the head of "manning" and extending our discussion?

SIR JOSEPH WARD: The officers and engineers of our country want this done if possible.

HON. DUGALD THOMSON: I do not object to the thing itself; it is only the extension of the discussion that I object to.

THE CHAIRMAN: I think that is about as far as we can get this afternoon.

(The Conference adjourned to the following Monday, 11.30 a.m.)



## FOURTH DAY.

*Monday, April 8th, 1907.*

The following were present :—

The Right Hon. D. LLOYD GEORGE, M.P. (President of the Board of Trade), *in the Chair in the afternoon.*  
Mr. H. LLEWELLYN SMITH, C.B., *in the Chair in the morning.*

### *United Kingdom Delegates.*

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| Mr. WALTER J. HOWELL, C.B.,<br>Mr. R. ELLIS CUNLIFFE,<br>Capt. A. J. G. CHALMERS,<br>Mr. H. BERTRAM COX, C.B.,<br>Mr. A. B. KEITH, | } Of the Board of<br>Trade.<br>} Of the Colonial<br>Office. | Mr. E. PEMBROKE,<br>Mr. K. ANDERSON,<br>Mr. H. FERNIE,<br>Mr. ROBERT J. DUNLOP,<br>Mr. NORMAN HILL,<br>Mr. J. HAVELOCK WILSON, M.P., representing Seamen. | } Shipowners. |
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### *Australian Delegates.*

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| Hon. Sir W. J. LYNE, K.C.M.G.<br>Hon. W. M. HUGHES. |  | Hon. DUGALD THOMSON. |
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Dr. H. N. WOLLASTON, LL.D., I.S.O., of the Australian Commonwealth Department of Trade and Customs, was also in attendance.

### *New Zealand Delegates.*

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| Hon. Sir JOSEPH WARD, K.C.M.G.<br>Mr. JAMES MILLS. |  | Mr. WILLIAM BELCHER.<br>Mr. A. R. HISLOP. |
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Dr. FITCHETT, Solicitor-General of New Zealand, was also in attendance.

### *Secretaries.*

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| Mr. J. A. WEBSTER,<br>Mr. G. E. BAKER, | } Of the Board of Trade. | Mr. J. HISLOP, Private Secretary to Sir J. Ward.<br>Mr. D. J. QUINN, Private Secretary to Sir W. Lyne. |
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### AGENDA.

1. Classes of voyages to which "Australian conditions" should be applicable.
  - Motion by Sir William Lyne "that the law of any British Possession, which operates in regard to vessels registered, or usually trading in that Possession, shall also operate in regard to all vessels coming into a final port of destination in that Possession, or clearing outwards from any port therein."
  - Motion by Sir Joseph Ward "that coastal trade should comprise the carriage of cargo or passengers from one port to another on the coast of the Commonwealth or New Zealand, or between the Commonwealth, New Zealand, and the Islands of the Pacific."
2. Wages.
3. Manning.
  - Mr. Hughes's motion "that this Conference approves of the principle of a manning scale applicable to all British, Australian, and New Zealand ships."
4. Officers.
  - Motion by Sir Joseph Ward "that it be a recommendation to the Board of Trade to consider the desirability of altering the designation of 'officers and engineers' under the term 'seamen' in the Imperial Merchant Shipping Act to that of 'officers and engineers.'"
5. British and Foreign Seamen.
  - Motion by Sir William Lyne "that every possible encouragement should be given by legislation and otherwise to the employment of British seamen in preference to foreigners."
6. Bills of lading legislation.

MR. LLEWELLYN SMITH: Mr. Lloyd George will be here, but I am afraid, as he is coming from the country, he won't be with us for some time, and he has asked me to take the chair till he arrives.

MR. BELCHER: Before the formal business commences I beg leave to have the privilege of asking a question; it is one of urgency, and I trust that an answer will be forthcoming as soon as possible. I have reduced the question to writing, and it is in the following terms: Is it legal or otherwise to attach clauses to ships' articles of agreement when such clauses are in direct conflict with the statutory provisions of the Shipping and Seamen Act? I should like, if possible, to get an answer to that question from the Board of Trade officials as soon as possible. My reasons for asking the question are these: I am just advised from New Zealand that the

master of a British ship, that is a ship from the United Kingdom, has recently made an attempt at one of the shipping ports in New Zealand to deduct two weeks' wages from a man for being absent without leave.

MR. LLEWELLYN SMITH: I do not want to interrupt you, but would it not be the most convenient thing to put this question in writing, so that we can consider it? You raise a legal question which does not arise on the Agenda to-day. If you could have it or we could get it in writing and consider it and bring up an answer, if we are in a position to do so, at the next meeting, I think it would be the most convenient way of dealing with it.

MR. BELCHER: With all due deference, I may mention this is a matter of urgency, and if you will

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permit me for two minutes, I will show where the urgency lies. This case has arisen with regard to a British ship. The local authorities have held that the master is not entitled to make these deductions. What I want to say further is that I very much regret that the well-known Steamship Company of New Zealand have attached exactly the same clause to the articles of one of their ships, and it is causing a good deal of concern amongst the seafarers of New Zealand, and there is a possibility that the coastal trade will be held up until this thing is decided, and the reason I want an answer as soon as possible is so that I can cable it to New Zealand.

MR. LLEWELLYN SMITH: This Conference could not give an authoritative opinion on points of law. If you could put the point in writing, if it is a point on which any opinion from the Imperial Board of Trade would be of any value, we would consider it. It strikes me, on the face of it, that you rather raise a question which could only be decided by the courts, but I would not like to say that definitely.

HON. W. M. HUGHES: Perhaps Captain Chalmers, or perhaps yourself, might consider Mr. Belcher's remarks in this light, that you will take an early opportunity of stating what, in the opinion of the Board of Trade, the law is on this point, and then that could be done without discussion.

MR. CUNLIFFE: What the law is generally, or what the law is on this particular point?

HON. W. M. HUGHES: On this particular point. What I mean to say is, what, in the opinion of the Board of Trade, the law is in reference to articles which provide, say, for the forfeiture of two weeks' pay; whether, in your opinion, that is proper. I think if that were done at the afternoon sitting, or to-morrow morning, that would be sufficient.

THE CHAIRMAN: Of course, what we will do is to consider if it is a question to which we could give an answer, and, if so, give it.

HON. W. M. HUGHES: If you can give an answer, then I apprehend that it would be in order for Mr. Belcher to give notice that at another sitting he would bring the matter up before the Conference.

MR. LLEWELLYN SMITH: There was a question raised at our last meeting about the cabling of fuller reports for the information of the Colonial Press. You remember that I said I should like to consult the President of the Board of Trade. I have not failed to do so, and Mr. Lloyd George, of course, has not the least objection to the despatch of fuller information to the Colonial Press, if you think it desirable; but that as such information or part of it is liable to be re-telegraphed and published in the United Kingdom, it is desirable that the rule adopted at the first meeting of the Conference, that all communications to the Press should be approved by a representative of Australia, New Zealand, and the United Kingdom, should be maintained in this case. If that course is convenient, perhaps when you have prepared anything, one of your secretaries would communicate with our secretary, just as in the communications for the English Press we proceeded the other way. I have taken upon myself—and I ask the Conference to approve my action—to rather alter the order of the Agenda so as to bring up to the top the question of the classes of voyages to which Australian, or we should have said more properly Colonial, conditions should be applicable, because I think we have all had in our minds that until we get that out of the way it is rather difficult to discuss some of the other things. On that point two motions have been handed in. One from Sir William Lyne, and one from Sir Joseph Ward. They have been put down in the order in which they were handed in. Perhaps the Conference will think the most convenient course will be to take the subject in the order indicated in the Royal Commission's Report, that is provided (a), (b), and (c) in the recommendation as to application cover the whole ground. First of all, there is the question of the ships registered in the Colony, and then ships engaged in the coasting trade, and then we have to consider anything else.

HON. W. M. HUGHES: Both these are under the same heading and fall under Section 4 of the original Agenda.

MR. LLEWELLYN SMITH: If that meets with your approval, it will naturally be convenient to consider it

with a view to seeing how far we can go in unanimous agreement before we arrive at any points of difference.

HON. W. M. HUGHES: Did we finish the other Agenda Paper?

MR. LLEWELLYN SMITH: Perhaps you did not quite catch what I said, that I had taken upon myself to rather alter the order, because I thought it was felt this was a question we wanted to get cut of the way. Of course, I am in your hands if you wish to adhere to the other.

HON. W. M. HUGHES: I think you are quite right.

MR. LLEWELLYN SMITH: Then the first point is, ships registered in the Colony. Is there anything to be said about that?

SIR WILLIAM LYNE: I want to say two or three words on the motion of which I gave notice, as I understand from some of the gentlemen present that they think the wording extends too far. The motion is:—"That the law of any British possession which operates in regard to vessels registered or usually trading in that possession shall also operate with regard to all vessels coming into a final port of destination in that possession or clearing outwards from any port therein." The reason I worded it in that way is because it is in accordance with the provisions of our Commonwealth Constitution. Our Commonwealth Constitution provides this, amongst other things, that the Constitution itself gives power to legislate with respect to trade and commerce with other countries. And it goes on to say in Section 98 that the power of Parliament to make laws with respect to trade and commerce extends to navigation and shipping. And the Constitution also provides that the laws of the Commonwealth shall be enforced on all British ships in the Commonwealth. What I particularly wanted to decide is that not only registered ships that come into the Commonwealth and go from the Commonwealth, but all over-sea ships as well that come and do coasting trade shall be considered as part and parcel of the coastal shipping of the Commonwealth, not to exclude any over-sea ships, but simply to bring them within the powers of the laws we may make whilst they are doing coastal trade.

HON. DUGALD THOMSON: Does it not go beyond?

SIR WILLIAM LYNE: I do not think it does, but I am prepared to make it applicable to New South Wales and New Zealand.

HON. W. M. HUGHES: You mean Section 5 of the Constitution?

SIR WILLIAM LYNE: Yes. That that section applies and gives us power, which is a superior or a larger power than I think is, for instance, in the New Zealand, and we hold that that gives us power to deal with every ship, whether a British ship, or any other ship, that comes and does trade on the Australian coast, and it would apply, I presume, if this is agreed to, to the New Zealand coast, but at any rate the Australian coast, whether it be a registered ship or not. There is no necessity to dwell on this question. I have tried to make my intention clear, and I am quite prepared to alter the wording and, instead of saying "any British possession," say "the Commonwealth of Australia and New Zealand," or any other alteration of the wording to coincide with that; but I want it to be clearly understood that this is, to my mind, almost the gist of the whole question, that is, as to whether ships coming from abroad, trading on our coasts—putting it concretely, that if that ship comes and trades from Fremantle to Sydney or Brisbane or elsewhere, that that ship shall come under all the provisions that we apply to the registered shipping of the Australian trade.

MR. PEMBROKE: It is only to apply to vessels trading from one port to another.

SIR WILLIAM LYNE: I want to point out that is a matter that might be one of legal interpretation; that I am not sure about. I do not like to say if this will have that power. If the Constitution allows I want it to be so, but I have read the extract from the Constitution of the Commonwealth to see how far it gives us power.

HON. W. M. HUGHES: Where is that extract?

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SIR WILLIAM LYNE: Section 5 of the Constitution. I think I have made my intention clear.

MR. LLEWELLYN SMITH: Sir William Lyne has explained the object of his motion in a way that seems to remove some of our apprehensions. But, before we get to it, may we take it that "ships registered in the Colonies" is to be the first point?

HON. W. M. HUGHES: I think you may say subsection (a), that is ships registered in the Colonies, there can be no difference of opinion on that at all; that is to say, they must obviously come under our jurisdiction.

MR. LLEWELLYN SMITH: We are speaking here as practical men, and you may find with regard to some of the provisions that you may have a little difficulty in enforcing them. That is a matter for the courts; we cannot decide that. I can conceive of conditions imposed on your registered ships on a long voyage that you might have a little difficulty in enforcing; that is always understood, but still, from the practical point of view we have nothing to say to that. If there is a legal or Constitutional difficulty in enforcing the thing, that is no matter. We are not competent to say how the courts would decide about particular methods of enforcing conditions.

MR. CUNLIFFE: You may have a vessel registered in Australia, which is simply registered there for the purpose of being registered there; she may have left their waters, and never come back at all. Then you will all agree that you must appeal to the Act which can enforce provisions upon that vessel, that is the Imperial Act.

HON. W. M. HUGHES: What we should say is "with regard to vessels registered, and usually trading," not "or" usually trading.

SIR JOSEPH WARD: I am going to support the motion as it is. I think it is a very important one, and it will meet the requirements as I know them in New Zealand, and is quite in touch with what is required in New Zealand.

MR. LLEWELLYN SMITH: We have not quite got to that. We are now considering rather as an antecedent to that whether there is anything to be said with regard to the application of Australian or New Zealand conditions to ships registered in those Colonies.

SIR WILLIAM LYNE: I thought that was agreed to.

MR. LLEWELLYN SMITH: Only one caveat was raised by Mr. Cunliffe.

HON. W. M. HUGHES: There is another class of vessel. There is the class of vessel registered in England, entirely trading in Australia.

MR. LLEWELLYN SMITH: We get that in (c).

HON. W. M. HUGHES: To reach that class of vessels, vessels registered in Australia, but trading elsewhere, we shall have to have an excepting clause lower down.

SIR JOSEPH WARD: It says "usually trading in that possession." I think that is all right.

HON. W. M. HUGHES: Supposing the motion to read this way: "That the law of any British possession shall operate in regard to any vessels registered and usually trading in that possession."

MR. LLEWELLYN SMITH: That is not supposed to be exhaustive; that is only the first category.

HON. W. M. HUGHES: Subsection 1 says "Any vessel registered or usually trading in that possession."

MR. CUNLIFFE: Assuming the vessels are not vessels which have started on voyages already according to the Imperial Act.

HON. W. M. HUGHES: I was really saying that to meet your remarks; and therefore under subsection (a) you see that the law of any British possession shall operate "in regard to vessels registered and usually trading in that possession." I take it that in ninety-nine cases out of a hundred that will apply to vessels that are obviously and notoriously coasting, that is to say, go from one port to another and never leave Australian waters.

MR. NORMAN HILL: The point is "shall operate in regard to vessels registered and usually trading between ports of the possession."

MR. LLEWELLYN SMITH: I understand that is what is wanted.

HON. W. M. HUGHES: I said "in that possession." "Registered and usually trading in that possession." I am suggesting an amendment of Sir William Lyne's motion.

SIR WILLIAM LYNE: I prefer to have it "or."

HON. W. M. HUGHES: Of course you do. That "or" is intended by you to include other vessels than those registered. I intend not only to include those vessels that are registered, but those registered and not usually trading.

SIR WILLIAM LYNE: I want to have the word "or," because it embraces both.

MR. LLEWELLYN SMITH: It is quite without prejudice. It does not affect the others.

MR. COX: Might I ask Sir William Lyne what he means by "or." Does he mean a vessel going backwards and forwards is to have the Australian law apply after she leaves territorial waters?

SIR WILLIAM LYNE: If she comes and trades and is registered and she is under our law. I say I do not want to disjoin registration from the "usually trading." I want this to apply to both; she can be usually trading, but not registered.

MR. LLEWELLYN SMITH: We want to divide them so as to see how far we can get in unison.

HON. W. M. HUGHES: Supposing you suggest this: there are three classes of vessels which I intend to include under that suggestion of mine, "vessels registered and usually trading"; those are vessels such as the ordinary vessels belonging to the coastal and Inter-State companies usually registered and continuously trading in the States. That will include all those vessels. Then we come to a class of vessels that is not registered in the States but usually trades there; and lastly another class of vessel that is registered in some over-sea port engages in over-sea trade and incidentally coasts.

MR. LLEWELLYN SMITH: That is the third category.

HON. W. M. HUGHES: And then you might have another class. We had a vessel belonging to the German Australian line. She was registered in Bremen or Hamburg, and she traded continuously on the Australian coast while so registered. That is four classes of vessels. She was detached from the over-sea trade, and she continuously engaged in the coasting trade. Then, of course, you get the class of vessel which many of the delegates have in their minds, namely, a class like the Orient or the P. & O., or any other boat that comes to Fremantle and goes to Adelaide or Melbourne, and perhaps takes passengers, and may perhaps, in some cases, take cargo—four different classes of vessels entirely. Now I suggest the first class be "vessels registered and usually trading."

MR. LLEWELLYN SMITH: There is no difference of opinion about that. Now what about vessels not registered in Australia, but usually trading?

SIR JOSEPH WARD: Have we agreed to any portion now?

MR. LLEWELLYN SMITH: I think we must have it as whole at the end. We are taking it by stages.

SIR JOSEPH WARD: I suggest that we take the feeling of the Conference as to whether they agree to that first point.

SIR WILLIAM LYNE: Before you put that, I think the whole of this might be overcome by striking out the word "usually"; it reads then: "that the law of any British possession which operates in regard to vessels registered or trading in that possession."

HON. W. M. HUGHES: No; it does not operate. The point is not whether the Commonwealth has power, but whether the Commonwealth ought to, or whether it is expedient it should make the same law which applies

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to vessels registered in Australia apply to vessels trading on her coasts.

SIR JOSEPH WARD: I think you will find it an advantage to ascertain whether we are all agreed as to vessels registered first.

MR. LLEWELLYN SMITH: I do not think we can be unanimous. There will be vessels registered in Australia, but never trading here at all. They might be trading between the United Kingdom and America.

HON. W. M. HUGHES: Supposing you put it this way: "Vessels registered *whilst* trading in that possession."

HON. DUGALD THOMSON: That does not read well.

SIR WILLIAM LYNE: I think, if you will allow me, I will put the motion as it is, because the moment you alter it, it takes away the intention I had in moving the motion. This motion has been considered by my officers, and they rather object, so far as they are concerned to altering the motion, because it will do away with the object of it. Take that very point that was raised just now when I was agreeable to deal with the word "registered," then some other words will have to be put in. I would rather see whether we cannot be unanimous on this motion as it is.

MR. LLEWELLYN SMITH: I will not stand in the way of Sir William putting the motion as it is, but it does not come up yet, because we have not decided the question. Until we get rid of the registered vessels, we are not yet in a position to say whether the law shall extend to something else. Your motion is: "That the law of any British possession shall operate in regard to vessels registered and usually trading" shall do something more than that. We have to get rid of this.

HON. W. M. HUGHES: I will move as an amendment on Sir William Lyne's motion that after the words "vessel registered," the words be inserted "whilst trading in that possession."

SIR WILLIAM LYNE: That alters the whole meaning.

MR. PEMBROKE: Would it not help us if Sir William will tell us what his object is?

MR. LLEWELLYN SMITH: I rather appeal to Sir William Lyne to hold that back until we have considered the "registered vessel."

SIR WILLIAM LYNE: Is there any objection to the registered vessel?

MR. LLEWELLYN SMITH: Not whilst trading.

HON. W. M. HUGHES: We might become a ship-building country, and we might turn out vessels of our own. There are any amount of vessels turned out at Glasgow. There might be vessels registered in Sydney and trading to Hong Kong and elsewhere and never coming near the port. I do not say our law should not operate; but the first part of that is not intended to apply to those vessels.

SIR WILLIAM LYNE: Which vessels? It is intended to apply to any vessels trading on our coast. I prefer to have the motion as it is, and I am quite prepared to restrict it to within territorial waters—that is, our territorial waters.

MR. NORMAN HILL: I am afraid we could not possibly support the motion as it stands. We are anxious to fall in with your views and go step by step and see how far we can agree with Sir William Lyne. We are quite willing to agree that the Colonial law extends to ships registered in Australia whilst trading in that Colony. That is the first step.

SIR WILLIAM LYNE: Now, do you object to the vessels not registered?

MR. NORMAN HILL: I would ask Sir William to say what is the next step.

SIR WILLIAM LYNE: I want this to deal with every vessel that comes into our waters, and trades on our coast or the New Zealand coast whilst they are there, no matter whether they are registered vessels, or what they are.

MR. LLEWELLYN SMITH: But your motion goes a good deal beyond that. I do not think you intended it to, but I think it does.

SIR WILLIAM LYNE: If I put in the words, "whilst in territorial waters," I don't see that it does.

DR. WOLLASTON: I should like to explain the practical difficulty that is in the way is this: Australian registered ships go, for instance, to India; they go to India for a cargo of goods, and bring them back, and if our law operates with them, they have to provide all these scales, and at a considerable expense. If this is not passed, a British vessel registered in Great Britain might come out there and engage in the same trade, go from Melbourne to India and compete with our own ships, and not comply with these conditions.

HON. W. M. HUGHES: They could not possibly do that, because it applies only to vessels registered whilst trading in that possession.

DR. WOLLASTON: We want to trade out of the possession.

HON. W. M. HUGHES: Then we are intending to try and make it apply to vessels no matter where they are registered.

DR. WOLLASTON: I am talking about the foreign trade from Australia to another country.

HON. W. M. HUGHES: I shall try and make it apply to that too.

SIR WILLIAM LYNE: I would like to stand by the resolution, and I will add the words, "within territorial waters," if it is desired.

MR. FERNIE: Do you mean it to apply to a ship going to Melbourne?

SIR WILLIAM LYNE: If she is in our waters, she is under our laws.

MR. FERNIE: Would you make it apply to all foreign ships?

SIR WILLIAM LYNE: She has only to go a few miles outside of the limit and she is away.

MR. NORMAN HILL: The claim which is now put forward is a claim which no nation has ever before put forward with regard to any other nation.

HON. DUGALD THOMSON: I think there must be some misunderstanding. With regard to this, we have already passed resolutions, one of which says, "that the conditions imposed by Australian or New Zealand laws as regards manning should only apply to vessels registered in these colonies or engaged in their coasting trade." We have already passed several resolutions as regards other provisions to that effect.

SIR WILLIAM LYNE: That was the resolution that was passed in my absence and I objected to.

SIR JOSEPH WARD: Might I suggest this would do what Sir William Lyne wants, say after the words "British possession," "which operates in regard to vessels registered and usually trading in that possession or during the period such vessel is engaged in the coastal trade."

SIR WILLIAM LYNE: I do not care about the wording: I want it to embrace what I said.

MR. LLEWELLYN SMITH: We want to be sure as to whether we are agreed in substance.

SIR JOSEPH WARD: I suggest what I have just stated: "or during the period such vessel is engaged in the coastal trade," and strike out "or usually trading."

MR. LLEWELLYN SMITH: That is only preamble.

SIR WILLIAM LYNE: If those words were added they could carry with them the necessity of registration.

SIR JOSEPH WARD: Put "or trading during the period."

MR. NORMAN HILL: Why not leave out "registered"?

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HON. DUGALD THOMSON: Say, "which operates in regard to vessels usually trading in that possession"; that includes everything.

MR. LLEWELLYN SMITH: You have only come to the end of the preamble; then the operative part remains which states that "vessels coming into a final port of destination in that possession or clearing outwards from any port therein"—that is an immense extension.

MR. NORMAN HILL: Following your suggestion and going in steps, all Sir Joseph Ward's suggestion amounts to is that we leave out the word "registered." We want to concede that they have the right. The other point is if you use the word "registered" and confer the right on the Commonwealth to legislate with regard to all vessels that are registered without regard to the trade those vessels are in, you may get into difficulties, because those vessels in other waters might be under no law at all. Don't we meet the point by leaving out the word "registered" and making our first-class "vessels which are usually engaged in the coastal trade whilst they are engaged?"

SIR WILLIAM LYNE: I do not like the word "usually."

HON. W. M. HUGHES: I want to suggest this: "That the law of any British possession which operates with regard to vessels (a) registered in that possession whilst trading therein, (b) to vessels, wherever registered, whilst trading therein, (c) to all vessels, wherever registered, carrying cargo or passengers from any one port of that possession to another whilst within territorial waters."

SIR WILLIAM LYNE: The proposal Mr. Thomson suggested covers everything.

HON. W. M. HUGHES: Mine gives the Conference an opportunity of affirming (a), affirming (b), and affirming or rejecting (c).

HON. DUGALD THOMSON: It applies to vessels trading on the coast of those possessions.

MR. NORMAN HILL: Mr. Chairman, could we not follow your suggestion? We are all agreed "that the laws of any British possession shall operate in regard to"; we are all agreed so far as that is concerned. Then, as you suggest, let us fill in the classes. Cannot we say (a) all vessels engaged in the coastal trade of that possession? Let us take them one at a time.

HON. W. M. HUGHES: That is what I am suggesting.

MR. LLEWELLYN SMITH: Your class (c) was "to all vessels, wherever registered, carrying cargo or passengers from any one port to another of that possession whilst within territorial waters."

HON. W. M. HUGHES: First of all, I say with regard to vessels registered, our jurisdiction extends on them in the territorial waters, and so far as I know outside them. Anyhow, that is a matter of opinion. With regard to the second class, the same thing applies. With regard to the third class—

MR. LLEWELLYN SMITH: I do not know what you mean by the second class.

HON. W. M. HUGHES: That is the class Mr. Cunliffe was speaking of. We have plenty of vessels registered in Glasgow and trading on the coast continuously. They come here and they still keep their Glasgow register.

MR. LLEWELLYN SMITH: What is the difference between (b) and (c)?

HON. W. M. HUGHES: The second class of vessels that continuously engage in coasting and doing nothing else. I do not say "usually coasting" or "continuously trading"; as a matter of fact, they do not do anything else.

SIR WILLIAM LYNE: I think Mr. Hughes is complicating the whole thing.

HON. W. M. HUGHES: That is your opinion.

HON. DUGALD THOMSON: Why not take the simple resolution which covers the other without going into details?

HON. W. M. HUGHES: I know what vessels are trading there.

SIR WILLIAM LYNE: It is all covered by the resolution.

HON. W. M. HUGHES: Your resolution is such that it is impossible to distinguish between one class and another.

SIR WILLIAM LYNE: It is like a covering blanket.

HON. W. M. HUGHES: It is like a number of fleas in a blanket which covers everything.

MR. LLEWELLYN SMITH: I think substantially there is not much difference of opinion; when we get into substantial agreement I think we can see the exact form in which we can cast our final resolution, but I want to see how far there is any real difference of opinion putting aside the question of whether the wording of one resolution is better than another. We are all agreed with regard to vessels which are registered in the Colony while trading there; we are all agreed about that. Then vessels not registered in the Colony, but habitually—

HON. W. M. HUGHES: I did not say "habitually."

MR. LLEWELLYN SMITH: This is not a question of language; what I am trying to see is what you mean.

SIR WILLIAM LYNE: I do not mean that. I mean to say, if a tramp comes down and takes a cargo from one end of Australia to another, but does not usually—that is what I mean, I do not like the word "usually."

HON. W. M. HUGHES: That comes under the third class.

MR. LLEWELLYN SMITH: I want to see whether we are all agreed. Let us try and get to agreement, and then we will edit the thing afterwards.

SIR WILLIAM LYNE: I am quite agreeable to that.

MR. LLEWELLYN SMITH: I want to see whether it is a difference of substance, or only words. Mr. Hughes suggests—"to all vessels, wherever registered, carrying cargo or passengers from one port to another of that possession whilst in territorial waters," and these three classes (a), (b), and (c) added together collectively represent what Sir William Lyne has in his mind.

HON. W. M. HUGHES: In one respect Sir William Lyne does not go far enough; a class of vessels will escape. There is a hole in your blanket. "That shall also operate in regard to vessels coming into a final port of destination." A vessel comes into Fremantle, that is not her final port; she takes up cargo or passengers, and she takes them to Adelaide, that is not her final port. If she goes on further, she is not trading.

HON. DUGALD THOMSON: This goes further still; it includes all English vessels that call at Australia.

HON. W. M. HUGHES: I think what we ought to have done first of all is to define what we call trading.

HON. DUGALD THOMSON: We differ most when we agree apparently.

MR. LLEWELLYN SMITH: What is trading?

HON. W. M. HUGHES: I ask you. My idea is this. I will take the Orient. The Orient may decline to carry cargo, and practically neither they nor the P. & O. do carry cargo between ports; they carry passengers, but not cargo. Now, if trading is carrying cargo, then neither of these would come under this section. If carrying passengers is trading, then both would. Now the Royal Commission made a recommendation which was to the effect that the conditions in the section dealing with coasting trade should not apply pending the construction of the Trans-Continental Railway—and Sir William Lyne will be able to tell you when this is likely to take place—should not apply to such ships. Now, we do not want it applied to those ships, but under this proposal there is no difference made between taking passengers from Fremantle to Albany or Adelaide, and competing by the carrying of cargo with the Inter-State companies.

SIR WILLIAM LYNE: Surely we have power to exempt those vessels without coming to this Conference?

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HON. W. M. HUGHES : Of course we have.

SIR WILLIAM LYNE : It is no good burdening this Conference with anything of that kind.

MR. LLEWELLYN SMITH : Is there any of these classes which you have put in your resolution in which the Colonial law, in your opinion, will be applicable outside territorial waters?

HON. W. M. HUGHES : I do certainly think that, so far as our own coastal ships are concerned, if a vessel were to sail from Sydney to Fiji or Singapore, registered at Sydney or Melbourne, and we found she had broken our law whilst outside our territorial waters, we should certainly consider she had broken a Commonwealth law. Of course, the law is only enforceable within the jurisdiction.

SIR WILLIAM LYNE : I do not see myself that we really can go past our own registered ships, or any ship doing coastal trade. But if it trades with Great Britain when it leaves our shores, I cannot see that our laws are going to have effect in England. Unless you specify certain places, I cannot see that we can make it apply all over the world; I do not think that is practicable. And we should have it, to my mind, inside, as far as we can, our territorial waters between New Zealand and Australia, and what may be termed are territorial waters, and that is a question that wants, perhaps, considering a little, because there has been the question raised as to whether we have power.

SIR JOSEPH WARD : I should like information on the point. If we define what coastal trade is, I propose to leave out "or between the Commonwealth, New Zealand, and the islands of the Pacific" from the next resolution.

SIR WILLIAM LYNE : What does our Act say? It says, "whose first port of clearance is within the Commonwealth." That is clear. I am not quite sure whether under the second part of our Constitution the Constitution does give us power to legislate on the trade and commerce with other countries; and Section 98 goes on to say, "that the power of Parliament to make laws extends to navigation and shipping." If that is legal, we have the power.

HON. W. M. HUGHES : I should like to say this, if it comes to a question of our powers, that I was not talking of that at all.

MR. LLEWELLYN SMITH : That is a thing we should have to argue as lawyers.

HON. DUGALD THOMSON : We decided to try and avoid all that.

HON. W. M. HUGHES : That is right enough, but the President has said that in so far as the Merchant Shipping Act is concerned, what we propose is not repugnant to the Statute. I want to say in my opinion we have plenary power in respect of making laws with regard to navigation and shipping subject only to our Constitution Act and the King's assent, and that the sections of the Merchant Shipping Act do not apply to us at all.

MR. COX : I cannot agree to that, but I do not want to raise a controversy.

SIR WILLIAM LYNE : I say 735 and 736 do not apply to us.

MR. COX : Why not?

HON. W. M. HUGHES : Because the Merchant Shipping Act is an 1894 Act. The Imperial Statute constituting us as a Commonwealth was the 1899 Act.

MR. COX : Where does it repeal—

HON. W. M. HUGHES : It is repealed by implication. It cannot be conceived that the Imperial Parliament permitted that subsection to be put in, the section giving us power over navigation and commerce there.—We have power there to make laws—

MR. COX : I do not think with regard to the territory of Australia,—

HON. W. M. HUGHES : I am not going to argue about the matter, but I am not going to allow any observations to be made with which by being silent one might be held to

agree that, under our Constitution, we have not complete powers—we are not at all subject to Sections 735 and 736 of the Merchant Shipping Act; I take it we are outside those sections.

MR. COX : I deprecate raising these questions, but Mr. Hughes says he is not going to allow this and that, and I must enter my caveat too. I enter my general caveat now, and I am not going to say anything more.

MR. LLEWELLYN SMITH : Neither of us being Judges of the Court of Appeal, we cannot make the law.

SIR WILLIAM LYNE : Now this has been said, I do not think the Imperial Act contains anything that gives us powers under this Constitution, or the covering Act, without an amendment of our Constitution.

SIR JOSEPH WARD : I think Mr. Bertram Cox is quite right, and I would like to say the same thing. Whatever I think to be right, and give my concurrence to, whether by speaking or not, I accept the full responsibility for. The legal aspect of what we are doing still requires to be settled by our Governments. I think Mr. Hughes is quite right from his point of view.

MR. PEMBROKE : Has Mr. Hughes put his amendment?

MR. LLEWELLYN SMITH : We have not yet agreed to the point of taking the resolution and the amendment. I am trying to get now a substantial agreement as to what we want, and then I want to see if we cannot make a resolution that will embody the whole thing. This was a little interlude on the legal point.

HON. W. M. HUGHES : I submit there is no alternative but to put that in triplicate. You must divide it into classes. I am perfectly willing to say: "That the law of any British possession operates in respect of all vessels that carry cargo or passengers from one port to another of that possession whilst within territorial waters."

MR. LLEWELLYN SMITH : But Sir Joseph Ward said he wanted to strike out the last line of his resolution.

SIR WILLIAM LYNE : I want to say that at present the law in Victoria is made applicable to all British ships being at any place without any consideration. That is what I am asking for, that it should apply to all ships coming on to the coast of Australia. It is the law of Victoria to-day.

HON. W. M. HUGHES : It is the law of Western Australia also.

MR. KEITH : It is not quite so wide in New South Wales.

SIR WILLIAM LYNE : But I should certainly deprecate on behalf of the Commonwealth reducing the power we have at the present time.

MR. KEITH : You have not, perhaps, the power in Victoria?

SIR WILLIAM LYNE : It has been in force for a long time, and it has been put into force a good many times.

MR. KEITH : So long as the question of its validity is not raised.

SIR WILLIAM LYNE : We are taking the common-sense view and the layman's point of view. That is the practice to-day assented to by the Imperial Government in Victoria, and that is what I am proposing in this resolution, and I do not feel at all disposed to withdraw the resolution or to go back from the position that is held at the present time. If we did, I think we from Australia would be very much blamed for giving up something we have already.

MR. NORMAN HILL : Would not Sir William Lyne help us if he would take Mr. Hughes's wording and say where he thinks it defective; so that, if necessary, we could add a paragraph. I understand that if Sir William Lyne gets all he wants, he does not mind it being divided into several heads.

SIR WILLIAM LYNE : I would like to submit my resolution, which was drawn up after due consideration,

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and I do not like it hacked about. It is like an Act of Parliament; if you put a clause in when you are in Committee you generally find it is wrong afterwards.

MR. NORMAN HILL: We are in the position of having to oppose Sir William's resolution as a whole. Some of it we have agreed to, but some of it we cannot agree to. Now, if we divide it, we can tell you exactly where we can agree.

SIR WILLIAM LYNE: It is a very simple matter for the Chairman to ask, if he likes, and then you can frame a resolution of what is desired.

MR. LLEWELLYN SMITH: Following that suggestion, are we agreed that "vessels, wherever registered, while trading on the coast—"

HON. W. M. HUGHES: If you are going to define what trading is, then we shall have to—

SIR WILLIAM LYNE: We shall have to define it later on.

HON. W. M. HUGHES: My friend won't say it is only carrying cargo.

MR. LLEWELLYN SMITH: You would say cargo or passengers.

HON. W. M. HUGHES: Yes.

MR. LLEWELLYN SMITH: Let us discuss that.

SIR WILLIAM LYNE: I think that comes later. I think if you use the word "trading" in this resolution, leaving the definition as to what trading is for consideration afterwards, we shall get over the difficulty, and we do not mix up in this question the question of what trading is. We have quite enough to deal with here.

MR. LLEWELLYN SMITH: Are we agreed upon that? (Agreed.)

MR. LLEWELLYN SMITH: Now (c) "to all vessels, wherever registered, trading from one port to another of that possession whilst within territorial waters."

HON. DUGALD THOMSON: I think that is anticipating. Trading on the coast of Australia you have in the provisions of the subsection.

MR. LLEWELLYN SMITH: We have.

HON. DUGALD THOMSON: Why not use the same words.

HON. W. M. HUGHES: I never use the same words.

MR. BELCHER: I think the question of territorial waters should be left out of it altogether. A vessel must go 3 miles off the shore.

HON. W. M. HUGHES: But territorial waters does not merely mean 3 miles from the coast; in some cases it means more. What I put these words in for was to show that we do not attempt to claim jurisdiction for any vessel if she had been trading on our coast and then set out for India or England and back again. We could not enforce our law, and we may as well say so. We can enforce it in Australia, but not elsewhere.

SIR WILLIAM LYNE: That is a matter of course.

MR. LLEWELLYN SMITH: As a matter of fact, Mr. Belcher, I do not think those words are wanted because they are covered: "To all vessels, wherever registered, while trading from one port to another of that possession."

HON. W. M. HUGHES: The only point is this that a vessel might go, for instance, say from Sydney to Java, or from Fremantle to Java, and she might come back again, and we might want the laws of Australia enforced on her. She would not be trading from one port in the Commonwealth to another.

MR. LLEWELLYN SMITH: It would only, of course, be while she was trading from one port to another.

HON. DUGALD THOMSON: What is the wording now.

MR. LLEWELLYN SMITH: "(a) Vessels registered in that possession whilst trading therein; (b) vessels,

"wherever registered, whilst trading on the coast of the possession; (c) vessels, wherever registered, while trading from one port to another of that possession." I think we might put that into two categories instead of three.

SIR WILLIAM LYNE: It is all covered by my wording.

HON. W. M. HUGHES: There are three classes.

MR. LLEWELLYN SMITH: There are. But the definition between the second and third is between the habitual coaster and the incidental coaster.

HON. W. M. HUGHES: Very well, I am quite agreeable to exercise subsection (b) and let subsection (c) cover the two.

MR. LLEWELLYN SMITH: That makes a very neat paragraph:—"That the law of any British possession which operates with regard to Australia and New Zealand shall apply to vessels registered in those Colonies respectively while trading therein, and to all vessels, wherever registered, while trading from one port to another of one of those Colonies."

HON. DUGALD THOMSON: Now, are we anticipating by that the proposal by Sir Joseph Ward which follows?

MR. LLEWELLYN SMITH: It has been impossible not to cover practically the ground covered by that resolution.

SIR JOSEPH WARD: If you settle it in this resolution, so far as I am concerned I do not want to move my own.

SIR WILLIAM LYNE: I think it is getting into a mess. We do not want to deal with the definition of the word "trading" in this resolution.

MR. LLEWELLYN SMITH: We have taken it out.

SIR WILLIAM LYNE: You have used the word and left the definition for a separate resolution.

MR. LLEWELLYN SMITH: The point that stands over is to define the word "trading." I do not think we can get on without that. It may be difficult for some of us to say whether we cordially accept this or have any reservations until we know what is to be included under "trading."

MR. COX: I suggest the resolution as to trading might be:—"A vessel shall be deemed to trade if she carries cargo or passengers embarked at one Australian port which are discharged at another Australian port."

MR. NORMAN HILL: Is the word "carries" the right word, because an oversea vessel from this country which calls at two ports, but does not discharge or load cargo at the first port, carries cargo on the oversea voyage?

HON. W. M. HUGHES: That is not coasting.

MR. LLEWELLYN SMITH: You have an excellent definition in your old Australian Bill, part 7: "A ship shall be deemed to be engaged in the coasting trade if she takes on board passengers or cargo at any port in Australia to be carried to and landed or delivered at any other port in Australia." Why cannot we take that? It is Section 295 of the old Bill.

HON. W. M. HUGHES: There is only one amendment that will be required in that. That is perfectly satisfactory to me except that as we are now dealing with the coasting trade, and Sir Joseph Ward has very properly pointed out that coasting trade with us means carrying cargo or passengers between New Zealand, Australia, and the Islands of the Pacific, at any rate it means so with us, I do not think it would be advisable to scratch it out. It has already been decided in some of the courts that coasting means carrying cargo or passengers as far as Fiji.

MR. COX: From a port in the Commonwealth?

HON. W. M. HUGHES: From a port in the Commonwealth to Fiji and back or to New Zealand.

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MR. COX: Have they decided that carrying cargo from Fiji and back is coasting in Australia?

HON. W. M. HUGHES: Yes.

MR. LLEWELLYN SMITH: It must be taken in at a port in Australia.

HON. W. M. HUGHES: No; they often do the round trip. Coasting with us does mean carrying cargo, say, from Sydney to Fiji, going for sugar; and the sailors are paid coasting rates.

MR. COX: Would not that cover cargo being carried to England too?

HON. W. M. HUGHES: No.

MR. COX: What is the difference?

SIR JOSEPH WARD: Pardon me, I think you are partially right. What occurs is that the articles of the ship upon which men are engaged cover it. The men sign the articles, and they are to receive wages, say, of £7 or £5 a month, but the law in our country which the Chief Justice recently gave a decision upon—

HON. W. M. HUGHES: You are confusing two things. It is the Arbitration Court of New South Wales that has decided that coasting within the meaning of the Award includes ships that trade from Sydney to Fiji, whether they come straight back or not.

\*SIR JOSEPH WARD: That is the Arbitration Court.

HON. DUGALD THOMSON: That is only for the purpose of fixing an award for wages; it is not deciding what is coasting trade.

HON. W. M. HUGHES: It will never do to exclude the Fiji trade, for Australian sailors are engaged in it.

SIR JOSEPH WARD: That is all covered. We do the same thing. I was certain before I gave notice of this motion, and I am more certain than ever since, that legally it cannot be done without legislation.

HON. W. M. HUGHES: I do not think we can, but we are desirous of making legislation.

MR. COX: May I ask, do you wish to make British ships that engage in the coasting trade and then go to Fiji conform to Australian conditions?

HON. W. M. HUGHES: If they went from Australia to Fiji with the intention of coming back—yes, if they did; but if they went to Fiji en route to some foreign port, no.

MR. COX: Supposing she went from Sydney to Fiji and then back to England?

HON. W. M. HUGHES: To England? Oh, no; oh, no.

SIR JOSEPH WARD: There is a section in the New Zealand Act which I think would facilitate this resolution. We define in Section 75, subsection (b), the latter portion, we define clearly the matter of wages payable on a British vessel arriving in New Zealand and going anywhere up the coast; we define it very clearly: "That this section shall not apply to ships arriving from abroad with passengers or cargo, but not trading in New Zealand further or otherwise than for the purpose of discharging such original passengers or cargo in New Zealand, and there shipping further passengers or cargo to be carried abroad." Now we fix definitely if they do engage in our waters, they have to conform to our local wages.

HON. W. M. HUGHES: You are making a distinction between discharge of original cargo. Certainly, that is entirely different; that is not trading at all within our meaning.

MR. BELCHER: The law does not go any farther than to protect the pure coasting trade. What I want to see done, if it is possible, is to protect the shipowners who have an immense trade between Australia and New Zealand.

HON. W. M. HUGHES: In Sydney they have to pay Colonial rates when they are trading to Fiji. When they go to Ocean Island I think they do not.

MR. LLEWELLYN SMITH: I rather suggested that the stipulation in your Bill, Section 295 of the old Bill might be adopted. In the new one it says: "A ship shall be deemed to engage in the coasting trade if she takes on board passengers or cargo at any port in Australia to be carried to or landed or delivered at any other port."

HON. W. M. HUGHES: Exactly the same.

MR. COX: I would rather have this form if you have no objection: "A vessel shall be deemed to trade if she carries coastwise cargo or passengers embarked at one Australian port which are discharged at another Australian port."

SIR WILLIAM LYNE: What does that mean—coastwise?

HON. W. M. HUGHES: The only thing is we should have to say coastwise means—

MR. COX: My difficulty is, I do not see how far you want to go. You want to make trading with the Pacific Islands coasting; that is my difficulty.

HON. DUGALD THOMSON: May I point out this proposal does not affect that as I read it. It is a vessel taking on cargo at one port in Australia and landing it at another.

MR. LLEWELLYN SMITH: If Papua was deemed to be part of Australia it would come in. I read out the provisions of the Australian Bill which, it appears, is identical with the new Bill, and it seemed to me it was a very satisfactory wording.

SIR WILLIAM LYNE: I would like Mr. Cox's definition read again.

MR. COX: What I mean is this, supposing a vessel is trading from one port of the Commonwealth to another, that is coasting trade. But I really do not see how it can be coasting trade if she goes to Fiji or Tahiti and back; why is that coasting trade? Fiji or Tahiti is not part of the coast.

HON. W. M. HUGHES: It is determined by local conditions. "Coasting," after all, is only a term. The terminology of the locality must be considered. Our coastal companies trade direct to Fiji, and they pay the coasting rates. If it was a deep sea trade, they would pay lower wages.

MR. COX: My practical difficulty is this—supposing a ship is registered in England and goes to Australia, carries passengers and goes to one of the Australian ports, and then she goes to Fiji and back, is she to conform during the period she is on the voyage?

HON. W. M. HUGHES: I would like to be able to make her conform if necessary.

MR. COX: If Fiji was part of the Australian Commonwealth it would be perfectly clear.

HON. W. M. HUGHES: I see the difficulty. We have only the control of one end.

SIR WILLIAM LYNE: We have other boats doing nearly all the Pacific trade, and they go to the Solomon Islands and the New Hebrides.

HON. W. M. HUGHES: The Solomon Islands and the New Hebrides do not pay coasting wages.

MR. COX: Are the vessels not registered in Australia?

HON. W. M. HUGHES: Oh, yes. The only point is they have to compete. I saw Col. Burns quite recently, and he is complaining very bitterly against the German Lines that are running them very hard round the islands. He has to pay £7 for a seaman and £9 for a fireman, and a German vessel pays the men either £3 or £4 10s. That is very hard, and the Germans are crowding us out.

SIR WILLIAM LYNE: The difficulty seems to be that some of these islands—the Solomon Islands, don't they belong to the Germans?

HON. W. M. HUGHES: Some of them.

SIR WILLIAM LYNE: We could not control that trade; we could not control a ship that goes to part of German New Guinea.



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MR. LLEWELLYN SMITH: The language of the Australian Bill seems to me to be quite fair—"a vessel "must take on board passengers or cargo at one port in "Australia to be carried to, and landed or delivered at "another port in Australia." That is the wording of the Australian Bill. Do you gain anything by adding the word "coasting"?

MR. COX: What I want to exclude is Australian conditions applying to a ship registered in Great Britain which, after going to Australia, goes round the coast of Fiji; when she leaves Australia and goes to Fiji or to German New Guinea, she is then no longer in the Commonwealth.

MR. LLEWELLYN SMITH: That is covered by the previous words.

HON. W. M. HUGHES: Take the case of a ship; she comes to Sydney, discharges her original cargo, takes a cargo to Fiji, and brings one back from Fiji to Sydney.

MR. COX: She is not coasting.

HON. W. M. HUGHES: We should regard it so.

MR. COX: That does not matter. She may compete as much as she likes, but she is not coasting. You cannot regard as coasting every ship that competes with yours.

MR. BELCHER: It is coasting of that kind that the Commonwealth wants to deal with.

HON. DUGALD THOMSON: Would not this wording pass as it is? I do not see any objection, even from that point of view. I am opposed to it, but as to the clearness of the meaning I do not see any objection.

MR. NORMAN HILL: I think we should be content to take the wording from the Commonwealth Bill, and, in taking it, we fully recognise that the Commonwealth has the power to legislate with regard to vessels that come under that definition, but we would make a very strong representation against the inequity of extending all the conditions that are made applicable to the vessels engaged habitually in the coastal trade to the oversea vessels which only, incidental to their oversea voyages, carry passengers or cargo between Australian ports. We are not challenging the jurisdiction of the Commonwealth to enforce these conditions, but we do contend it would be against the best interests of the Commonwealth to do so.

SIR WILLIAM LYNE: We will look after that.

MR. NORMAN HILL: Whatever regulations or restrictions or obligations you would impose upon a shipowner, you must remember, as the saying is, that it always has to come out of the main hatch. Now we, the shipowners, are responsible for providing the main hatch and keeping it going.

SIR WILLIAM LYNE: I think we are, because we pay you for doing it.

MR. NORMAN HILL: We think it is of the greatest importance that the oversea service of the Empire should be maintained as far as possible by the British, and we cannot do it unless we can make it pay. The President of the Chamber of Shipping dealt very exhaustively at this year's meeting with the returns on the capital invested which were made to the shareholders for a large number of years. Those figures were most carefully compiled, and you will see for a good many years there has not been a fair return of the capital invested. If you choose to impose coastal conditions on the vessels which are engaged incidentally in the coasting trade, it will cripple the service; it will lessen the service; or we shall have to make up the cost in some other way. We shall not be able to give you good services for the same money, and in some cases we shall have to withdraw services.

HON. W. M. HUGHES: Why won't you be able?

MR. NORMAN HILL: Because it affects the earnings of the ship when you impose all these conditions. One point that we lay particular stress on is the wages.

HON. W. M. HUGHES: What particular services are you alluding to?

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MR. NORMAN HILL: The incidental services that the Lines give you, taking passengers between their first, or second, or third port of call. We understand you lay particular stress on the wages. Your contention is, that in order to get equality between your coasting vessels and the oversea vessels, which are taking these passengers incidentally to a long sea voyage, you must make us pay your full wages to every man on board. That is not putting us on an equality.

SIR WILLIAM LYNE: Why not?

MR. NORMAN HILL: How many passengers do we take?

SIR WILLIAM LYNE: You take the bulk.

MR. NORMAN HILL: We do not take a boat full of passengers. If you make us pay full wages to every man on board, you are treating it as if we were carrying a full list of coasting passengers. There are many other ways in which we are already punished. Take the amount we pay in Suez Canal dues.

SIR WILLIAM LYNE: I shall not like you to bring that up because I might have to refer you to the reply you gave Mr. Deakin.

MR. NORMAN HILL: We feel most sore about it. We contribute to the Government about £600,000 a year.

HON. W. M. HUGHES: Why don't you object?

MR. NORMAN HILL: We have.

HON. W. M. HUGHES: I thought you did not like any Government interference at all?

MR. NORMAN HILL: Certainly we don't. Still less if it takes £600,000 a year as shareholders of the Suez Canal. Look at the amount that we out of our earnings contribute for the Imperial Services, and you have the service of our vessels for which we have to pay. Now we have plenty of inequalities, and the idea that we have to toe the line because we carry a certain number of passengers and a certain amount of cargo, that we have to pay your wages in order to toe the line and put us on an equality with your ships, is not business.

SIR WILLIAM LYNE: First of all, with regard to the Royal Commission. This is not as to our powers, but our intentions. I think you may take it in the original Bill—I have not seen the provision—but in our recommendation it was proposed to exempt mail steamers carrying passengers between Fremantle and the Eastern States.

MR. PEMBROKE: The principle was dropped when it was convenient.

HON. W. M. HUGHES: Never mind, I am only saying that this is our intention. Therefore, it is no good drawing these harrowing pictures of what may happen. It won't happen to anyone who gives us a regular service. Ships that pick out the eyes of the cargo, as some tramps do, don't give us any good service at all. There is only one company that carry cargo habitually, and that is the White Star from Hobart to Albany. I do not know of any other.

MR. ANDERSON: I think that is the only exception.

HON. W. M. HUGHES: We propose to exempt mail steamers until the Trans-Continental Railway is built. I do not think you will find that Parliament will deal ungenerously with you in that way, but we must have the right to act as we please.

MR. LLEWELLYN SMITH: On the question of passengers, a point has occurred to me that there may be cases, and I believe there are, in which a passenger is carried from the United Kingdom to Australia and breaks his journey; he has his ticket to Sydney and breaks his journey at Fremantle, say. He ought to be allowed to be carried on.

HON. W. M. HUGHES: Oh, yes.

MR. LLEWELLYN SMITH: And the same case might occur with merchandise on through bills of lading transhipped; there is a part of that carried which is technically between two Australian ports.

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**SIR WILLIAM LYNE:** We do not mean to interfere with that.

**HON. W. M. HUGHES:** Are you speaking of cargo or passengers only?

**MR. LLEWELLYN SMITH:** I will take them separately, but I was speaking of both.

**HON. W. M. HUGHES:** If you are going to talk about passengers, that is all right; but with cargo, you can only tranship into a coastal boat or one of your own boats kept for that purpose.

**MR. LLEWELLYN SMITH:** What I had in my mind was some such proviso as this: "A vessel shall not be deemed to be engaged in coasting merely because it carries between two Australian or New Zealand ports passengers holding through tickets to or from some oversea place, or merchandise consigned on through bills of lading to or from some oversea place."

**HON. W. M. HUGHES:** Leave the merchandise out.

**MR. LLEWELLYN SMITH:** I will ask the ship-owners whether it is so important to have the merchandise; it seemed to me it was fair.

**HON. W. M. HUGHES:** It would be distinctly unfair.

**HON. DUGALD THOMSON:** That is not what is meant. That would go in a coastal vessel.

**SIR JOSEPH WARD:** We have this law in operation in New Zealand, and I will tell you what we do there. If a tramp steamer came to New Zealand with a cargo and part of a cargo for Auckland and she landed away down South, they could take it away in the next steamer or book by a local steamer to its local destination without being deemed to engage in the coastal trade.

**HON. W. M. HUGHES:** Another steamer! I should not agree with that. Directly they put their cargo on the wharf and take it up in a boat subsequently, although such boat may belong to the same company, it is obviously engaging in the coastal trade.

**MR. LLEWELLYN SMITH:** Clearly, if it is not an oversea boat; but it might be another oversea boat.

**HON. W. M. HUGHES:** Take a concrete case. Supposing the "Ormuz" brings cargo to Fremantle consigned from London to Albany; the Orient Company does not stop at Albany, but it might suit them to stop at Albany with, say, every alternate boat. Then the second boat, say the "Orontes," came and picked up that cargo and took it to Albany, personally I do not think coastal conditions could be said to apply.

**MR. ANDERSON:** Let me put another concrete case. I think the cases in which we want permission for cargo to break its journey are rare. But here is a case. During the last year we have been carrying butter from Brisbane, and in order to save a week in the conveyance of that butter we can put it on a P. & O. ship in Sydney sailing a week ahead of the steamer carrying the butter from Brisbane. I do not think it expedient that such a transaction as that should be called engaged in coasting trade.

**SIR JOSEPH WARD:** I should say that is perfectly right.

**SIR WILLIAM LYNE:** Just as though you had carried it in your own boat.

**HON. W. M. HUGHES:** When cargo is consigned direct to London, if the P. & O. like to fetch it down to Sydney I think that is all right.

**HON. DUGALD THOMSON:** Mr. President, I must express my dissent, and I do it in very few words, to this proposal to shut out oversea boats and especially British boats from any incidental coasting trade that they carry on in the course of their oversea voyage to Australia. I am not going to enter into the full reasons of my objection; the Minority Report of the Commonwealth Commission has already set out most of those reasons. I would only say in a word that we propose to give—and to that I do not object, I think it is a reasonable claim on the part of the coastal companies—we propose to give those companies security against the interference of vessels trading on our coast and regularly competing with those companies under conditions not so onerous as those

imposed on the coastal boats. Now I think the coastal boats put forward a good claim when they required that protection; they are getting that protection, and consequently they are being secured. They are being secured from what was a danger, and they are obtaining a trade that was sometimes diverted from them by vessels trading continuously on the coast not under Australian conditions. Having obtained that, they seek something further; they seek to stop that incidental taking of passengers really—because you cannot say it affects cargo at all—

**HON. W. M. HUGHES:** Not yet.

**HON. DUGALD THOMSON:** Nor can it in my mind. They seek to stop that incidental carrying of passengers and cargo—they do not even limit it to cargo, they demand the stoppage of passengers also—which has been carried on by oversea vessels, principally mail steamers, from the first, and which has helped to give us these vastly improved, more regular and more speedy oversea services. As the income of the lines has been increased to some extent by that traffic, it has assisted in enabling our producers to obtain a regular, ready, quick outlet for their productions, and especially the productions of perishable goods, in the British markets. I do not think it is in the interest of Australia to reduce the capability of those lines to improve their vessels, increase their refrigerating space, and increase the speed of landing perishable goods on the British market. But leaving that out of the question altogether—and I venture to say I have the Australian interest quite as much at heart as any of the other Australian delegates—I think it is rather unkindly, especially in the case of British vessels, to interfere with the incidental and in no way seriously competitive trade, especially passenger trade, which has always been conducted between one Australian port and another in the course of a long oversea voyage. Then again it is reducing one of our own conveniences. Why should a passenger, if he wishes to go by a certain boat, or if the circumstances require him to go by that boat, be precluded? That convenience is there, and is offered by British ships regularly every week, and I consider we should not deprive ourselves of it. Care of our own interests, where they are affected, is shown when we drop the principle as we do in that Majority Report of the Royal Commission as regards Western Australia. There is no railway there, and although our coastal boats are very good—excellent, many of the new ones—according to the Royal Commission Majority Report, travellers without the oversea steamers might not get sufficiently comfortable or frequent boats. Therefore, we at once propose to drop our principle for the sake of that convenience. Well, I say if that should be done with Western Australia, there is greater reason to do it in the case of Tasmania. Now that is from the Australian standpoint. Probably the rest of the Australian delegation will not take my view. I would put it to them, however, whether they cannot consider two things. One is that if there is to be restriction it should so apply, that the danger should not exist to which Mr. Hughes has alluded—of vessels carrying goods, and making only short voyages from Australia, such as up to Java and Singapore, then coming round the coast and making a regular trading voyage in effect, but escaping because it was not so in name. That could be got over by settling that incidental trade of vessels taking cargo or passengers, but if not cargo, then passengers, from one port to another of Australia should not be considered coastal trade when the vessels are engaged in an oversea voyage which begins and ends beyond certain latitudes. That would secure Australia from any serious interference with the coastal trade, which might take place if you did not except Singapore or some of those near places. I would suggest whether they could not meet the British representatives to that extent. And further than that, I would like to point out to Sir William Lyne that his Ministry introduced another Bill—I think it was the first Arbitration Bill—and it was proposed in that Bill to take means to stop any passengers or cargo being carried by boats on the Australian coast unless Australian conditions had been complied with. Sir William Lyne was not in charge of that Bill but another Minister, and it was advocated while it was before Parliament that the conditions should be made to apply to the whole of the voyage, and cause British boats to have to compete with boats of other nations on the whole voyage under those higher wages conditions. That you will see in Hansard.

**SIR WILLIAM LYNE:** I believe that is correct.

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HON. DUGALD THOMSON: I do not know whether Sir William Lyne is in the position of saying whether his Bill would go to that extent, but it might go to that extent. However, I do recognise that there is one great difficulty in this matter, arguing from my standpoint—that is that New Zealand, which has a similar law, has already received assent to its Act. That creates a great difficulty. The law is in existence in New Zealand which has been assented to by Great Britain, and I recognise that that makes a difficult position for those who are against the provision; still for reasons given I must emphatically protest against the adoption of this resolution in its fullest form, and hope that there may be some opportunity—and I shall, if there is opportunity, raise the question later when we are dealing with the resolution—of some compromise, and that we shall not go to the extreme limits indicated by the motion.

MR. ANDERSON: Might I say a few words in supplement to what Mr. Hughes has said. I thought Mr. Hughes, with reference to the incidental wage provision in particular, spoke rather lightly. I think he was inclined to dismiss it as a piece of special pleading. Now I can assure him it is nothing of the kind. It is obvious for the purposes of this argument the oversea steamer is really two steamers. It is a large steamer carrying oversea cargo and passengers, and it is relatively a small steamer carrying coastal passengers. If instead of being one steamer it was two, nobody would suggest because a man had a small coastal steamer, and he also owned a large oversea steamer, that he should pay the coastal rate of wages on the oversea steamer, yet that is precisely the effect of the provisions of the Bill. In fact, take the case of an oversea steamer arriving at Fremantle. It has the whole of its cargo space occupied with oversea traffic and, say, 75 per cent. of its passenger space—I wish it were always so—occupied by oversea passengers. And yet the moment that steamer gets to Fremantle you say that although it is oversea traffic, it becomes coastal traffic; and similarly on the voyage home you say that the oversea trade and passengers which the ship picks up at Sydney or Melbourne is not oversea trade until the vessel has left Fremantle. In fact, in trying to redress a disparity which I do not believe exists, in trying to redress that apparent inequality you are going to create an infinitely larger disparity adverse to the oversea steamer. That is a concrete reason on that particular point. I should like to treat the subject a little more generally on the lines laid down by Sir William Lyne the other day. He said this is most important to Australia, and the Government of Australia must settle it with a desire to do the best possible for the Australian public and to harass as little as possible the oversea ship. Well, now, I am quite content to deal with it on these lines. But apply the test. Is it conceivable, from the point of view of the public interest, that it is a good thing to deny the Australian public all the coastal passenger facilities which you can secure? And from the point of view of the oversea shipowner, I say it is distinctly unfair to call upon him to submit to two sets of conditions; and, mind you, they are not all temporary conditions like wages—that condition ceases at Fremantle—but many of the conditions, like accommodation, will be operative continuously throughout the voyage, and to the extent that immediately the ship gets off the coast these conditions are of a more stringent nature than those required of her oversea competitor. The unfortunate incidental trader will be at a heavy disadvantage as compared with the oversea competitor who does not trade on the coast. I do not think, despite all that has been said, that the oversea steamer is a competitor in an oppressive sense with the coastal lines, that the competition has had any detrimental effect on the coasting trade; in fact, the best evidence you can have of that is that the coastal companies shew excellent results. I can only say so far as the oversea shipowner is concerned, even in his wildest dreams he never expects to show equally good profits. I am speaking, of course, only of vessels in the Australian trade. But Mr. Hill has told you that the average result is under 4 per cent. over the whole field of shipping enterprise. I do not like to use the word, but if I may borrow it from Mr. Dugald Thomson, I should like to suggest that these provisions are conceived in a rather unfriendly spirit as towards the British oversea shipowner. I think it is a little hard to deny him that assistance to his oversea earnings.

SIR WILLIAM LYNE: The arguments that Mr. Anderson has used might just as well be applied to our laws regarding the allowing or not allowing persons to be brought into Australia under cheap wages.

Our laws are exactly the same, and this is hinged on very much to that. We do not allow a contract to be made outside Australia which would bind a person for two or three years to a cheap rate of wage, so we do not want shipping companies to be trading on our coast and employing men at a cheap rate of wage. The two go to a large extent hand in hand. I do not think Mr. Anderson is right in imagining that anything we are doing is done in a spirit of hostility to the shipping companies. That is not the case so far as I know; but I do know that the coastal shippers have expressed their opinion on more than one occasion to the fact that their trade is very seriously interfered with by the oversea boats. I do not know what their profits are; but it certainly seems that they have not been satisfactory. I do not know what Mr. Mills would say, but I want to assure Mr. Anderson that so far as Australia is concerned, and I am quite sure Sir Joseph Ward would say the same for New Zealand, that it is not out of a spirit of hostility, but it is from a spirit of justice to our own people. That is the object we have in deciding this.

HON. DUGALD THOMSON: What about Western Australia?

SIR WILLIAM LYNE: You know perfectly well that is a special case, and it cannot be brought up as dealing with this question at all. The reason for that, and this is the plain truth, is because we have got our West Australian Members in our House of Parliament; that is the real truth. And they are anxious to keep open that particular channel until such time as the railway is built. I have not any doubt that they have the idea that by keeping this open it will help to build that railway. That is a general case and nothing to do with the principle, and I think those who know the intricacies of this question will admit that the reason I have given is the right one, and it has nothing to do with the general principle at all. I only just wanted to say a word or two in reply to Mr. Anderson. I would like to say in reply to the speech made by Mr. Hill when he depicted such a terrible possible state of things, he did not depict the actual state of things. Now, we have heard that sort of thing in Australia and on other pieces of legislation that we have passed under the Commonwealth, but it has never come to pass, because we are still going ahead by leaps and bounds and Australia is wealthier than ever.

MR. FERNIE: Except the shipowners.

HON. W. M. HUGHES: The P. & O. have just put on four new cargo boats.

SIR WILLIAM LYNE: This state of things we often see. At the same time we are going on; we do not injure our own people, and we do not injure those who come and trade with us.

MR. LLEWELLYN SMITH: May I say one word with regard to what Mr. Anderson and Mr. Thomson have said. I take it they have expressed very ably the practical objections to applying what we may call Australian conditions to the incidental coasting trade. This resolution really speaks of the classes of vessels to which the conditions imposed by Australian laws should be applicable. It does not express the opinion of this Conference that they should all be applied, but it asserts that it is for the Colonial Legislature to decide.

HON. W. M. HUGHES: If the Conference thinks that some of those conditions are such that they ought not to apply at all to certain cases, then they can vote against it. If they think it a matter of expediency, they might vote for it and then introduce such other amending resolutions as they think fit.

MR. LLEWELLYN SMITH: I am rather anxious we should be unanimous; it does not commit you to say every condition is applicable.

SIR WILLIAM LYNE: I do not think it is possible we are likely to be unanimous over this question, but referring to some of the remarks made by Mr. Anderson, I have had placed in my hands the passenger fares taken for the twelve months ending 1st October, 1898, and the 30th September, 1899, for these boats, and the total sum is £66,477.

MR. ANDERSON: I should like to know what relation that has to the entire trade. Quite apart from that, I should like to point out that the passenger traffic

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which is carried by the oversea steamers is a traffic largely created by those steamers. In many cases it consists of people who are accompanying friends and relatives so far on their sea journey, and in many other cases, except where there is no alternative by rail, I think if you had not got the large passenger oversea steamers, the people might prefer the rail. That is my point, that to a large extent it is created by the steamers.

SIR WILLIAM LYNE: It is not the P. & O.; it is the total.

HON. DUGALD THOMSON: I might add to the figures given by Sir William Lyne those regarding passengers between Western Australia and the Eastern States—they are Sir William's own departmental figures. The coastal boats have carried during the last six years three-quarters of the passengers that have passed between West Australia and the Eastern States; out of 264,000 they have carried 190,000.

SIR WILLIAM LYNE: I have given you the whole; that is only part.

MR. LLEWELLYN SMITH: May I read to you what I conceive to be the substance of what we have come to, and see whether we can pass a resolution before lunch: "That the vessels to which the conditions imposed by the law of Australia or New Zealand are applicable should be (a) vessels registered in the Colony while trading therein, and (b) vessels, wherever registered, while trading on the coast of the Colony. That for the purpose of this resolution a vessel shall be deemed to trade if she takes on board cargo or passengers at any port in the Colony to be carried to and landed or delivered at any other port in the Colony."

MR. MILLS: That declares that the Colonial laws will apply to a Colonial ship wherever she is. You say "vessels registered in the Colony or vessels otherwise registered trading within the Colony."

HON. W. M. HUGHES: "Whilst trading"; that was in my resolution.

MR. LLEWELLYN SMITH: Yes, whilst registered.

MR. LLEWELLYN SMITH then put the resolution to the meeting, and it was unanimously agreed to.

MR. LLEWELLYN SMITH: May we also understand that this exempts people with their tickets and their cargo? (Agreed.)

HON. W. M. HUGHES: So far as through tickets are concerned, I shall be favourable; so far as merchandise is concerned, we ought to set forth some explanatory clause to say exactly what we mean, otherwise it can be readily understood that that bald subsection might leave a very wide loophole. I will consider that during lunch.

(The Conference adjourned for lunch.)

At the resumption after lunch,

Mr. LLOYD-GEORGE took the Chair.

THE CHAIRMAN: I have to apologise for my absence during the last two days; but I hear you have got on uncommonly well in my absence. Where are we now?

MR. LLEWELLYN SMITH: Mr. President, when we were adjourning for luncheon, there was before us a question on which I do not think there was any division of opinion. It was simply as to how we should express the fact that a vessel should not be deemed to engage in the coasting trade merely because it carried between two Colonial ports passengers holding through tickets to or from some oversea place (people who had broken their journeys), and one little point was reserved because Mr. Hughes was not quite satisfied as to whether it was all right. I have had a little conference with him, and it has now been agreed to put in the word "oversea," so that it shall read, "An oversea vessel shall not be deemed to engage in the coasting trade merely because it carries between two Australian or New Zealand ports," and so on. I think that meets his point; otherwise, I think there was a unanimous opinion as to that resolution.

THE CHAIRMAN: I will read it: "An oversea vessel shall not be deemed to engage in the coasting trade

"merely because it carries between two or more Australian or New Zealand ports, (a) passengers holding through tickets to or from some oversea place; (b) merchandise consigned on through bill of lading to or from some oversea place."

HON. W. M. HUGHES: There is a rider in pencil—"when carried by another oversea vessel."

MR. LLEWELLYN SMITH: Yes; we have put that in more neatly by simply saying, "an oversea vessel shall not be deemed."

HON. W. M. HUGHES: We are drafting something to meet the case of a ship that drops some cargo, say, at Port A, and, subsequently, that cargo is taken on to Port B by some other ship.

MR. LLEWELLYN SMITH: That is covered.

HON. W. M. HUGHES: I do not think it does cover it.

SIR WILLIAM LYNE: What Mr. Hughes wanted, was that it should be an oversea vessel belonging to the same company.

HON. W. M. HUGHES: Yes; but you have taken my rider off. I quite agree that under some circumstances an oversea vessel ought not to be deemed to be engaged in the coasting trade, but under other circumstances it would be. If this were done habitually, it would be. If we define an "oversea vessel" to mean a vessel that is habitually engaged in travelling from some port of the Commonwealth, or to some port of the Commonwealth from some place beyond the seas—

MR. LLEWELLYN SMITH: That will do.

HON. W. M. HUGHES: But it might be held to apply to an oversea vessel or a vessel registered in some place beyond the sea.

MR. LLEWELLYN SMITH: Let us make it so—"a vessel ordinarily engaged"—will that do?

HON. W. M. HUGHES: "Ordinarily and usually."

MR. LLEWELLYN SMITH: "Usually engaged in the oversea trade."

THE CHAIRMAN: "In the oversea trade"—I should think that would do. Now, does that meet your view, Mr. Hughes—"a vessel usually engaged in the oversea trade shall not be deemed to engage in the coasting trade merely because it carries between two Australian or New Zealand ports, (a) passengers holding through tickets to or from some oversea place; (b) merchandise consigned on through bill of lading to or from some oversea place."

HON. W. M. HUGHES: Yes. By that, do I understand that it means merchandise consigned to a final port or destination of the oversea ship alluded to—the second ship?

THE CHAIRMAN: Yes.

HON. W. M. HUGHES: Well, I think you had better put in that resolution "to or from some ports of the Commonwealth."

MR. LLEWELLYN SMITH: It might not be the final port of destination of the vessel, but of the goods.

THE CHAIRMAN: "Merchandise consigned on through bill of lading to or from some oversea place."

HON. W. M. HUGHES: Yes; to such port as such merchandise has been or is in fact consigned.

THE CHAIRMAN: "Through bill of lading" are really the words that protect you, Mr. Hughes.

MR. LLEWELLYN SMITH: If they carried it on, it would no longer be a through bill of lading. I think that is all right.

MR. BELCHER: Assuming that the Orient Company, for instance, took cargo to Australia, a portion of which was for New Zealand, and the original cargo, we will say, was discharged at Adelaide or Melbourne, and the Orient Company chose to run a vessel inter-Colonially between New Zealand and Australia, it could not very well be brought under the category of a coastal ship. Supposing they liked to tranship that cargo to another vessel of the sort I have

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just mentioned, and run that across to New Zealand, would that ship be a coasting ship, or what would she be? Or how would it affect goods shipped in the original ship under a through bill of lading, and going through to New Zealand?

HON. DUGALD THOMSON: I understand we are not providing conjointly for these two Colonies; we are providing for each separately by itself.

SIR JOSEPH WARD: Our law is quite clear upon the point which Mr. Belcher refers to. In that case the vessel would be a coastal vessel when she got on to our coast, and if her cargo was for Auckland, say, and she then went to Wellington, she could land the whole at Wellington, and another steamer could come down on the same line and pick up that steamer's cargo and carry it to Auckland. We say in our law: "Provided that this section shall not apply to ships arriving from abroad with passengers or cargo, but not trading in New Zealand waters otherwise than for the purpose of discharging such passengers or cargo in New Zealand." What we do there is that we protect our own coastal trade, but allow the outsider to carry his cargo to its original destination.

MR. BELCHER: I take it, that that clause applies only to the ship which carries its own original cargo from the port of embarkation to the port of discharge.

THE CHAIRMAN: No, another vessel takes it up again.

SIR WILLIAM LYNE: I am not quite sure what the effect of this may be—the word "usually"—because we have, I think, tried to define it in previous resolutions for the purposes of this resolution; we have said that a vessel shall be deemed to trade if she takes on board passengers or cargo to be carried to or landed at any other port in the Colony. Now, that is what we decided before lunch—at least, that is the summary that I think the acting President brought up—and if you put in the word "usually" it comes into conflict with this resolution, and does away with what we intended. A tramp may come, and bring a cargo, and trade from port to port, but she does not "usually" trade there, and this was intended to meet the case where a tramp came under those circumstances, but was not usually carrying on the trade. So if you put in the word "usually" there, I am afraid it will give rise to complications.

HON. DUGALD THOMSON: "Through bill of lading" is quite enough.

THE CHAIRMAN: I think that makes it clear. "A vessel usually engaged in the oversea trade shall not be deemed to engage in the coasting trade merely because it carries between two Australian or New Zealand ports (a) passengers holding through tickets to or from some oversea place; (b) merchandise consigned on through bill of lading to or from some oversea place."

HON. W. M. HUGHES: Yes; but the point is this. No doubt we know what the bill of lading will do, but we are supposing that the ship A puts this cargo out at Fremantle. Then ship B comes along and takes it to Albany, Adelaide, or some other place, or to Hobart. Now, what we want to insure is that ship B is engaged in the oversea trade. Therefore, if you knock out the word "usually," it will read, "no vessel engaged in the oversea trade shall be deemed to be engaged in the coasting trade" merely by reason of the fact that it takes merchandise on a through bill of lading from one port of the Commonwealth to another. Then you see you will insure that the second vessel shall be engaged at that particular time and on that occasion in the oversea trade.

MR. NORMAN HILL: We are in favour of leaving out the word "usually." I think it is clearer.

THE CHAIRMAN: Very well. "A vessel engaged in the oversea trade shall not be deemed to engage in the coasting trade merely because it carries between two Australian or New Zealand ports (a) passengers holding through tickets to or from some oversea place; (b) merchandise consigned on through bill of lading to or from some oversea place." All of that opinion, say "Aye."

MR. BELCHER: I am not satisfied yet with regard to the position of New Zealand in connection with

this matter. Let me state a case with regard to our own conditions. The Shaw-Savill Company, for instance, run one of their big oversea ships to Auckland. It suits their purpose to tranship their goods from Auckland to the other New Zealand ports which they have cargo for. Now, am I to understand this—that if the Shaw-Savill Company choose to take a vessel owner and registered in Great Britain, under British articles of agreement, and trading on the New Zealand coast, and running down to Auckland and Wellington—do I understand that that vessel is not engaged in the coasting trade merely because she is carrying through goods on a through bill of lading?

MR. LLEWELLYN SMITH: The vessel itself must be engaged in the oversea trade.

THE CHAIRMAN: That is why Mr. Hughes insisted upon the vessel and not the goods. It was to cover your point that Mr. Hughes insisted upon this being the leading sentence.

MR. BELCHER: We will assume another case where the ship is an oversea ship. Assuming the same Company, under the same conditions, has a ship full of cargo at Auckland; they have a vessel laid up in Wellington with nothing to do, waiting for cargo. Do I understand that that ship, because it is an oversea ship, can be taken out of Wellington Harbour and taken to Auckland, and take that cargo down the coast to New Zealand?

MR. NORMAN HILL: As part of the voyage oversea.

HON. W. M. HUGHES: Do I understand that that can be done?

THE CHAIRMAN: You are putting another point now. What you want to get at is establishing a regular service, as it were, between New Zealand and Australia. You are putting a totally different point now. You are putting a vessel really engaged in the oversea trade, which has been laying up in Wellington Harbour for six or seven months, as the case may be, because it has been unable to find anything to do. That is a different case. She is a *bona fide* oversea vessel.

SIR JOSEPH WARD: It is absolutely clear in our country. What would be done in a case of the kind referred to by Mr. Belcher would be this. The Shaw-Savill Company, or any other company that has one of their own steamers in a New Zealand port, could take that cargo from Auckland to any other port, and land it, but could take no cargo from New Zealand on the coast. In practice, that is the usual course. What is done is, that a steamer arriving at a port which is not intended to go beyond that port, tranships to the local steamers under some arrangement.

THE CHAIRMAN: Now it is clear that what you want is to get at the ship—the character of the ship—whether she is really an oversea ship, or whether she is only nominally an oversea ship, but really a vessel engaged habitually in the coasting trade. If the latter, then she ought to be excluded. I think your resolution carries out this, but if you introduce words of this kind, you would complicate it, and rather weaken the resolution.

HON. W. M. HUGHES: I take it, that if such words were interpreted in an Act of Parliament, the Court would say that "oversea trade" meant *bona fide* engagement in oversea trade—not merely nominally engaged, but *bona fide*. At least, in drafting a section, I take it that that is what we should aim at.

THE CHAIRMAN: Unless there is anything further to be said about that, I think we may pass from it. Is there anything else on item 1 on the Agenda?

MR. LLEWELLYN SMITH: Mr. President, on the Agenda of the last Conference we put down the question of licenses for the coasting trade. By an accident that has slipped out here, but possibly it would be well before passing from this question of the classes of voyages to which Colonial conditions should be applicable, that I should just ask a question about that, because in the Australian Bill (the old Bill) it was proposed to insert licenses for the coasting trade to foreign vessels—not British vessels. There was a power of exemption in certain cases—to save treaty rights, I imagine. In the Royal Commission recommendation, the obligation to obtain a license was extended to all

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vessels not registered in the Colony. Well, of course, we do not know which of those two quite different courses the Australian Government will eventually adopt; but if our vessels which wish to engage in the coasting trade are required to take out a three years' license, whereas the vessels registered in Australia are not so obliged, that, on the face of it, is a differentiation between the two classes of vessels. I do not know that practically we wish to raise any difficulty about it if it is a question of machinery—if it is clearly understood that if our vessels are obliged to take out a license that should be merely a certificate that the vessel complies with Australian conditions, and that there should be no fees charged which would have the effect of a tax on British vessels.

HON. W. M. HUGHES: Oh, no, no.

MR. LLEWELLYN SMITH: And that there should be no discretion of any kind to refuse.

HON. W. M. HUGHES: If I might say so, what the Royal Commission had in its mind, was simply that a shipowner by taking out a license, as it were, attorned to the jurisdiction and said, "Oh, well, we are willing to comply with your requirements; we wish to trade." Then, perhaps, there might be a nominal fee to pay office expenses. That was our idea—there was certainly no intention to impose anything in the nature of a tax.

MR. NORMAN HILL: We trust there will be no license required in respect of British vessels. We have endeavoured, so far as we can, to be reasonable in these discussions, and if we have to submit British vessels trading within the defined limits to the jurisdiction of the Commonwealth, we think we should be treated like Australian vessels. Your inspectors and surveyors will be there to see that we are complying with the conditions, and we venture to hope that when British vessels have submitted themselves in that way, you will not superadd the condition that they must have licenses.

HON. W. M. HUGHES: As far as the Commission is concerned, what I did in following out the evidence was to amend Clause 298, Part VII of the original Bill which deals with the issue of licenses. The original Bill said, "No foreign ship shall engage in the coasting trade unless licensed so to do."

SIR WILLIAM LYNE: So does the new one.

HON. W. M. HUGHES: I do not know what the new one does—I have not seen the new one—but what I proposed to do was to strike out the word "foreign" and it then would apply to all ships, including Colonial ships. No ship, Colonial or other, can trade without a license. The license is issued to all vessels conforming to local conditions, just as clearance papers are issued at present.

THE CHAIRMAN: There would be no discrimination at all against the British ships.

HON. W. M. HUGHES: That is what we proposed, and I think it is the safer and better way.

THE CHAIRMAN: What does Sir William Lyne say about that?

HON. DUGALD THOMSON: I do not see any such recommendation.

MR. HUGHES: I do not say that.

HON. DUGALD THOMSON: But it was stated so. I do not see any recommendation that it should apply to British ships only, and not to Australian vessels.

HON. W. M. HUGHES: It is in 298. We omitted the word "foreign." I think it was Mr. Trelawney (I will not be quite sure), of the P. & O. who suggested it. He said he thought all ships should be treated alike, and on his evidence we thought it was a very proper thing to issue a license to all ships, because there might be Colonial ships which were not complying with the conditions.

SIR WILLIAM LYNE: Is there any objection to this licensing question?

THE CHAIRMAN: No; so long as there is no discrimination against British ships.

HON. W. M. HUGHES: Strike out the word "foreign," and then it will apply to all ships.

SIR WILLIAM LYNE: I quite agree, it should apply to all.

THE CHAIRMAN: Very well. Now we have to deal with wages.

SIR WILLIAM LYNE: I wanted to say one thing before we get past this. We have not yet dealt in any way with the trade that takes place between the Pacific Islands and Australia, as coming under all these resolutions, and I think it would be the proper thing for this Conference to give an expression of opinion in some way or other. It was suggested by Sir Joseph Ward, some little time ago, to take the degrees of longitude or latitude to which this shall apply, and I think we should do so; otherwise, we shall get into conflict with our ships trading, and foreign ships trading, between Australia and the Islands—that is Fiji, New Hebrides, and several other islands, the Solomon Islands, and New Guinea.

SIR JOSEPH WARD: Perhaps, in order to put the matter right, I had better read the motion standing in my name. It is the bottom part in No. 1 of the Agenda.

THE CHAIRMAN: Oh, this had not been disposed of? I beg your pardon.

SIR JOSEPH WARD: To a very large extent it has. My motion was, "That coastal trade should comprise the carriage of cargo or passengers from one port to another on the coast of the Commonwealth or New Zealand, or between the Commonwealth, New Zealand, and the Islands of the Pacific." Now I want to explain why I desire to amend the words after "New Zealand." With others who are here, I am anxious to see the trade conserved for those who have invested large capital in steamships of Australia and New Zealand, and in the interests of officers and crews, to prevent them from the unfair competition of ships that are paying less wages, or that are, perhaps, inferior to the ones locally owned. And I moved that motion with the hope that I might be able to get it through this Conference. Since I gave notice of motion I have been looking into the matter very anxiously. I do not want to submit a proposal here which I feel sure if not negatived, would meet with a very great deal of opposition probably from people outside Australia and New Zealand, and may not be feasible or legal.

SIR WILLIAM LYNE: Why not legal?

SIR JOSEPH WARD: I am just going to explain why. New Zealand would not agree to have forced upon them by any Government (I am not referring specially to the Government of Australia or any other Government) conditions that might apply to Australian ships. Under this proposal, if carried, it would mean that if at any time proposals were brought forward in Australia for a lower rate of wages for officers and seamen, they might be forced upon New Zealand also, and on the other hand I do not think the Australian Commonwealth would agree to New Zealand having power to send ships into Australia with New Zealand conditions which might be different to theirs. We have made the conditions now in New Zealand, but the time might arise when the New Zealand Government might impose different conditions from those of Australia and *vice versa*. I understand that Australia and New Zealand would work together very largely as brothers, and would not do anything inimical to the interests of each other. But it goes a great deal further than that. It would imply a power of the British Government, for instance, to control the sea between Great Britain and Gibraltar, I have satisfied myself, and I do not like urging the suggestion, of course, but I can foresee tremendous difficulties arising; and though I should be delighted to see something of the kind given effect to, I fear that it would immediately bring into (and one could not object to it) active hostility of other countries who regard themselves as having the right to use the sea between Australia and New Zealand as well as ships which are under the British flag. We have made full provision now for direct traders that come out to our country to act under our laws when there, and if we attempt to get beyond the three-miles limit, and to go thousands of miles beyond the ocean to the Pacific Islands, we should immediately interfere with those vessels that

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have a perfect right equally with ourselves to the sea traffic across that water. I have myself given the matter most careful consideration since I gave notice of this motion, and I can see that a portion of it would involve very considerable difficulties if it were assented to. I do not see how the principle of it could be applied to those countries, and to the islands of the Pacific, unless it were applied to other portions of the seas of the world, where our own ships might trade, and British ships might trade, and I think it would be a mistake for us to pass a resolution here that would only require attention to be drawn to it by powerful countries outside, to cause it to be questioned. I prefer, therefore, to omit what I know to be impossible in practice, rather than to ask members of the Conference to put on record a proposal which I feel sure must be impracticable, even if it were carried.

SIR WILLIAM LYNE: Mr. President, if Sir Joseph proposes his motion without that part, the motion is without effect, because we have settled that question. But that is not my point at the moment. My point is that it seems to me there should be some power by the Commonwealth (and New Zealand, too, if New Zealand wishes) that ships going from New Zealand or registered in New Zealand, or registered in the Commonwealth—

THE CHAIRMAN: I beg your pardon, I want to understand what the motion is. You propose to omit all the words after the first "New Zealand"?

SIR JOSEPH WARD: Yes, after the first "New Zealand."

SIR WILLIAM LYNE: You propose to omit "or between the Commonwealth, New Zealand, and the islands of the Pacific." That is what Sir Joseph Ward proposes to omit. Well, I cannot see that the resolution is any good if that part is omitted, because this resolution that we have passed says, "That for the purpose of this resolution a vessel shall be deemed to trade if she takes on board cargo or passengers at any port in the Colony to be carried to and landed or delivered at any other port in the colony." Well, I think the word "Colony" is wrong; I think it ought to be "Commonwealth."

SIR JOSEPH WARD: When I gave the notice of motion defining what it should comprise, the notice of motion given by you, which has to-day been altered, and which contains what was in my mind, had not been given. That was given subsequent to my motion.

SIR WILLIAM LYNE: It was given before yours.

SIR JOSEPH WARD: Well, at all events, the Agenda has been arranged to-day, and I said earlier in the day that, as far as I was concerned, if what was contained in my motion was carried in the first one, I had not the slightest desire to move the second; and in view of the fact that the first has been carried it is not necessary to move the latter part of mine. I would just like to say that that does not take away the rights of the Commonwealth or New Zealand to have the right to put a tax upon the vessels—

SIR WILLIAM LYNE: That is just the point.

SIR JOSEPH WARD: Ships registered in New Zealand or anywhere else we have the right to put a tax upon. It does not interfere with our right to tax ships registered, and those are the only ones we would require to deal with.

SIR WILLIAM LYNE: Those may not be the only ones we would have to deal with in Australia.

SIR JOSEPH WARD: You have the same right as we have.

THE CHAIRMAN: Then we go on to 2—that is wages.

HON. W. M. HUGHES: What does Sir Joseph Ward's resolution really do more than has already been done?

HON. DUGALD THOMSON: Sir Joseph is withdrawing it.

HON. W. M. HUGHES: Supposing you say that coastal trade shall include the carriage of cargo or passengers from any port in New Zealand to any port of

the Commonwealth, that would do something that we have not done yet in so many words; but I do not know that there is any necessity to do it.

SIR WILLIAM LYNE: That is not what I am at. The point I am at is that we shall not allow it—that other ships shall not come and trade with the islands in the Pacific on different terms to those that are registered, or that are trading on our coast.

MR. COX: I shall oppose that.

THE CHAIRMAN: The Colonial Office will have something to say about this.

HON. W. M. HUGHES: I want to quote from the Commonwealth Acts, vol. IV, 1905, No. 19, Section 8.

THE CHAIRMAN: What are you quoting from?

HON. W. M. HUGHES: The Acts of the Commonwealth, 1905, No. 19, Section 8, of the Contract Immigrants Act, assented to 21st December, 1905. It imposes certain restrictions upon the importation of persons under contract to perform manual labour. Section 6 says, "If before the Minister approves the terms of the contract, the contracting immigrant lands in Australia—(a) the contract is absolutely void, (b) the immigrant is liable to a penalty not exceeding £5, (c) the employer is liable to a penalty not exceeding £20"—and so on. Then Section 8 says, "The two last preceding sections do not apply to an immigrant under a contract or agreement to serve as part of the crew of a vessel engaged in the coasting trade in Australian waters, if the rates of wages specified therein are not lower than the rates ruling in the Commonwealth." Well, now, that contemplates the case of vessels coming out to Australia with men staying in that vessel and trading on the coast, in which case, unless they come within that section they can be treated as prohibited immigrants, if they land or, as in the case of a ship called the "Century," which brought men out under an English contract to perform manual labour within the meaning of the section, and then took those men, or some of them to, say, Singapore. Now, if they had not gone, men, under contract made in the Commonwealth, would have had to go and, with us, the matter amounts to this. An award of the Arbitration Court will probably be made regulating the rate of wages binding the owner to pay a certain rate of wages to officers and seamen. Now, if a foreign-going ship can go out, and making Brisbane or Melbourne, say, her headquarters, trade to Fiji or the Pacific Islands with a crew paid at a lower rate than this rate, that is certainly a breach of Section 8, and, in any case, they are persons engaged to perform a contract of manual labour (I mean the crew are) in the Commonwealth at a rate lower than that which obtains in the Commonwealth, and therefore, we must have the right to say, as to the Pacific and the Fijian trade at any rate, that vessels engaged in that trade must comply with Colonial conditions, because as a matter of fact, with the exception of the German boats and a few sailing vessels, they are all boats registered in the Commonwealth, and it would not do, Mr. President, at all to allow habitual trading amongst the islands—a trading that has been entirely in the hands of the Colonists now for a very long period—to go out of our hands, which it would if this addendum is not added to that resolution. It does not follow that the conditions will be the same for the Pacific and the islands, as for the Commonwealth—they might be different—for instance, they are different now in some cases—you might ship a man in Sydney for £5 a month for the island trade, you cannot ship him under £7 for the ordinary coastal trade; but whatever the conditions are, they should be uniform; they should be the same for all ships.

SIR JOSEPH WARD: You can do the same in a schooner now on the Australian coast; you can ship a man at a lower rate than you do on a steamer.

HON. W. M. HUGHES: You cannot ship him under £7.

SIR JOSEPH WARD: You can ship him at a varying rate on a schooner.

HON. W. M. HUGHES: I was talking of the island trade when I mentioned £5.

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HON. DUGALD THOMSON: This Section 8, to which Mr. Hughes refers, only deals, I think, with the rate of wages in the coasting trade in Australian waters.

HON. W. M. HUGHES: I am saying so.

THE CHAIRMAN: Does Mr. Hughes now propose that they should be extended to the Fijian trade?

HON. W. M. HUGHES: I say most emphatically, that if your base of operations is in the Commonwealth, then the section applies, of course. It is a contract or agreement to perform some act, or a series of acts, of which one, at any rate, is performed within the Commonwealth. You come into the Commonwealth—you come within the Commonwealth—and certainly the section applies.

SIR WILLIAM LYNE: But do I understand, Mr. Hughes, that your argument is, that there is a law in existence which gives the Commonwealth power to fix the rate of wages to the Pacific Islands?

HON. W. M. HUGHES: Oh, no.

MR. COX: In the first place, as regards ships registered in Australia or as regards vessels whose first port of clearance is in the Commonwealth, the laws of the Commonwealth undoubtedly apply, but as regards over-sea ships that come and trade on the Australian coast, and then go on to Fiji and the islands of the Pacific, I question very much the right of Australia to apply its laws to those vessels. As to ships registered in Australia, they apply under the Merchant Shipping Act already. But what I do deprecate is, making the Australian conditions apply to a ship that comes from elsewhere outside the Commonwealth and goes to a Commonwealth port. Of course, while she is coasting, she complies with the Commonwealth conditions, but I do not like those conditions being applied when she engaged in a further trade to Fiji and the islands of the Pacific. You might as well extend it to Singapore and so on.

HON. W. M. HUGHES: My argument is not in conflict with that position; because you admit that a vessel that has touched Fremantle first is under Colonial law until she reaches Sydney, and then she proposes to go from Sydney to Fiji. Now from Fremantle to Sydney you admit she should, or ought to be, under Colonial conditions.

THE CHAIRMAN: If she is carrying goods.

HON. W. M. HUGHES: Certainly. That I say is in respect to any contract made to perform manual labour in the Commonwealth—that is to say, supposing she takes on at Sydney any persons to go to Fiji—supposing she is short of men, undoubtedly, the Colonial law will apply to that ship, whether she proposes to go to Fiji or whether she proposes to go anywhere else while within our jurisdiction—

SIR WILLIAM LYNE: Not within our jurisdiction unless we make it so.

HON. W. M. HUGHES: Well, if you like to surrender that right.

SIR WILLIAM LYNE: I am not surrendering anything.

HON. W. M. HUGHES: I say clearly she is within our jurisdiction.

HON. DUGALD THOMSON: It seems to me that a great deal is involved in this proposal, and that a good deal of injury, even to Australian shipping and certainly to British shipping, might lie behind it. For instance, how can we interfere with a German or French vessel? They do now a large trade in the Pacific; they come on to Sydney with a cargo from the Pacific—how can we attempt to impose our law on those vessels?

THE CHAIRMAN: Especially with regard to wages. Taking a German ship, supposing we, here, imposed a condition on German vessels or French vessels, and said, "We will not allow you to carry from a British port to Spain or Norway or anywhere else unless you pay the British rate of wages."

HON. W. M. HUGHES: Then it amounts to this: that we are not in the same position. No doubt they could retaliate on you, but I do not see how they could

retaliate on us, and, after all, you know, all this regard for other people's welfare is merely (with all deference to you, Mr. President) a consideration of one's own interests, and all the time you are thinking "What will happen to our shipping if we do so-and-so?" But what can they do to us more than they are doing now? The Germans can do no worse than they are doing now.

MR. LLEWELLYN SMITH: They can differentiate against your trade.

HON. W. M. HUGHES: I do not blame them for that at all.

HON. DUGALD THOMSON: I do not think we really take up this attitude, that we are not to consider how British shipping will be affected.

MR. COX: I will tell you what the result will be. The German retaliation will be on Great Britain. Of course Australia may not mind that. The Germans for that purpose, regard the British Empire as one, and they have already shown that they will retaliate, not on the Colonies so much as on Great Britain—by raising their tariff on British goods.

SIR WILLIAM LYNE: If you go to that, it will go all over the world. We had better stop. If you go to that, they can do it in any case, and we will give them an opportunity of doing it as far as Australia is concerned.

MR. COX: They will do it to Great Britain.

SIR WILLIAM LYNE: But that argument will apply to an alteration of a preferential tariff or anything else. If you bring that argument into this, and that is going to have effect, it will destroy altogether what we want.

HON. W. M. HUGHES: If, as a result of this Imperial Conference, you decide to recommend your Government to impose a preferential tariff, what will be the result as regards Germany? Here is a nation, Mr. President, that imposed this restriction; it says to the Norddeutscher Lloyd as a condition precedent to receiving its subsidies, "You must not carry Australian meat, grain, or dairy produce into our country."

MR. DUNLOP: How will this affect foreign ships? How will it affect our own ships? There is a large business done on timber-charter by Australians with British ships, in which, under the contract, the coasting trade is excluded with a view of avoiding bringing us under Colonial conditions. I have one ship now chartered, trading from India to Australia, for instance. Supposing they ordered me to go to Fiji. I could not refuse to go. I look at my map, and I see that Fiji is not one of the ports of the Colonies; therefore I could not refuse to go to Fiji; and yet if this were passed, I would be obliged to refuse. I should never know where I was. Australia might at once go and include Singapore, Hong Kong, or any other of the British Colonies, and say, "You must not trade there." We would not know how to conduct our business if such a thing were done.

HON. DUGALD THOMSON: I would like to ask Sir William Lyne this: German and French vessels trade largely in the Pacific, and American and other nationalities also. If a vessel comes down to Australia with cargo collected in the Pacific and lands it at Sydney, does he mean to say that he prevents that cargo landing unless subject to Australian conditions as regards wages?

SIR WILLIAM LYNE: That is entirely a different position. I do not say that, but what I want is, as far as the trade is concerned between the Commonwealth and the Islands, that if a vessel comes down, as Mr. Hughes has described, and leaves part of her cargo on the coast or does coastal trade, and then goes off and trades between Australia and the Pacific Islands, I contend that we should have a right to say what wages that vessel should pay to the men she has engaged in Australia, and under what conditions she should trade if she is going to trade between the Pacific Islands and Australia.

HON. DUGALD THOMSON: Suppose she calls at Australia to pick up cargo.

SIR WILLIAM LYNE: I do not know that we have a legal right to interfere with her. That is a question of law as to whether we have a legal right to interfere



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with that vessel; but what I am broadly trying to get at is this—that there shall not be indiscriminate trading between the Pacific and Australia by foreign vessels without our having a say in regard to the conditions.

MR. DUGALD THOMSON: But how are you going to arrive at that? You propose that that vessel should have taken coastal cargo first of all.

SIR WILLIAM LYNE: She should be a trading coasting vessel.

HON. DUGALD THOMSON: If you only mean to apply it to trading coastal vessels, she might extend her journey to Fiji.

SIR WILLIAM LYNE: Or she may come there with the intention of trading between Australia and Fiji. That is what I want.

HON. DUGALD THOMSON: There is the difficulty.

MR. LLEWELLYN SMITH: That is more limited, perhaps, than I think we understood. It is only really the men taken on in Australia—the seamen shipped in Australia—the wages contract made in Australia.

HON. W. M. HUGHES: I do not think the Conference realises that the Islands of the Pacific ought to be (if they are not) our exclusive monopoly so far as trading is concerned. I do not mean to say excluding Great Britain; I mean excluding Foreign Powers. Great Britain has been rather lax in one or two arrangements made lately, and I am sure of this, that the trade of the Pacific, if not strenuously fought for, will go entirely into the hands of the Germans.

SIR WILLIAM LYNE: It is going very fast now, I am sorry to say.

HON. W. M. HUGHES: We have to heavily subsidise in order to make any fight at all. The Germans are subsidising boats. They run their boats practically at a loss on purpose to get the trade, and they are most formidable competitors. I do not profess any great brotherly love for the Germans myself; I leave that to other people.

HON. W. M. HUGHES: I shall be very glad to do anything at all—

THE CHAIRMAN: I understand Sir William Lyne's proposal is that these conditions with regard to wages shall apply to a crew picked up in Australia for the Fijian trade, and not to a crew got in Great Britain or outside Australia. Sir William simply wants these wages conditions to apply to a contract entered into in the Colony—a crew picked up there.

HON. W. M. HUGHES: Of course, you know the kind of trade there is.

THE CHAIRMAN: You could not engage men at all unless you paid them the current rate of wages.

HON. W. M. HUGHES: You know the kind of trade that is done. This is not hypothetical at all—it is a concrete fact. They take stores and things to the Islands, and trade them for the produce of the Islands. Sydney is the main distributing centre, and thence copra, oil, nutmegs, and so on are sent all over the world. Now for this trade we are very conveniently suited, and we have a very large amount of capital invested in it, and I am bound to say we cannot keep up that rate which we consider sufficient for wages and for decent living in Australia if we are going to compete against people who only pay one-third of it. We cannot do it.

THE CHAIRMAN: But yours is rather a different proposal, is it not, Mr. Hughes? Would you impose these conditions as to wages with regard to the sailors who have been engaged outside Australia?

HON. W. M. HUGHES: When a ship comes, say, with oversea cargo, or in ballast, to Sydney, and then proceeds to Fiji, and comes back loaded from Fiji, if she is going on with that loading to England, I do not think we have any right to bother with her, but if she is going to discharge that loading at Sydney, or tranships at some other Australian port, into one of the boats that bring South Sea trade to Sydney, and transfer their cargo into an oversea vessel, that is coastal trade, and local conditions should be observed.

SIR JOSEPH WARD: Would not this meet the position. Supposing the Conference pass a resolution "That it be a recommendation to the Imperial Government to direct" (Fiji being a Crown Colony) "that boats that return cargoes from Fiji to Australia are not to be cleared unless they pay the same rate of wages as British ships trading within Australian waters." I do not think you can get over the difficulty that we cannot legislate—we cannot get legislation passed—for ships outside our own waters, and once you get into the ocean, it is outside our own waters. But if you can insure that the rate of pay (that is one of the important matters we are on) on ships going from Sydney to Fiji is to be the same as in the case of your coastal trade, and that the Crown Colony, before clearing that ship, say, from Fiji to Sydney, would impose the returning of the crews upon its articles at the same rate of pay that you were paying, that would to a very large extent get over the point you are raising.

HON. W. M. HUGHES: Certainly.

MR. COX: May I say that Mr. Hughes has got all he wants already. The first part of the clearance of that small ship is in the Commonwealth, and the Commonwealth conditions apply.

THE CHAIRMAN: Of course, we have not got a motion before us, and therefore we ought to know really what it is that is proposed. Sir William Lyne's motion I can quite understand, but Mr. Hughes's proposal is a very different one, and it seems to me to be, with all respect, an almost impossible one, if I understand it. Perhaps I do not, and that is what I want to know. Take a German ship calling at Sydney and then proceeding, with a German crew engaged in Hamburg, to Fiji. Do I understand that if she picks up a cargo (according to Mr. Hughes's proposal) at Sydney, and proceeds to Fiji, she has got to pay the Australian rate of wages for the whole of her crew engaged in Germany, and that otherwise she is not to proceed on her voyage?

HON. W. M. HUGHES: No, that is not my proposition, and I do not think that any sane person would ever dream of it.

THE CHAIRMAN: I quite agree.

HON. W. M. HUGHES: What I was suggesting is this—that first of all we never hope to enforce our law, not only on German ships, but on British ships, outside the territorial limits. No doubt, they will pay directly they get out of our jurisdiction their usual rate of wages. If a German vessel goes to Sydney, transfers its cargo into a Fijian boat—which later comes back from Fiji and transfers its cargo in turn into a big Norddeutscher-Lloyd—the Fijian boat has been engaged in the coasting trade. Here is a crew engaged at Hamburg or Bremen for a three years' period, at German rates; it is competing directly with Burns-Philips and other Colonial firms, and to all intents and purposes, Sydney being the headquarters, they are workmen in the Commonwealth, and they are competing with our own men. We say on such a boat (which is very different from an oversea boat within the meaning you were speaking of just now, going all the way to Hamburg) on such a boat Colonial conditions ought to apply. We cannot make them apply except in the port of Sydney. I admit that at once. Sir Joseph suggested that an arrangement might be made that the Crown Colony should fall in with us. I do not know about that, but I do say that, so far as Sydney is concerned, Section 8 ought to apply.

THE CHAIRMAN: A crew engaged in Sydney?

HON. W. M. HUGHES: No; this applies to persons engaged elsewhere to perform a contract in the Commonwealth, but it says that it shall not apply to persons engaged to serve as part of the crew in a vessel engaged in the coasting trade in Australian waters. Obviously it applies, then, to seamen. It is a question whether this section will not catch them. If it does not I have no doubt at all in my own mind that the Commonwealth Parliament would, when it was pointed out to them, amend it so that it would.

MR. HAVELOCK WILSON: Might I say a word on this. I think it would work its own cure. Under the Australian Act, I understand, there is a clause that

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seamen may leave their ships in Australia. I understand that is a proposal in the Bill.

HON. W. M. HUGHES: That is a proposal; it is not a law.

MR. HAVELOCK WILSON: I say it is a proposal in the Bill that a seaman may leave his ship in Australia, and he cannot be arrested.

HON. W. M. HUGHES: You mean to say that he may give up his contract?

MR. HAVELOCK WILSON: Yes, and you would not send him to gaol.

HON. W. M. HUGHES: Oh, no.

MR. HAVELOCK WILSON: Now then, there is a German ship—the smaller class of vessel that Mr. Hughes refers to—I know the class of vessel. She engages her crew in Hamburg for a three years' voyage. When they get out to Sydney, they trade directly to Ocean Island or other islands in the Pacific, picking up cargo and bringing it back to Sydney for the big boats. Now I take it that those German seamen, when they know they can leave their ships without being sent to gaol—

HON. W. M. HUGHES: But they cannot leave without being sent to gaol.

MR. HAVELOCK WILSON: Wait till I have finished my story. I say the proposal—

HON. W. M. HUGHES: But this is the law, and the proposal will not alter the law.

MR. HAVELOCK WILSON: Wait till I have finished. The natural thing for the Germans would be to leave their ship, because they say, "If we leave this ship and engage on other vessels, we will get the Australian rate of wages." Well, now, that German vessel has got to replace these men, and if the Australians limit the engagement to the men in Sydney and say, "If you engage crews in Sydney to go down to the Fiji Islands, you will have to pay the Australian rate of wages."

HON. W. M. HUGHES: That is all very well in theory.

MR. HAVELOCK WILSON: But is not that how it would work out in practice?

THE CHAIRMAN: That is what I understand to be Sir William Lyne's proposal.

HON. W. M. HUGHES: The law is that directly these German seamen deserted and come on shore, Sir William Lyne, or whoever is in office, would have them arrested as prohibited immigrants. No doubt he would, because he is a man of that kind. The contract, they would be rejoiced to know, was absolutely void, but they themselves (and this would quench their joy a little) would be mulcted in a penalty of not exceeding £5 each.

MR. HAVELOCK WILSON: But may I point out to Mr. Hughes that they do not do that now. There are hundreds of men who desert from German ships in the Colonies.

HON. W. M. HUGHES: No, there are not.

MR. HAVELOCK WILSON: I can assure Mr. Hughes that I see many German ships arriving from Sydney and elsewhere with English crews on board, who have engaged on those German ships in the Colonies at the Australian rate of wages.

HON. DUGALD THOMSON: May I say a word as to the danger of some of these proposals. It may be desirable, of course, from an Australian standpoint that we should impose the Australian rate of wages on all ships trading in the Pacific. First of all, of course, there is the question into which I will not enter, as to whether it is our legal right to do so, but apart from that altogether there are great dangers that we will come to decisions that will be injurious to Australia in this connection. These French vessels and German vessels are not merely trading in the Pacific and carrying British trade; they are in many cases trading in the Pacific and carrying the trade of their own Dependencies—the French from New Caledonia, Loyalty

Islands, and the New Hebrides, in which latter there is a joint Protectorate; the Germans from Samoa, the Solomon Islands, and German New Guinea. Well, that trade is going voluntarily to Sydney, and the goods either for sale there or for transhipment to other portions of the world. If we are to impose on these vessels the rate of pay equivalent to our own (I mean that of Australia), we would only force that business away from Australia, and the accompanying employment of labour which it gives would also be forced away from Australia, either to a concentrating centre in the Islands, whence it would go to Europe or we may direct it to Singapore, and it would pass the borders of Australia.

SIR WILLIAM LYNE: I do not agree at all.

HON. DUGALD THOMSON: I do, and to a certain extent that is being done now, and it will be done to a much larger extent if we try to get that power over those vessels. Then again, there is this—that the proposals of Sir Joseph Ward that the Fiji Government should enforce a law that the rate of payment of wages on vessels from Fiji to Australia should be the Australian rate, and that the same should be enforced from the other end to the Commonwealth would mean this possibly—that Fiji, a Crown Colony, would be avoided—that the trade, a lot of which is now concentrated at Fiji from the other Islands, would avoid Fiji, and go to another port outside altogether the jurisdiction of the British Government. It is not a question of the desirability of what you are proposing; it is a question of the possibility, and of the dangers that we may create in trying to avoid other dangers now existing. That is what I say. It is a very serious question, and it is a widely-stretching question. It knocks against international law; it knocks against international comity; and it may strike at, instead of benefiting, the interests of Australia. So that I think we ought to very seriously consider before we attempt to do what may only be a partial thing, and what will really have, I think, very little effect in benefiting anybody.

SIR WILLIAM LYNE: Do you not think that Australia would take care to do nothing to injure Australia?

HON. DUGALD THOMSON: Well, the proposal is before us now, and we are asked to accept it.

SIR WILLIAM LYNE: It does not say that we will do it, whether we accept it here or not.

HON. DUGALD THOMSON: What is the use of our proposing to do here things that will not be carried out?

SIR WILLIAM LYNE: I disagree with your ideas absolutely. As Mr. Hughes says, supposing these foreign ships did go away, there would be no tears wept in Australia, because there are plenty of ships lying in the harbours there that would take the work up.

HON. DUGALD THOMSON: But the work would be taken elsewhere; it would not be done by those ships.

HON. W. M. HUGHES: Colonel Burns, during the time our Government was in—and since, I believe—has said clearly enough, that only by increased subsidies can he carry on at all. Now Sir William Lyne and Australia generally have gone for raising the tariff against the foreigner.

HON. DUGALD THOMSON: Against the Islands, too.

THE CHAIRMAN: We ought to have before us some definite proposal, because I confess I am not quite clear even now as to the extent to which the proposal goes.

HON. W. M. HUGHES: I will move that Australian conditions shall apply on those ships.

THE CHAIRMAN: Please write it down, because it is very important. This raises very important international questions.

SIR JOSEPH WARD: My motion was:—

"That the Conference recommends that the Australian and New Zealand Governments make provision that the crews shipped in the Commonwealth and New Zealand for Fiji and the Pacific Islands be paid at the current rate of the coastal wages of those countries."

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MR. NORMAN HILL: Might I put it to Sir Joseph—is it a question for the Conference to recommend? Is it not rather this:—“That the Conference recommends in regard to seamen engaged or shipped in the Colonies that the Commonwealth shall make what regulations it pleases.”

SIR JOSEPH WARD: You are quite right.

THE CHAIRMAN: That is a very different proposal from Mr. Hughes's. I thought that was Sir William Lyne's proposal.

SIR WILLIAM LYNE: My first suggestion was, and what I had in my mind was, that if we could possibly do it, we might lay down the line of demarcation whereby our coastal trade conditions would take effect, and by doing that bring in an area which would cover those islands which we desired to see the trade carried to, so that they would be put on the same conditions as our own. That is really what was in my mind.

Mr. Hughes here handed in a motion to the Chairman.

SIR JOSEPH WARD: I will read my motion again:—

“That the Conference recommends that the Australian and New Zealand Governments make provision that the crews shipped in the Commonwealth and New Zealand for Fiji and the Pacific Islands be paid at the current rate of the coastal wages of those countries.”

THE CHAIRMAN: This is Mr. Hughes's motion:—

“That Australian conditions should apply to all ships engaged in trading between any port of the Commonwealth and the Islands of the Pacific.”

SIR WILLIAM LYNE: That is the same thing.

THE CHAIRMAN: No, that really applies to the case I put, and as to which Mr. Hughes said that no sane person would possibly accept it.

HON. W. M. HUGHES: One moment, Mr. President. Where does it differ? What is your objection?

THE CHAIRMAN: There is this difference. I tried to point it out before, and Mr. Norman Hill has pointed it out. That applies to crews engaged in the Colonies on contracts actually entered into in your jurisdiction. This is a much wider thing. This applies to the whole trade. Wherever a labour contract is entered into, it will have to be covered by Australian conditions. That is much more sweeping, and besides, it is impossible to enforce it owing to international law.

HON. W. M. HUGHES: With all deference, Mr. President, I want to point out to you that under the Statute Law of Australia, which you cannot overlook—which is assented to, and which is now the law—the only question that can arise is whether they can be said to perform any work in Australia at all. But if they can be (and I think they can myself), then I say they come within the scope of the Contract Immigrants' Act, No. 19, of 1905. The only persons exempted are the persons engaged at rates not less than those obtaining in the Commonwealth in the coasting trade of Australia. These men do not receive such rates; therefore the section applies. Or if they are not engaged in the coastal trade within the meaning of the Act, then the section applies.

THE CHAIRMAN: Which section is that?

HON. W. M. HUGHES: Section 8.

THE CHAIRMAN: “The two last preceding sections do not apply to an immigrant under a contract or agreement to serve as part of the crew of a vessel engaged in the coasting trade in Australian waters.”

HON. W. M. HUGHES: Therefore it does apply to persons engaged in other than that. The “two last preceding sections” are merely the penal sections.

SIR JOSEPH WARD: While that is being looked up, I will read this:—

“That this Conference recommends that the Australian and New Zealand Governments have the right to make provision that the crews shipped in the Commonwealth and New Zealand for Fiji and the Pacific Islands be paid at such rates of wages as those Governments decide.”

THE CHAIRMAN: The crews shipped within your jurisdiction?

SIR JOSEPH WARD: Yes.

MR. BELCHER: This does not go far enough. Let us look at the thing from the New Zealand point of view for a moment. New Zealand has got very large interests in the Pacific, and they are affected in exactly the same way as the Australian interests that are running to the Pacific. Now what I want to point out to the Conference is this: that there is no very great violation of principle in doing what Mr. Hughes and Sir William Lyne are asking for. For this reason—when a ship comes from Great Britain or any other part of the world and engages in the coastwise trade of New Zealand, it does not matter where her contracts are made, or where they are, that vessel has got to conform to New Zealand law. There is the principle right away established that they cannot interfere with the coasting trade. Well, now, the coasting trade is no more purely the New Zealanders' or the Australians' than any other trade is, but we think it highly necessary that that trade should be protected, and incidentally we want to protect the other ramifications of the trade, which extend farther than the coast.

THE CHAIRMAN: But surely you cannot possibly suggest that the trade between New Zealand and Australia and the Pacific is coasting trade. That is a very considerable extension of the principle.

MR. BELCHER: The Chief Justice of New Zealand has ruled this in a case brought before him recently of a dispute respecting the wages—as to whether coastal rates were payable outside the territorial waters. What Sir Robert Stout has held is this—that wherever that shipping was, the coasting rates of wages had to be paid.

THE CHAIRMAN: For a ship registered in the Colony?

MR. BELCHER: Quite so.

THE CHAIRMAN: Of course, she would be amenable to the jurisdiction of the Colony, but this would be applicable to British ships registered here, and foreign ships as well, which are not so amenable.

MR. BELCHER: The rate has to be paid on the coast. You are interfering with other people in other contracts, are you not?

MR. COX: Nobody disputes that.

MR. BELCHER: Let us look at it from this point of view, then. New Zealand interests have established trades, and they have built up at a great deal of expense these trades with the Islands of the Pacific. Is it right and proper that the people who do not conform to the conditions of New Zealand and Australia should be allowed to come in and take that trade away?

MR. COX: May I speak from the point of view of the British shipowner and the British taxpayer. The whole of the expense of these Islands in the Pacific is borne by the British taxpayer. In the New Hebrides we shall have something like an initial outlay of £50,000, and £10,000 a year; and it is the same with Fiji, the same with the Solomon Islands, and the same with others. They are all paid by the British taxpayer, and when it is put as if it were entirely a question of Australian and New Zealand interests, then I say the British taxpayer is also concerned. He has been paying for all these years, and do let us consider him a little.

SIR WILLIAM LYNE: Surely you would not say that these British ships have the right to come down and injure our trade simply because the British taxpayer has been paying this money for these periods?

MR. COX: As I said a little while ago, ships registered in Australia, and ships whose first port of destination is in the Commonwealth, come under Australian conditions. There is no dispute about that. But what I do think is hard is, that a British shipowner who comes from overseas, and then coasts in Australia, and then goes on to Fiji, has got to observe Australian conditions then. That is the only thing I object to.

HON. W. M. HUGHES: You will see it says there, “to and from.”

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MR. COX: Your law covers it as it is in Australia.

THE CHAIRMAN: It says, "all ships engaged in trading between any part of the Commonwealth and the Islands of the Pacific."

HON. W. M. HUGHES: "To and from."

THE CHAIRMAN: Where does that come in?

HON. W. M. HUGHES: I do not know where it does come in, I am sure; I cannot see it from here.

THE CHAIRMAN: This is Sir Joseph Ward's resolution: "That this Conference recognises that the Australian and New Zealand Governments have the right to make provision that the crews shipped in the Commonwealth and New Zealand for Fiji and the Pacific Islands be paid at such rate of wages as the respective Governments elect to fix."

HON. W. M. HUGHES: It does not say "crews engaged in Australia or New Zealand"?

THE CHAIRMAN: "Shipped in the Commonwealth."

HON. W. M. HUGHES: "Shipped." Well, all I have to say is this, that that resolution is not wanted at all. We already have that right. It has been conceded to us already, and we do not want any further recognition of that right. We have the right to ship men under what conditions we like in the Commonwealth.

MR. HAVELOCK WILSON: But at the Commonwealth rate of wages. You do not say that up to now.

HON. W. M. HUGHES: But you are not going to say what rate of wages we shall pay.

MR. HAVELOCK WILSON: I understand that resolution to say that a man engaged in the Colonies will be shipped at the Commonwealth and New Zealand rate of wages.

HON. W. M. HUGHES: We can do that without asking anybody else's permission.

THE CHAIRMAN: It comes back to what you suggested originally—that you wanted to extend it to where contracts were entered into outside—in Bremen, London, or Liverpool. You want to impose Australian rate of wages the moment they touch the Fiji trade.

HON. W. M. HUGHES: The moment the vessel touches the Commonwealth, we want to have a voice as to the conditions to be enforced. We have passed three Acts already dealing with the matter.

SIR JOSEPH WARD: I should like to tell the Conference of a case that has occurred in actual practice in New Zealand. It has been conveyed to me by my friend Mr. Mills. It was a vessel called the "Auchen Blae." "This vessel was chartered by my Company from May, 1904, to January, 1905. On her arrival in Auckland in August, 1904, the master was informed by the Collector of Customs that he would have to comply with the Shipping and Seamen's Act, 1903, in respect to manning, adjustment of compasses, and surveying; the two latter were waived by the Marine Department as the vessel had been recently docked at Sydney, and she was allowed to proceed to sea" (she went to Fiji, as a matter of fact) "on the understanding that a licensed adjuster gave a certificate to the effect that her compasses were in good order, &c. This was done, but the master was compelled to increase his crew by three deck and three engine-room hands." Now there is a case where our law stepped in for a vessel going across the ocean to Fiji, and compelled her to increase her crew by six hands.

MR. DUNLOP: That is one of the cases which I referred to which we object to.

SIR JOSEPH WARD: I am alluding to that case in order to show and to affirm the right I expressed in that resolution.

THE CHAIRMAN: That is an interference on the ground of unseaworthiness.

HON. DUGALD THOMSON: Might I ask Mr. Hughes whether he would assent to foreign Powers exercising the same rights in the German Dependencies or the French Possessions in the Pacific—whether he would be willing to allow them to rescind a contract

made with a British seaman, and to allow the lower rate of wages to be substituted?

HON. W. M. HUGHES: I should be willing to let them do whatever they can do. Whatever they can do, let them do. I think that is a perfectly logical position to take up. Of course, I have no doubt it may seem extremely absurd to those who think differently. The position taken up by the British delegates appears to be this—that anything we do to safeguard our trade, if it comes at all into collision with other Powers, is either absurd or impossible. Now we are proposing (I do not believe in it myself, but I am supporting a Government that does, and, of course, that accounts for a good many things) to raise a tariff in favour of Great Britain and against the foreigner. Well, they are perfectly at liberty to exclude Australian products, say, from Germany, and no doubt they will try to do so.

HON. DUGALD THOMSON: And you put on a tariff to exclude the Pacific Islands' products.

THE CHAIRMAN: This is really a wider thing than that, Mr. Hughes.

HON. W. M. HUGHES: I shall be glad if you will show me how?

THE CHAIRMAN: If you wanted to lay down a principle that anyone trading between Australia and any other port in any other part of the world—

HON. W. M. HUGHES: I do not say so.

THE CHAIRMAN: But that would be a principle. Supposing you said that anyone trading between Australia and any other part of the world must pay Australian wages, that is one proposition; but to confine that to the Islands of the Pacific is really in substance an attempt to impose Australian and New Zealand coasting conditions upon the Pacific Islands.

HON. W. M. HUGHES: Yes.

THE CHAIRMAN: That is raising a very big issue.

HON. W. M. HUGHES: The position has arisen owing to the fact that we have not exercised a suzerainty over the Pacific. It is rather late in the day, I know, to think of doing so now.

THE CHAIRMAN: That is really what is being raised now. Well, that is a question which I am afraid can hardly be discussed here. It is a question that ought to be raised at the Imperial Conference.

SIR WILLIAM LYNE: That is very likely where it will be raised.

THE CHAIRMAN: We can hardly discuss here a proposition so very far-reaching. This is not really labour; you are raising a much bigger issue, which I do not feel it would be quite in order for us to discuss here. It may be quite in order to raise it at the Imperial Conference, but as to that I do not, of course, express any opinion.

SIR WILLIAM LYNE: Our present system in Australia, regarding our customs, and the trading of the vessels along our coasts, which have been referred to very often, is that we seal up a certain portion of their goods whilst in our waters. They have protested that they go outside the limits of our control, and that we should not prevent them from breaking our seal before they get to the next port. That may be the legal position, but the position that we have taken up, which is legal, I am quite certain—at least, I think so, because we are doing it every day—is, that if they do that, and go into another port, we will deal with them when they are in our ports.

MR. COX: It is legal for this reason, they are not punishing them for something they do outside your jurisdiction, but you are making it an offence for them to enter your territorial waters under certain circumstances.

SIR WILLIAM LYNE: Supposing a vessel trades from Melbourne or Sydney to Fiji; when she leaves our port she is subject to our laws; she is a coastal trader, we will say, under our definition. She goes away, and she ignores what she has been doing whilst she has been under our control. When she comes back again, in the same way as when a ship comes back with the seal on her hatch, or whatever it is, would

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we have the same power to deal with her as we have to deal with a ship that might break her seals under the other conditions?

MR. COX: If you ask me as a lawyer, having regard to the decisions of the Courts, I should say you could make it an offence for her to come to Australian waters, having done certain things. But whether you ought to do so is another thing.

SIR WILLIAM LYNE: I wanted to see my way to get over this difficulty by going back to Australia on this particular point, by placing the position of these vessels, or the position they will be in if they commit anything that we make it an offence to commit (like we do in regard to the Customs) under the same conditions, so that in that way, though not directly, we can control that trade.

MR. COX: Sir William Lyne has put to me a very plain question, and I will give him an equally plain answer. Australia has the power to do that, but whether it is desirable for her to do it or not I do not know. She certainly has the power. That has been decided by the Privy Council itself.

SIR WILLIAM LYNE: I believe it has.

HON. W. M. HUGHES: Now, Mr. President, do you see what follows from that? It follows from that that this resolution can only affect these vessels that, having made a contract, or having sought to enforce a contract, in this country, and our law being that such contracts have to be carried out in a certain way, have gone outside our jurisdiction and have come back again, having broken the law. To them only would the law apply, and much of your objection falls to the ground.

SIR WILLIAM LYNE: Yes, but Mr. Hughes, your resolution proposes the words "trading between," or "to and from."

THE CHAIRMAN: "Engaged in trading to and from."

SIR WILLIAM LYNE: I say we have the power to deal with such a case without a resolution of any kind.

MR. COX: I want to carefully guard myself against one thing. Take the case of a ship (and that is what I have been trying to confine myself to all through) starting from Great Britain, registered in Great Britain; she goes to Australia, engages in the coasting trade, conforms to the conditions, as she is bound to do; then she goes back to Fiji, and while she is in Fiji she does not conform to Australian conditions. I think one would have to consider very carefully whether, in the interests of everybody, having regard to the international questions which would have to be raised, and having regard to the interests of our own shipping, one could advise His Majesty to assent to such a proposal. I wish to guard myself very carefully as to this, because all sorts of very important questions might arise.

HON. W. M. HUGHES: Cannot you see that it is a very desirable thing for us that we should know exactly the attitude Great Britain thinks we should take up in this matter, because in a very little while we propose to introduce these proposals of ours. I know the temper of the Parliament as well as most men, and I know they will ask that what I have suggested shall be made law, and if we are going to impose these conditions I think it is very desirable that at this Conference we should have an expression of opinion by the delegates of Great Britain as to what she considers our attitude ought to be.

SIR WILLIAM LYNE: I do not agree. This Conference ought not to express any opinion as to what we ought to do, but as to what we can do.

HON. W. M. HUGHES: This Conference cannot do that; this Conference is not representative of the British Crown.

MR. COX: I have given Sir William Lyne a very straightforward answer to his question, but I do not profess to say what the Courts of Justice would decide.

THE CHAIRMAN: I should like Mr. Cunliffe, the legal adviser to the Board of Trade, to express his view about Mr. Hughes's motion.

MR. CUNLIFFE: I should like to put this reservation on record upon this. Assuming that you have a right to impose upon a seaman engaged in your business that he shall not engage except at a certain rate of wages upon a ship going to Fiji, and that ship goes to Fiji and pays the seaman his rate of wages according to the terms of the contract whilst in your waters, and refuses to pay them during the time the ship is out of your waters—that is to say, while she is in Fiji and until she comes back to your waters—and that during the time she is occupied in going through your waters to get to your port she pays your rate of wages again, I think you must take it that it is open to the shipowner to say that the contract is only binding upon the ship while she is in territorial waters. You must leave it to him to raise that question, because it is a question for the Court's interpretation. The other matter is a matter upon which you have said, "If you do something when you come into our waters, we will penalise you"; the other is a matter of pure contract, and though it is quite possible that in your own Courts you will get an interpretation in your favour, it is still open to the shipowner to take that point. I want to put that reservation. They are not quite *ejusdem generis*, these things, and your contracts will not be enforced against a German ship when she gets to her own country, even if you impose those conditions on her.

MR. HAVELOCK WILSON: Nor on an English ship. I had a case where a crew, whilst on the Australian coast, demanded the Australian rate of wages, and the captain consented to it. When he arrived in London he refused to pay, and we took the case into Court, and the Court decided against us, because they said the master had no right to enter into this contract without the owners' consent.

HON. W. M. HUGHES: There was no consideration? That is an ordinary thing.

THE CHAIRMAN: I understand Sir William Lyne intends himself to raise this question of Australian suzerainty at the Imperial Conference.

SIR WILLIAM LYNE: I did not say anything definitely. I think it is very likely it will be raised.

THE CHAIRMAN: It is hardly a question we can discuss here.

SIR WILLIAM LYNE: That was only an incidental remark I made.

THE CHAIRMAN: I see. The real meaning of your resolution is that it is an attempt to impose Australian suzerainty over the Islands of the Pacific.

HON. W. M. HUGHES: No, it is not the real meaning at all, with all deference to you. What we say is that in such competition for trade every person ought to be on the same footing and because practically it is a coastal trade Australian conditions should apply. Other countries have extended their coastal trade beyond their mainland boundaries. It is very easy to show that.

SIR JOSEPH WARD: I assume that the purposes of this Conference are primarily to endeavour to bring about some line of action between the British shipping world and the Australian and New Zealand shipping world, to see if we can get any common ground of dealing with these subjects so as to arrive at something like a solution of these difficult subjects. But I do hope we shall avoid any attempt to settle what are legal points here. I have given a notice of motion now which will appear presently.

THE CHAIRMAN: Do you give this notice of motion?

SIR JOSEPH WARD: I do.

THE CHAIRMAN: Do you move this, Mr. Hughes?

HON. W. M. HUGHES: Yes.

THE CHAIRMAN: Then we had better put them on the agenda for to-morrow.

HON. W. M. HUGHES: I will try between now and to-morrow morning to draft something that more clearly and precisely expresses what we want, without doing, perhaps, so much incidental damage.

THE CHAIRMAN: This is very, very wide.

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HON. W. M. HUGHES: It is. It is not, however, wider than we want.

THE CHAIRMAN: It is wider than, I think, we could possibly accept.

SIR WILLIAM LYNE: The discussion that has taken place does not quite, in any of its forms, meet what was in my mind at the commencement. What was in my mind was: Can we possibly make a limit of a definition as to where our coastal laws, or where our laws, shall terminate, or to where they shall extend? That is what is really in my mind. The thing would be simplified altogether if we could possibly make a limit on the line of demarcation, embracing those places to which our laws would apply. I did not want to get into these technicalities that we have been getting into in our discussion, but can we say that the laws of Australia and New Zealand shall extend so far East, so far West, so far North, and so far South? That is the point I really wanted to get at.

THE CHAIRMAN: This is a very big constitutional issue, which I am afraid we are hardly competent to decide in this Conference.

SIR WILLIAM LYNE: One moment. If you look at the map of Queensland you will find there is a line of demarcation which runs very nearly across Torres Strait up to the Mainland. You will find it on the map marked right up I do not know how far beyond Queensland. I was very much surprised when I found it out, and I found it out in ascertaining the extent to which certain Queensland laws took effect, and I was very much surprised to find that. What I wanted now is exactly the same thing as that—the principle is there, and if you could get that I should be very much obliged.

MR. COX: Speaking from memory, I think all within that limit has been defined, and annexed and made part of Queensland.

MR. NORMAN HILL: Just one point I wanted to clear up with reference to the resolution passed just before lunch—that is Resolution No. 9. I do not want to go back in any way on that resolution. You were not here, sir, at the time, but Mr. Anderson and I ventured to put forward some considerations that we wanted the Commonwealth and New Zealand to have regard to as to vessels engaged incidentally in the coasting trade. We only put it forward as a suggestion as to what was expedient. Now, sir, we voted for the resolution and supported the resolution, and we have conceded that they have a right to enforce the resolution as it stands. But, sir, we are only representing others, and if that resolution is published we would like to have also published what we have ventured to submit, not as an amendment to the resolution, but as a rider, and if that could be put and disposed of I should be glad. I am not sure whether we convinced our friends from the Commonwealth.

THE CHAIRMAN: Did you propose that rider?

MR. NORMAN HILL: Mr. Llewellyn Smith suggested I should propose it just after lunch, but we got on to these other discussions.

THE CHAIRMAN: We are in the middle of another thing.

SIR WILLIAM LYNE: If you will allow me one moment, Mr. Mills has just placed in my hand an award, or a decision of our Arbitration Court, given only a few months ago:—"The following rates of pay "and conditions take effect on the 1st January, 1907," (and, therefore, legally or illegally, that is in force "to-day" "and remain in force for a period of three "years, and apply to all vessels, excepting tugs, tenders, "banana, and sugar droghers, within the Common- "wealth or on any voyage from part to part of the "Commonwealth, or on any voyage to New Zealand, New "Caledonia, or the Fiji Group, which begins and "ends within the Commonwealth." That is in force now.

MR. COX: That is in Section 5 of the Commonwealth Act.

HON. W. M. HUGHES: That is not the law; it is an agreement enforceable at law.

THE CHAIRMAN: That is an agreement entered into with the Colonies. This is the notice of motion

handed in to me by Mr. Norman Hill:—"That the "Conference is of opinion that as a matter of ex- "pediency oversea vessels which only engage in the "Colonial coasting trade by taking passengers or cargo "between Colonial ports of call, should not be deemed "to engage in the coastal trade."

MR. NORMAN HILL: It is what I put just before lunch, and I have said all I have to say. Mr. Anderson supported it, and if you could deal with it on the paper when you publish the resolution that has been already passed, we should be glad.

THE CHAIRMAN: All you want is to get it on the notes, and when we send the report to the papers, in that report there would be an intimation that the ship-owners wished this to be added as a rider.

SIR JOSEPH WARD: If it is given as an opinion, I see no objection.

MR. NORMAN HILL: No; the resolution will be published to-morrow, and I would like to have published, also, that we suggest this, and that either you accept or reject it.

THE CHAIRMAN: May I read it again:—"The Con- "ference is of opinion that, as a matter of expediency, "oversea vessels which only engage in the Colonial "coasting trade by taking passengers or cargo between "Colonial ports of call, should not be deemed to engage "in the coastal trade."

SIR WILLIAM LYNE: Oh, no.

HON. W. M. HUGHES: We cannot agree to that.

MR. NORMAN HILL: Then let it be said that it is rejected.

THE CHAIRMAN: I understand this is not accepted by the Colonial representatives?

SIR WILLIAM LYNE: Certainly not.

THE CHAIRMAN: There cannot be any objection to this going on the notes as a proposal by the shipowners. Have you any objection? It is really for the protection of the shipowners.

SIR JOSEPH WARD: I will give my reason for objecting. My reason is the fact that our laws are against it.

HON. W. M. HUGHES: Can we have that typed before we go—the one Mr. Hill has just given to you, sir?

THE CHAIRMAN: It simply goes into the papers as their suggestion. The other will appear as the resolution which has been adopted by the Conference.

HON. W. M. HUGHES: It is going to appear in the press.

THE CHAIRMAN: As the counter proposal of the shipowners.

HON. W. M. HUGHES: The one that was carried was, I understand, carried unanimously.

THE CHAIRMAN: Yes, subject to the proposals of the shipowners.

HON. W. M. HUGHES: It was carried unanimously.

MR. LLEWELLYN SMITH: Yes, that is so. This is a rider merely.

SIR WILLIAM LYNE: There was a question arose the other day which came before the Conference, but was not decided owing to your absence, sir, and that was as to the information that might be given, at any rate, to the Australians.

THE CHAIRMAN: Yes. Mr. Llewellyn Smith wired me about it.

SIR WILLIAM LYNE: We do not care about the British press at all, but we do care about Australia, and they complain very bitterly that they do not get more information. I think that they will force things, so as to get information, and I wanted to bring the matter before the Conference.

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THE CHAIRMAN: The only suggestion I wired to Mr. Llewellyn Smith was this:—"You must remember that all these reports may be cabled back here, and probably will be, by some of the papers, so that they will appear in the British press." If you do not mind, I would suggest that as we submit our reports to you, so you might submit your reports, before you cable them, to us.

SIR WILLIAM LYNE: We have not cabled any reports, but we shall be very glad to be able to cable some.

THE CHAIRMAN: I do not think there is any objection so long as we agree on the report. Otherwise, they might be cabled back here; and you know there has been a correspondence in the press, and we want to avoid any misleading reports.

HON. W. M. HUGHES: The Conference will only last a little while—say two days more—and at the end of that time I presume there will be no objection to furnish the Colonial press with an ample résumé of the whole thing.

THE CHAIRMAN: What has been the practice with regard to Colonial Conferences?

SIR WILLIAM LYNE: We have generally let the press in.

THE CHAIRMAN: Not the Imperial Conferences. Mr. Chamberlain has ruled out the press very ruthlessly.

SIR WILLIAM LYNE: You can do things here which we cannot do on our side.

SIR JOSEPH WARD: As the notices of motion cannot be type-written to-night, I propose to read them:—

"That the Board of Trade be urged to take into immediate consideration the question of eyesight tests with a view to imposing a higher standard of efficiency than at present required."

"That the Imperial and Colonial Governments concerned be requested to introduce legislation to give effect to the resolutions of the Conference in cases where legislation is necessary."

SIR WILLIAM LYNE: Is there any occasion for that?

SIR JOSEPH WARD: Certainly. I also give notice of motion:—

"That the fact of the Royal Assent having been given to a Shipping Act of the Commonwealth or New Zealand should be conclusive evidence of all purposes and in all Courts that such Act is not *ultra vires* of the Imperial Shipping Acts."

THE CHAIRMAN: That is outside our limits.

SIR JOSEPH WARD: I am giving it advisedly, because when we get consent to a Shipping Act we want that consent to be conclusive as to its validity so far as the Imperial Shipping Act is concerned. The examination that takes place at the Colonial Office before the assent is given would, of course, be of such

a character as to satisfy them on the point. If they say "No" as to any clause, they will give their reasons, which can be considered by our Crown Law Officers. If the objection is admitted to be sound, our Parliament would no doubt alter the Act before it came into operation. If not admitted, the point could be settled by reference to, say, the Privy Council on a case stated, and both sides would accept the decision. Then I want to give notice:—

"That in view of the large and steadily increasing volume of trade to and from Australia and New Zealand by way of the Suez Canal, those Dependencies are entitled to direct representation on the Council of Administration of the Canal, and that the Imperial Government be requested to endeavour to obtain this."

THE CHAIRMAN: The poor Imperial Government has been unable to secure representation for itself on the Canal. That was a good bargain, but it was overlooked, that particular point. We are completely swamped by the foreign representatives there.

SIR JOSEPH WARD: If you get one good Australian representative, with New Zealand also having a say, very likely you will do better.

SIR WILLIAM LYNE: I can tell you this, on that question. I referred to it before you came to-day. Lord Elgin and yourself replied to Mr. Deakin—to a query as to whether you could not get a reduction of the dues, considering the shares were giving 32 per cent. interest; and Lord Elgin stated that he did not think 32 per cent. was too much.

MR. BELCHER: I beg to give notice of motion:—

"That it be a recommendation from this Conference to the Board of Trade, to ascertain and investigate the various clauses attached by ship-owners to the Articles of Agreement signed by the crews of vessels. This with a view of securing uniformity in this respect, and also establishing the principle of equity as between employer and employed."

"That this Conference is opposed to the employment of Lascars, Coolies, Chinamen or persons of any other alien race on any vessels owned, registered or chartered to trade in the Commonwealth or New Zealand."

THE CHAIRMAN: I am glad that we are going to have a nice non-controversial subject of that sort to discuss.

MR. BELCHER: I beg also to give notice of motion:—

"That it be a recommendation from this Conference to the Board of Trade to suggest that legislation be introduced whereby all seamen be paid their full wages at every port where the crew may desire the wages to be paid."

THE CHAIRMAN: Did you say *two* days, Mr. Hughes?

(The Conference adjourned till the following day at 11.30 o'clock.)

## FIFTH DAY.

Tuesday, 9th April, 1907

### The following were present :

The Right Hon. D. LLOYD-GEORGE, M.P. (President of the Board of Trade), *in the Chair*.

#### United Kingdom Delegates.

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| Mr. H. LLEWELLYN SMITH, C.B.,<br>Mr. WALTER J. HOWELL, C.B.,<br>Captain A. J. G. CHALMERS,<br>Mr. R. ELLIS CUNLIFFE,<br>Mr. H. BERTRAM COX, C.B.,<br>Mr. A. B. KEITH, | }<br>}<br>}<br>}<br>}<br>} | Of the Board of Trade.<br><br><br><br><br>Of the Colonial Office. | }<br>}<br>}<br>}<br>}<br>} | Mr. K. ANDERSON,<br>Mr. ROBERT J. DUNLOP,<br>Mr. H. F. FERNIE,<br>Mr. NORMAN HILL,<br>Mr. E. PEMBROKE,<br>Mr. J. HAVELOCK WILSON, M.P., representing Seamen. |
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#### Australian Delegates.

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| Hon. Sir W. J. LYNE, K.C.M.G.<br>Hon. W. M. HUGHES.<br>Dr. H. N. WOLLASTON, LL.D., I.S.O., of the Australian Commonwealth Department of Trade and Customs, was also in attendance. | }<br>}<br>} | Hon. DUGALD THOMSON. |
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#### New Zealand Delegates.

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| Hon. Sir JOSEPH WARD, K.C.M.G.<br>Mr. WILLIAM BELCHER.<br>Dr. FITCHETT, Solicitor-General of New Zealand, was also in attendance. | }<br>}<br>} | Mr. A. R. HISLOP.<br>Mr. JAMES MILLS. |
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#### Secretaries.

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| Mr. J. A. WEBSTER,<br>Mr. G. E. BAKER, | }<br>} | Of the Board of Trade.<br><br>Mr. J. HISLOP, Private Secretary to Sir J. Ward.<br>Mr. D. J. QUINN, Private Secretary to Sir W. Lyne. |
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### AGENDA.

1. Applicability of Australian and New Zealand conditions as to wages.  
 Motion by Sir Joseph Ward "that this Conference recognises that the Australian and New Zealand Governments have the right to make provision that the crews shipped in the Commonwealth or New Zealand for Fiji and the Pacific Islands be at such rates of wages as those countries elect to fix."  
 Motion by Mr. Hughes "that Australian conditions should apply to all ships engaged in trading to and from any port in the Commonwealth and the Islands of the Pacific."
2. Manning.  
 Motion by Mr. Hughes "that this Conference approves of the principle of a manning scale applicable to all British, Australian, and New Zealand ships."
3. Officers.  
 Motion by Sir Joseph Ward "that it be a recommendation to the Board of Trade to consider the desirability of altering the designation of 'officers and engineers' under the term 'seamen' in the Imperial Merchant Shipping Act to that of 'officers and engineers.'"
4. British and Foreign Seamen.  
 Motion by Sir William Lyne "that every possible encouragement should be given by legislation and otherwise to the employment of British seamen in preference to foreigners."  
 Motion by Mr. Belcher "that this Conference is opposed to the employment of Lascars, Coolies, Chinamen, or persons of any other alien race on any vessels owned, registered, or chartered to trade in the Commonwealth or New Zealand."
5. Bills of Lading Legislation.  
 Motion by Sir Joseph Ward "that the terms and conditions of the bill of lading at present in general use are in many respects unsatisfactory to shippers and consignees, and that in the interest of traders generally it is desirable that the Board of Trade should publish a form of bill of lading containing such reasonable conditions as in its opinion are sufficient to safeguard the rights of shipper, shipowner, and consignee."
6. Brussels Conventions as to Collisions and Salvage.
7. Eyesight Tests.  
 Motion by Sir Joseph Ward "that the Board of Trade be urged to take into immediate consideration the question of eyesight tests with a view to imposing a higher standard of efficiency than at present required."
8. Payment of Seamen's Wages.  
 Motion by Mr. Belcher "that it be a recommendation from this Conference to the Board of Trade to suggest that legislation be introduced whereby all seamen be paid their full wages at every port where the crew may desire the wages to be paid."
9. Representation on Governing Body of Suez Canal.  
 Motion by Sir Joseph Ward "that in view of the large and steadily increasing volume of trade to and from Australia and New Zealand by way of the Suez Canal, those dependencies are entitled to direct representation on the Council of Administration of the Canal, and that the Imperial Government be requested to endeavour to obtain this."



## REPORT OF PROCEEDINGS OF THE CONFERENCE.

## 10. Clauses in Articles of Agreement.

Motion by Mr. Belcher "that it be a recommendation from this Conference to the Board of Trade to ascertain and investigate the various clauses attached by shipowners to the articles of agreement signed by the crews of vessels. This with the view of securing uniformity in this respect, and also establishing the principle of equity as between employer and employed."

## 11. Resolutions of Conference.

Motion by Sir Joseph Ward "that the Imperial and Colonial Governments concerned be requested to introduce legislation to give effect to the resolutions of the Conference in cases where legislation is necessary."

## 12. Colonial Shipping Acts and Royal Assent.

Motion by Sir Joseph Ward "that the fact of the Royal Assent having been given to a Shipping Act of the Commonwealth or New Zealand should be conclusive evidence for all purposes and in all Courts that such Act is not *ultra vires* of the Imperial Shipping Acts."

THE CHAIRMAN: I should like to know whether Sir Joseph Ward presses the first resolution, because I think on the whole it simply repeats the acknowledged state of the law at the present moment.

SIR JOSEPH WARD: I would like to put it on record.

THE CHAIRMAN: Could not Sir Joseph leave out the Fiji and the Pacific Islands?

MR. NORMAN HILL: Does it not follow that the conditions imposed by the Australian and New Zealand law with regard to manning, applies to vessels engaged in their coasting trade?

THE CHAIRMAN: But this goes a little further than that.

SIR JOSEPH WARD: I do not see any objection for this reason: Supposing a vessel comes to our country, surely it is in the interests of British ships for the Government to see that the men are being paid the same wages.

MR. NORMAN HILL: We are so entirely opposed to this theory of the Government fixing the rate of wages that surely it is hardly reasonable to expect us to support any proposal which expresses approval of that principle. We have accepted the facts that the Commonwealth and New Zealand can make what laws they please for this particular class of vessels, and I do not think we can be asked, in reason, to say more than that.

HON. W. M. HUGHES: I do not think it says anything further.

MR. LLEWELLYN SMITH: We have adopted a resolution defining the class of vessels to which the Australian or New Zealand law should be applicable. This is either to rescind or extend that resolution, or is superfluous.

MR. PEMBROKE: How does this go farther?

SIR JOSEPH WARD: The resolution passed originally applies to vessels registered or trading; this would apply to a vessel that was not registered or trading. I only want to say this goes farther than anything we have got.

HON. W. M. HUGHES: Supposing you have one man short, or supposing they come out two men short, and they ship two men, do you propose it to extend to these two men?

SIR JOSEPH WARD: Yes.

HON. W. M. HUGHES: You claim the right to fix the rate of wages for residents in the Commonwealth.

HON. DUGALD THOMSON: Is it worth while pressing it?

SIR JOSEPH WARD: Would there be any objection to my putting in the words "be paid the current rate of wages of New Zealand"?

MR. NORMAN HILL: I do not think it reasonable to pass any such resolution. Surely we can only be asked to agree to the Colonial law. We do not want to express any approval of what we believe to be a hopelessly wrong thing.

SIR JOSEPH WARD: I have a case in my mind that I do not see British shipowners ought to oppose under any conditions. I have a case where a foreign vessel

comes and trades. We do not suggest it should be applied to any other countries than our own, which we govern. We do not suggest you should ask your Government to do it, but in our country that law applies generally, and our shipowners have very large interests at stake in Australia, and they ought to be considered as well as the oversea shipowners. I think our Government should have the right to say to an outside ship which came down there and paid its crew off and shipped a fresh crew—

MR. PEMBROKE: Do you intend it to apply to a few being shipped?

SIR JOSEPH WARD: Yes, if they engage in the trade.

MR. NORMAN HILL: We were told yesterday, if I may say so, rather brutally, that it did not matter to Australia what happened to us in our other trades by way of retaliation for what you do. We get no help from our Government in the way of reserved trade. The only thing we can rely upon is the principle the law of the flag governs on an oversea voyage; that is the only hope we have. If we sit here approving of your conduct to legislate for those ships, you won't suffer, but we shall.

SIR JOSEPH WARD: I hope the remark of anything in the shape of brutal treatment does not apply to me.

MR. NORMAN HILL: No; but we were told Australia did not mind what happened.

SIR JOSEPH WARD: This is an important matter from the British shipowners' point of view, and I am just as anxious as they are to hear the matter intelligently discussed. I want to say that, rightly or wrongly, we look upon the trade of the Pacific Islands and the Fiji as a boat trade. We are not looking away from those Islands, but there is a very large trade done with the Islands from New Zealand, and it is a continuous trade, and also from Sydney. Now what we are trying to do is to give a measure of protection to very large local shipping interests against the casual man who comes along and gets into competition with them. I am thoroughly in accord with Mr. Norman Hill when he says that we should not attempt to interfere beyond our own borders, that we should legislate within our own jurisdiction; but we have a number of Islands in the Pacific which we control.

MR. COX: Yes; but the other ships cross the ocean to get there, and something is required to be done to protect that trade.

MR. NORMAN HILL: If you cannot interfere with oversea shipping, does it not come to the question of bringing Fiji into your coasting trade?

HON. DUGALD THOMSON: Is it necessary to pass a resolution of this sort, when the Commonwealth admittedly has that power?

SIR JOSEPH WARD: But New Zealand has not. You have it, and if you have it, that is the reason you should support it.

HON. DUGALD THOMSON: New Zealand has the power of fixing the wages.

SIR JOSEPH WARD: We have a number of small steamers and trading vessels, and these shipowners may find themselves in the position of their whole trade being dislocated by foreign ships.

## REPORT OF PROCEEDINGS OF THE CONFERENCE.

HON. W. M. HUGHES: Will you allow me to say that I think Sir Joseph Ward, while he is no doubt right in pressing this, in some respects is intentionally invading a very serious principle so far as the rights of the States are concerned. There can be no doubt in my opinion that we have a right to make laws regulating the condition under which people who live in the Commonwealth shall work. Now these are persons shipped in the Commonwealth or New Zealand, that is to say, they are citizens or residents of New Zealand, and we could say, "You shall not ship at all." No doubt Great Britain might protest, but we might say no Australian shall be shipped on a Norddeutscher-Lloyd vessel at all. We can make it a penal offence; it might be advisable. And the recognition by this Conference that Australia and New Zealand have those rights that belong to every self-governing State seems to call in question the fact that those rights are ours already without such recognition.

MR. COX: It is perfectly true what Mr. Hughes says as regards everything that occurs within the jurisdiction of the Commonwealth. Now what is going to happen in practice is that you get a ship coming down to Sydney and you force her to ship at your rate of wages, when she gets out of territorial waters she may never come back. What is the good of the clause? The wages won't be paid, and the Germans won't enforce them.

SIR WILLIAM LYNE: We can only deal with a case of that kind when they come back.

MR. COX: Then you make it an offence for the German vessel for having come into your port, and then what happens? There is correspondence with Australia and with Germany, and a tremendous bother and a tremendous lot of friction. Is it worth it?

SIR WILLIAM LYNE: I think it is. But I think from the answer you gave me last night that we have the power to do all we require.

MR. CUNLIFFE: Will you allow me to add to what Mr. Bertram Cox has said that you must also regard this principle as underlying everything between nation and nation. There is nothing to prevent any vessel entering into a contract under another scale, according to the law of the flag or the ship. If they deliberately do that, no Court would enforce some other law against them.

MR. BELCHER: The question we want established is this: We do not want the trade of New Zealand and Australia to be restricted to the coasting trade of these countries only.

THE CHAIRMAN: That is raising a very big constitutional issue, which is outside the purview of this Conference.

MR. BELCHER: I want to make the position clear. So far as the British shipowners are concerned, they oppose this *in toto*. They say they won't agree to it under any circumstances. We say in the interests of our country that local enterprise has built up these trades, and we want to see them protected, and we say it is highly essential that the Colonies should be given power to legislate against all and anything coming there and filching away the trade built up by them. I quite understand there are difficulties in the way; but we are met in order to overcome them.

SIR WILLIAM LYNE: This discussion was raised I think on the point I brought forward as to the extension of an attempt to be made to fix the line of demarcation where our laws extend. I think that originated it at first. I said yesterday, and if I may be permitted I repeat it to-day, that if we could do this by a line of demarcation, it would be very much better than making specific cases, though of course I should support Sir Joseph Ward if he said otherwise. But then comes in another question that I am not quite sure whether this Conference can deal with, that is the question of extending our territorial waters, and I feel somewhat disposed to think that it is a matter for the other Conference to deal with. I should like to see a line of demarcation as to the extent of our laws for coastal trade, but I do not think this Conference can do anything in that matter.

MR. COX: May I point out that Sir William Lyne alluded to the map yesterday. You will find that a

certain line is drawn outside the territorial boundaries of Queensland in the sea going around and including certain Islands. These Islands were made part of Queensland by annexation. There was a fear that foreign powers might come and annex small Islands near Queensland, and therefore the British Government annexed the whole lot, and drew a line round and said everything within that line was part of Queensland.

SIR WILLIAM LYNE: Do you not think it would be a good thing to draw a line and put it under the hands of the Commonwealth?

MR. COX: If you ask that question, I say "No."

THE CHAIRMAN: And I am afraid that is a question we could not discuss here. I should have to get Lord Elgin here, and Canada would have to be represented. That could be discussed at the Imperial Conference, but it could not be discussed here.

MR. COX: I believe it is one of the motions down for the Conference.

THE CHAIRMAN: I think on the whole, it is raising a very great constitutional question; it is a question of jurisdiction largely; and I understand now, for the first time, there is a difference between the Constitution of New Zealand and the Constitution of the Commonwealth upon this point. Well, as to an alteration in the Constitution, which is practically what Sir Joseph Ward is really aiming at—because there is no doubt about the right of the Commonwealth to legislate in a matter of this sort, and I do not know that there was a doubt about New Zealand, but it is hardly for this Conference to discuss it—I have suggested to Sir Joseph Ward that it should be discussed at another Conference, which is to consider questions of this kind. Personally, I do not see why New Zealand should not have the same right as the Commonwealth to deal with questions of this sort.

MR. MILLS: I should like to say, speaking as a representative of the shipowners, the question raised here is one of very great importance; whether it is the law or not; whether or not the Colonies have the power to enforce their provisions as regards wages and other matters on vessels beyond their own waters; it has become the custom for years past for all vessels trading from Australia or from New Zealand, between those two Colonies and also between those Colonies and the Islands of the Pacific, to observe the Colonial customs as regards wages, surveys, holidays, and many other matters. The Courts there rule that our custom as regards wages, holidays, and other things follow the ship to distant ports, and that has all been concurred in by shipowners, and has become the custom of the country.

THE CHAIRMAN: That, of course, refers to New Zealand ships.

MR. COX: That is not the case of ships registered in New Zealand.

MR. MILLS: Yes, and others. Sir Joseph Ward pointed out the other day that the Company which I represent in New Zealand had chartered a British ship to trade between Fiji and Auckland, merely touching at one port in each Colony, and she was compelled, before she could enter the trade in Sydney, to pay the rate of wages and ship her crew according to the custom there. She then went to Auckland, via Fiji, and there she was arrested by the officers of the Customs, and demand was made to have her surveyed, and she was compelled to carry six extra men under the law of New Zealand. She was a British ship, and was trading to Fiji from Australia and Auckland.

MR. COX: I would not rely too strongly on that decision.

MR. MILLS: I judge from what has transpired here, that the Colonies have not the right to do that.

MR. COX: If you read Sir Robert Stout's judgment, he said it was a very good thing for a judge to enlarge his jurisdiction.

MR. MILLS: It is really important to the great interests of the Colonies, and it will be more important in the future, that Colonial ships carrying large and highly-paid crews and under onerous stipulations and restrictions should have some measure of protection

## REPORT OF PROCEEDINGS OF THE CONFERENCE.

as against foreign ships trading in their waters. As a matter of fact, on a ship of the same class running under English manning and English pay, the pay is about half the Colonial pay. A ship's wage bill of £150, in New Zealand would be £300 per month.

THE CHAIRMAN: I should have thought there would have been a right to dictate the conditions of contract on Colonial soil.

MR. COX: The application of the contract is when the ship gets outside Colonial waters.

THE CHAIRMAN: I should have thought there was no doubt about the Colony having the right to dictate the terms under which a contract should be entered into. There is no doubt it would be enforced in the Colonial Courts. But the whole question is, whether it should be enforced outside. The terms can be dictated by the Colonial Legislature, but there seems to be some doubt about the right of New Zealand to do so. If there is no doubt about it, I do not see the object of this motion. If the Colonies have an inherent right to legislate with regard to this, I do not see the object of the resolution, because it does seek rather to get the assent of the Imperial representatives and the representatives of the shipowners to a principle which has not been enforced in this country, and which I do not think is likely to be enforced, at any rate, for some time to come, the principle of a minimum wage by legislative enactment, and, therefore, we could hardly assent to it. And on the other hand, the Colonies hardly want to get the assent of the Conference on a point of this kind. Therefore, from any point of view, I think it undesirable to press the motion. We could not assent to it, and it might be interpreted as an assent on our part to the general proposition that an Act of Parliament should interfere with wages either of seamen or any other body of men.

HON. W. M. HUGHES: Will you allow me to say that the motion having been moved, and it having been open to these objections that you have stated, namely, that it seems to have challenged a right that has never heretofore been called into question, yet now you say you could not possibly assent to it—that places us in a curious position.

THE CHAIRMAN: I do not think I made myself clear. I did not say I could not assent to the right of the Colonies. On the contrary, I thought I made it perfectly clear that I thought the right of the Colonies was above being challenged. But I could not on behalf of the Imperial Government assent to the principle that you should legislate for a minimum wage for seamen.

HON. W. M. HUGHES: I think myself that it is extremely undesirable that the motion should be pressed. The whole thing is a question of industrial legislation for the Colonies, and I think that, so far as this matter is concerned, we should only attempt to make it apply to vessels trading on our coasts; we cannot define what we mean by trading here, but no doubt we shall do so, and we could make it apply only to those ships that interfere with the locally registered ships. If we attempt to lay down a general principle here, the shipowners are doubtful as to how far we shall extend the principle. Speaking for myself, I claim the right embodied in the principle, and I have my own idea as to how far it should be applied. We cannot discuss it here, because we should have to consider local facts. It would not come before the Parliament at all, but the Court of Arbitration, or some similar Court, that would determine its application.

MR. COX: May I ask this: in practice is there any difficulty at all? These ships to which you will apply this Australian rate of wages will be ships going to and fro from Australia and to Fiji and the Pacific Islands, and they come back in the ordinary course of things. The men have entered into a contract which the law says is to be the Australian rate of wages, and the ship comes back to your port, and so you can enforce it. I do not see how the desire to enforce it in Fiji—

HON. W. M. HUGHES: We cannot enforce it on any of the Islands unless the vessels are continuously trading backwards and forwards.

MR. PEMBROKE: If the Colonies have the right, we cannot help ourselves.

THE CHAIRMAN: The right has not been challenged.

MR. MILLS: I understand the right has been challenged. The Colonies have assumed the power. Sir William Lyne quoted the finding of the Arbitration Court of the Commonwealth of Australia. In a case where the officers came before the Court to settle the rate of wages, the award was made for three years, and to apply to vessels going to Australia and the Islands of the Pacific; in the same way the New Zealand Court has applied their awards to vessels not only owned in the Colony but also chartered.

MR. COX: That is perfectly right in New Zealand and Australia, and the Courts have the right to do it; but what you are asking is something more. You are asking that the Court of Fiji should enforce this.

HON. DUGALD THOMSON: Does the award of the Australian Court apply to American vessels and German vessels and the American mail steamers?

MR. MILLS: They do not come under consideration.

MR. COX: Do you want the German Courts and the American Courts to enforce it? It may be very desirable, but how can you stop them? They won't enforce it for you; you would exclude them altogether.

MR. MILLS: That seems to be a natural consequence.

MR. COX: You cannot prevent them engaging in the Pacific trade.

MR. MILLS: You have a case in Australia. The largest company in Australia is practically owned in Great Britain. They also trade to Fiji, and the award of the Commonwealth Arbitration Court applies to the vessels of that company.

MR. COX: My only difficulty is, where is the award to be enforced?

MR. MILLS: It can only be enforced in Australia.

MR. COX: This motion is asking that it should be enforced, if necessary, in Fiji.

MR. MILLS: I do not see how that can be done.

HON. W. M. HUGHES: I do not think the resolution asks us to enforce it outside. All it says is, that we have the right to make such laws as we please as to the rate of wages. Supposing they went out of our jurisdiction, where they had been paying £7 and elected to pay £2 instead of the £3 15s. or whatever the German rate is, and were sued by the crew for the balance in the Court of Bremen, the crew could not get it. But if they came back and sued in our courts they might, very likely they could. I should like to say that Mr. Justice O'Connor, who gave that award, held that the award would be binding on all ships within territorial waters. I do not think myself they would ever dream of applying it to those outside, even if they had the power.

THE CHAIRMAN: I think Sir Joseph Ward's object has been obtained by the discussion.

SIR JOSEPH WARD: I should like to say I was anxious to do something from a New Zealand point of view. Australia is content, judging from Mr. Hughes's remarks.

SIR WILLIAM LYNE: I am not content.

SIR JOSEPH WARD: I did not say you. I was anxious to protect both the Australian and New Zealand shipowners who are engaged in carrying on the trade and who have large capital invested in the steamers, so that they could compete on fair terms with the casual vessels that might go into the trade. There seems to be some statement made as to what our power is. I know we have full powers to legislate for our own domestic concerns; I do not want that aspect introduced. But in view of the opinion of the President that it is a matter that the Imperial Conference ought to consider instead of this Conference, I conform with his suggestion that it should be brought up in another place when the opportunity arrives.

THE CHAIRMAN: No. 2 I have ruled out of order. In its present form, as appears on the paper, I do not think I could possibly admit it.

## REPORT OF PROCEEDINGS OF THE CONFERENCE.

HON. W. M. HUGHES : It is not No. 2 at all; it is No. 1.

THE CHAIRMAN : That has been withdrawn. Yours has been ruled out. That is certainly a question for the Great Conference.

HON. W. M. HUGHES : But you will hear me before you rule it out, will you not?

THE CHAIRMAN : I confess I thought it had been discussed very fully already.

HON. W. M. HUGHES : The understanding was, with all deference to you, sir, that I should add words to it that would limit its application.

THE CHAIRMAN : If you are under that impression, certainly.

HON. W. M. HUGHES : I should like to add these words now. The motion of Sir Joseph Ward asserted a right that we already have.

SIR JOSEPH WARD : We have not got it. You may have it, but we have not.

HON. W. M. HUGHES : Well, we have. If New Zealand has not, of course that is quite different. However, the resolution is:—"That Australian conditions should apply to all ships engaged in trading to and from any port in the Commonwealth and the Islands of the Pacific." As to the nature of the trade, enough has been said about that. It is very important to us. We are the chief parties engaged in it. It is a very important thing to us that we should retain this trade and should have an opportunity to extend it, and I would add these words:—"That this resolution does not apply to vessels carrying merchandise consigned direct to or from an oversea port when carried by an oversea vessel."

SIR WILLIAM LYNE : I do not agree with that. We have that power now.

HON. W. M. HUGHES : Quite so; no doubt we have the power.

SIR WILLIAM LYNE : You are proposing to take away the power.

HON. W. M. HUGHES : I do not propose to do anything of the sort; I merely wish to get this Conference to express approval of this. Our power, I apprehend, the Conference can neither add to nor take away from—not a jot or a tittle, any more than we can alter the British Constitution.

SIR WILLIAM LYNE : If you add the words you are proposing to add now, that restricts at any rate the obligation we would be under if we agreed to that—preventing us from dealing with ships that were not trading to and from, but were oversea ships.

HON. W. M. HUGHES : It is "carrying merchandise consigned direct."

THE CHAIRMAN : Would you mind, Mr. Hughes, confining now what you have got to say to the point of order, because my opinion is—subject to what you may say—that this is not a subject for us to discuss, but is a large question of jurisdiction, which ought to be debated at the Imperial Conference, where all the Colonies would be represented, and where the heads of the Colonial Office and the Foreign Office would be present.

HON. W. M. HUGHES : Perhaps you will let me take No. 2 now, because it was with reference to what I said, and what Mr. Llewellyn Smith said in reply thereto in your absence, that I tabled this motion No. 2 to bring up this very question of the rights of this Conference—that it has power to deal with all questions affecting British legislation and the British Mercantile Marine—especially all questions affecting legislation in connection with ships trading to and from Australia and the Southern Seas.

THE CHAIRMAN : I draw a distinction between shipping legislation and questions which raise matters of jurisdiction. I am just thinking rather of the composition of the Conference. Now, this is not a Conference that can debate, I think, a big question like practically the attachment of the Isles of the Pacific to the Commonwealth for the purpose of legislation. I

certainly do not think we can debate that. Here we have the representatives of the shipowners. We have not got the Chief of the Colonial Office here; we have not got the Chief of the Foreign Office here. Canada is absent; Natal and the whole of South Africa are absent; and we really could not discuss a very large question of this sort, that would mean placing the Islands of the Pacific practically under the control of the Australian Commonwealth as far as shipping legislation is concerned, without having the whole thing debated at an Imperial Conference. No. 2 I put in a different category. My objection to No. 2 is that we cannot here recommend the application of a principle to all British ships where Canada is absent. If you confined it to the United Kingdom, Australia, or New Zealand, then it would be a different matter.

HON. W. M. HUGHES : Will you allow me to just draw your attention to the order of leave, as it were?

THE CHAIRMAN : I have just heard something, Mr. Hughes, which I should like to mention before you proceed. I understand that there is a resolution dealing with this question down for the Imperial Conference, and I think it would be exceedingly undesirable that we should debate it having regard to that fact. It must be debated there, I understand. It is down on the agenda.

MR. HAVELOCK WILSON : Which resolution are we dealing with? We appear to be jumping from the Pacific and the Islands to manning, and from manning back to the Pacific.

THE CHAIRMAN : No, Mr. Hughes is now debating his first motion.

MR. HAVELOCK WILSON : Why is No. 2 dragged in?

HON. W. M. HUGHES : If you will allow me, Mr. Havelock Wilson, I will tell you. The President declines to allow me to do anything but debate the point of order. Well, on a point of order, I apprehend one can bring forward any argument to show that it is in order, and I was merely stating that No. 2 was tabled by me in response to a statement made by Mr. Llewellyn Smith when he was presiding, that he would prefer that the matters then brought up should be discussed in the presence of the President of the Board of Trade. What I said then, was that we were invited here for certain purposes. The correspondence shows very clearly how and why this Conference was called together; it shows the objections urged by the shipowners at considerable length, both as to our rights and as to the expediency of our insisting upon our rights, and it is perfectly clear from this that we were called together to secure uniformity as far as possible in shipping legislation. Now with regard to the despatch on page 79 from Mr. Lyttelton to Governor-General Lord Northcote, there is a copy of the report prepared for the Shipowners' Parliamentary Committee by Messrs. Weightman and Pedder, solicitors and secretaries to the Liverpool Shipowners' Association; and Mr. Lyttelton points out in paragraph 3 of his despatch that "His Majesty's Government will be glad if these documents can be laid before the Royal Commission which is now considering the Navigation Bill"—as they were. In paragraph 4 he says: "They feel, however, that the larger questions raised in them should no longer be allowed to remain without an attempt at a more general solution than can be effected by any one part of the Empire alone."

MR. COX : I am sorry to interrupt, but I want to make quite clear my position here.

THE CHAIRMAN : Just half a moment. Please let Mr. Hughes conclude his argument.

HON. W. M. HUGHES : "The difficulties surrounding the question of the conditions which are to govern merchant shipping under the British flag cannot, in their opinion, be properly met by a continuance without modification of the existing system, under which the several parts of the Empire may, and do, legislate with different results on many important matters in which uniformity is desirable. The introduction of the Commonwealth Bill and the recent passage of a comprehensive Act in New Zealand have led His Majesty's Government to the conclusion that the time has now

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"come when the whole situation should be reconsidered in the light of the experience of the ten years since the Merchant Shipping Act, 1894, was passed." In paragraph 5, "the legal and constitutional questions concerning the scope of the powers enjoyed by the Colonial Legislatures under the Merchant Shipping Act, 1894," are referred to. Now, if in these paragraphs which are cited, and in others, it is not clearly the intention of the Colonial Secretary to call a Conference, and to give that Conference power to discuss all those matters upon which it is necessary or desirable that there should be uniformity, then I am bound to say that I have been unable to understand what they do mean. It appears to me quite clear that amongst other things uniformity was not intended, and could not have been intended, to have been secured merely by suggestions as to modification of our legislation alone, but by modification of the legislation of Great Britain, if necessary. What you said the other day, Mr. President—namely, that there was no reasonable or probable chance of there being any further alteration of the British law for the next twelve or twenty years—after calling this Conference together to consider the question of the necessity of arriving at uniform legislation, as far as possible, struck me as very extraordinary. We are told by the President of this Conference that there is no reasonable chance of any alteration in your laws—because, you say, it is impossible to get it from Parliament—during the next twelve or twenty years. I would ask you, sir, what useful purpose this Conference could possibly serve when this is the attitude taken up by one partner of the Empire—the predominant partner. If this Conference is called merely for the purpose of teaching us, or telling us, what Great Britain would like us to do, I maintain that that could be done quite as well in a despatch, and would have had quite as much effect. I feel very certain that if we go back—

SIR WILLIAM LYNE: I think you will find this is carried in the resolutions as they are now.

HON. W. M. HUGHES: We were told by the President (when it was proposed to secure uniformity in the only way in which Conferences are expected to do—namely, by the mutual adjustment of repugnant laws) that Great Britain had done all that she intended to do for the next twelve or twenty years. I venture to say that the Commonwealth Parliament will not be able to reconcile this statement with the alleged anxiety of Great Britain to arrive at something acceptable to the Empire. Because I do say, sir, that I am sure we cannot, at a Conference, even discuss anything upon the basis that Great Britain is here to stand fast on a rock, and that the various other component parts of the Empire are to give way at her suggestion. If any suggestion we make is simply built upon the sand, and by your own statement—which we are to assume, of course, is the attitude of the Imperial Government—you do not intend to do anything for the next twelve or twenty years, I think that is in the last degree unsatisfactory. Supposing we were to take up that attitude? Contrast it, indeed, with what we did do. As soon as we got your despatch, we absolutely put aside the Bill. The Commission, instead of recommending the Bill be gone on with at once, sent in an interim report (the Commission still exists) in order to see what the Home Government would do. We come here, and we find that in the interim you have passed a Bill in Parliament embodying some of our suggestions, but by no means all of them, and then you say, before the Conference meets, that that is all you intend to do for the next twelve or twenty years. Now, I venture to say, sir,—

SIR JOSEPH WARD: I do not think that that is what was said.

HON. W. M. HUGHES: I am quite positive that was what was intended.

SIR JOSEPH WARD: I did not understand anything of the kind.

THE CHAIRMAN: This is all beside the mark, Mr. Hughes. I do not think you are quite treating the Conference fairly in this matter. You are simply addressing me on a point of order. I am very, very loth to interrupt your observations. Of course, we are all very anxious to conduct the Conference as fairly as we possibly can, but I must say I think you

have gone far beyond the point of order which you intended raising, and I am sorry, because it will necessitate my saying just one or two things. I will have, for instance, to correct one observation that you made—that I said nothing could be done for the next twelve or twenty years.

HON. W. M. HUGHES: Will you allow me to add to that what I partly said, but perhaps should have amplified? The reason, you said—and you appealed to the shipowners—was that the difficulties of getting the Bill through the House of Commons were such that you might say that there had not been anything done for the last twelve or twenty years (1894 to 1906 or something of that kind), and you thought you were safe in saying—although I would not like to say that these are the actual words you used—that nothing could be done for the next twelve or twenty years.

THE CHAIRMAN: Would you mind telling me what that has got to do with the point of order you are raising? The point of order you are raising, allow me to remind you (because it is such a long time ago), is on the motion that the Australian conditions shall apply to Fiji. Well, we have travelled a good long way from Fiji now. Would you mind confining yourself to Fiji for the moment?

HON. W. M. HUGHES: I shall be very pleased to show you the relevancy of what I have been saying to the motion. The relevancy of it is this—that this Conference has power under the despatch which has called it to deal with questions which may modify the shipping legislation of Great Britain. Now, the shipping legislation of Great Britain—

THE CHAIRMAN: I beg your pardon; it has nothing to do with that. It is purely a question of whether Fiji or the Islands of the Pacific should be regarded as within the home limits of Australia. Now, that is not shipping legislation; it is a great Imperial question, but it has nothing to do with shipping legislation.

HON. W. M. HUGHES: It is not shipping legislation by you, but it is shipping legislation by us, and the objection to shipping legislation by us is that it might involve you. Supposing we said, "Well, this trade shall be confined exclusively to British ships." Obviously that would involve you in international trouble with other Powers; therefore it is a matter which vitally concerns British legislation and ours. And because of that, I say, the powers of this Conference are wider than you have stated. You say we have no power to deal with this, that, and the other. I wish to point out to you that we have power, or ought to have power, within the scope of the despatch, to deal with these matters; as to whether it is expedient to do it, that is another matter, but you were ruling me out, Mr. President, with all fairness to me, because the Conference had no jurisdiction. Now, if the Conference had jurisdiction, then perhaps you will say that it is inexpedient to deal with it, or that we have not the time to deal with it, or that a Conference later will deal with it; but to say that we have not jurisdiction, I submit, is not borne out by the tenour of the despatch.

SIR WILLIAM LYNE: Mr. President, I have listened to Mr. Hughes very carefully, and I think there is something in one part of his remarks that should be considered. What I want to ask you, sir, before you decide what you will do in regard to this, or any other matter, is that you will have consideration to the invitation which brought us here, a very long way, because I can assure you that unless we had thought we were going to deal with most of the questions, we would not have come. Therefore, if an impression is left in the minds of the Australian people by any decisions you may give in ruling questions out of order that we conceive we ought to deal with, it would be very unfortunate. That is all I wish to say on that score. But I want also to point out that I think this matter is already dealt with under two resolutions: Resolution 5—"That the conditions imposed by Australian or New Zealand"—

THE CHAIRMAN: Which is that?

SIR WILLIAM LYNE: Resolution 5, as regards manning:—"That the conditions imposed by Australian or New Zealand law as regards manning should only apply to vessels registered in those Colonies or engaged in their coasting trade." That was a reso-

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lution that was passed when I was absent, and I asked if it was to terminate there, and you said, No—that that would be subject to any decision as to what coastal trade was. Then, in Resolution 9 (which is an amendment to a resolution I gave notice of) these words are used, which interpret what coasting trade is:—“That the vessels to which the conditions imposed by the law of Australia or New Zealand are applicable should be (a) vessels registered in the Colony while trading therein, and (b) vessels wherever registered while trading on the coast of the Colony.” That is, if any British vessel is trading on the coast of the Colony under these conditions which are referred to, immediately the manning scale deals with that vessel. Now, this is the provision that is made:—“That for the purpose of this resolution a vessel shall be deemed to trade if she takes on board cargo or passengers in the Colony, carried to and landed or delivered at any other port in the Colony.” Therefore the manning scale—

HON. DUGALD THOMSON: Not the manning scale—the manning.

SIR WILLIAM LYNE: I beg your pardon—the manning. That was my object in asking that question on No. 5, to see that this question came in afterwards, which could be read in conjunction with No. 5. It seems to me that that deals with this question (except in one particular) which Mr. Hughes has given notice of. His resolution is: “That this Conference approves of the principle of a manning scale applicable to all British, Australian, and New Zealand ships.”

HON. DUGALD THOMSON: That is not the one which is being discussed.

THE CHAIRMAN: Mr. Hughes has been arguing both.

SIR WILLIAM LYNE: Yes, but it is with a difference. I think, as far as I can judge, we are practically in a position, under the two resolutions that I have referred to, to be able to deal with every ship that trades along our coast. That is my impression; I may be wrong, but I think so.

HON. DUGALD THOMSON: On the coast, yes.

SIR WILLIAM LYNE: A British vessel trading on the coast.

HON. DUGALD THOMSON: Yes.

MR. COX: I really do not know that it is while she is on the coast—while she is engaged in the coasting trade, I suppose you mean?

SIR WILLIAM LYNE: I am speaking of the coasting trade. If she is on the coast, and does not do our trade at all, I do not think anyone is asking that we should have power to deal with her then.

MR. MILLS: That does not apply to vessels proceeding from Sydney to the Islands. That is not coasting trade.

SIR WILLIAM LYNE: While she is within territorial waters.

THE CHAIRMAN: I think this point of order has been very adequately discussed. Mr. Hughes has very fully put his views forward. But let me say at once that there is no attempt to rule out anything which it is important should be discussed between Australia, New Zealand, and ourselves, in so far as shipping legislation is concerned. The resolutions we have already carried show that we have dealt very exhaustively with many of these subjects. Here is “survey,” “scale of provisions,” “inspection of provisions,” “accommodation of crew,” “manning,” “accommodation conditions and existing ships,” “rating,” “officers”; resolutions with regard to the coasting trade; resolutions with regard to through tickets. And we are going on to discuss questions about articles of agreement, about lascars, and about British sailors. Well, now, surely, I do not think Australia would complain that we have ruled out anything that ought to be discussed.

SIR WILLIAM LYNE: It is only that I do not desire that you should put yourself in the position that they would blame us through you. That is what I do not want.

THE CHAIRMAN: I do not think they will. I observe from a telegram in the “Times” to-day that they are very satisfied, so far, with the resolutions adopted. That is a telegram which comes from Sydney. I do not think Australia is likely to complain at all about the topics we have discussed, or the conclusions we have come to. Let me say another thing before we come to the point of order. I think it is necessary, as it will appear on the notes. Mr. Hughes has taken rather an unfair advantage of an observation I made, I think, with reference to the manning resolution. I pointed out the great difficulty of carrying through Parliament an Imperial Bill. Our difficulties are much greater than yours.

HON. W. M. HUGHES: There are more of them; they are not greater.

THE CHAIRMAN: After all, we are looking after some hundreds of millions of people in the Imperial Parliament. The responsibility is upon the shoulders of the Imperial Parliament, while, on the other hand, you have, I think, about five millions. I have not the exact details of the population before me.

HON. W. M. HUGHES: But we have not such a majority as yours.

THE CHAIRMAN: Not only that, but you have got four or five legislatures apart from the Commonwealth Legislature. Unfortunately, owing to our arrangements, we have nothing corresponding to that, and the whole work is cast entirely upon the Imperial Parliament here. We have to look after all things, great and small, and it is exceedingly difficult to get a Bill on any subject through the Imperial Parliament. If Mr. Hughes had had the experience of Imperial Parliament which I have had, I think he would realise that there was a good deal of justice in the observations which I made. But I never said that nothing could be done for 12 or 20 years. On the contrary, since Mr. Hughes made that observation, I have been going through these resolutions; they are very far-reaching, some of them, and they involve something to be done by us, and we can do it in a great many cases without legislation. The survey, for instance, can be done without legislation; that is a matter of enormous importance, and it can be done by administration and by rules. We have great power of making rules. It is one of the expedients which we have to resort to owing to the great congestion of business in the Imperial Parliament—we have conferred great powers upon the different Departments, all making rules subject, of course, to the right of Parliament to challenge them. Therefore, it is not correct to say that I said nothing could be done for 12 or 20 years. We are prepared to meet you, and we are going to accept these resolutions in good faith, and in so far as we can, we are going to carry them through, and I do not think we shall give any legitimate cause for complaint, either to the Commonwealth or to New Zealand, in that respect. I am bound to say that, because I want to put it on the notes, having regard to what Mr. Hughes has said. We mean to carry out all the pledges we have given to this Conference.

Now let me say this with regard to the point of order. All I say with regard to that is, that this is not a Conference at which you can discuss a question of jurisdiction. As Sir William Lyne has so very well pointed out, in so far as merchant shipping legislation is concerned, it is covered already by the two resolutions which he has quoted. If there is any point which Mr. Hughes wishes to raise outside those two resolutions, then we come to the very great question of jurisdiction, and it raises constitutional issues which will involve the Colonial Office, and which will involve Foreign Powers, and which ought to be discussed at the great Imperial Conference which will meet, I think, next week. Now, so far have the Australian representatives realised that, that I think a notice has already been placed upon the papers to discuss it at the Imperial Conference. Now I do not mean to say that it will be impertinent for us to anticipate that Conference, but I do not think it will be expedient that we should do so. I will put it on that ground—on the ground that I think it is outside the purview of this Conference to discuss a large question of that kind, because it is really a question of the right of the Australian Commonwealth to treat Fiji and the Pacific Islands as home trade—that is, if anything more is intended by Mr. Hughes than is already covered by

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the resolutions urged by Sir William Lyne. My own opinion is, that they amply cover the whole ground, but if Mr. Hughes intends anything more, I am certain it is a great Imperial question that must be discussed elsewhere. That is my view as to the point of order.

HON. W. M. HUGHES: I am quite satisfied if you put it on the ground of expediency.

MR. HAVELOCK WILSON: I would like to assure Mr. Hughes on this point with regard to the observation which you made, sir, about there being no legislation for some years to come. I feel sure you did not intend to say that legislation was going to be shut out, because we shall take good care that, as far as we are concerned as representing the seamen, there will be no rest until we get a manning scale. I am certain the President will agree with me on that point.

THE CHAIRMAN: No one knows better than Mr. Havelock Wilson that it is the case that in the Imperial Parliament there is very great difficulty in getting any considerable measure through.

MR. HAVELOCK WILSON: I know how difficult it is to get a Bill through, but that would not stop us from fighting and agitating until we got it through. Mr. Hughes may rest quite assured as to that.

THE CHAIRMAN: There have been at least 50 Bills within the last few years carried by huge majorities up to the Second Reading, which could not go any further because there was not any time. For instance, the Light Dues Bill is a case in point. A Bill has been carried through Imperial Parliament up to Second Reading dealing with the Light Dues, and it could not be carried any further for want of time.

HON. W. M. HUGHES: What you have just said does not apply to No. 2.

THE CHAIRMAN: It applies to No. 2 on the ground which was pointed out by Sir William Lyne, that that is really covered by resolutions 5 and 9. That is not the sole ground. In addition to that, we could not consider here the question of manning for British ships—because that includes manning.

MR. HAVELOCK WILSON: Substitute "English."

THE CHAIRMAN: We could not recommend for Canada and Natal when they are not present—in fact, it would create very great unpleasantness.

HON. W. M. HUGHES: I must be allowed to say on that head—and I will say no more—that I do claim the same right here, to make a recommendation as to what is, in our opinion, fit and proper to be observed in the British mercantile marine, as the British delegates have to make a recommendation in respect to the Commonwealth mercantile marine. I am not speaking of Canada and Natal—I am speaking of the British mercantile marine belonging to Great Britain and registered in Great Britain. I say there are thousands of Australians—millions—that never come near Great Britain, and we claim the right of making—

THE CHAIRMAN: I thought I had made it clear that if you confined it to the United Kingdom I could not rule it out.

HON. W. M. HUGHES: I beg your pardon.

THE CHAIRMAN: I could not rule you out in that case. The resolution in the present form—No. 2—I could not rule out if you confined it to the United Kingdom, but you cannot have a recommendation for the whole Empire, and that is the form in which you have placed it upon the paper.

HON. W. M. HUGHES: To what part of it do you say I can address myself?

THE CHAIRMAN: If you confine it to the United Kingdom, Australia, and New Zealand, I cannot rule you out there.

HON. W. M. HUGHES: I beg your pardon; I did not understand that. Then I will be very brief. What I wish to say is this. I will make that alteration. It will read then—"Applicable to all vessels"—

MR. HAVELOCK WILSON: "All vessels registered in the United Kingdom, Australia, and New Zealand."

HON. W. M. HUGHES: Yes, those words will suit me very well.

HON. DUGALD THOMSON: In regard to that resolution, may I point out that the Chairman of the Australian Royal Commission is exceeding now the recommendation of the Commission.

HON. W. M. HUGHES: Oh, no doubt that is right enough. I am here now representing the people of Australia in my own way.

HON. DUGALD THOMSON: It was decided by that Commission—and the Chairman of the Commission was a party to that decision—that the manning scale should only apply to ships registered in Australia, ships licensed to trade on the coast and ships continually trading.

HON. W. M. HUGHES: Of course, but that is Australian legislation.

HON. DUGALD THOMSON: That is the recommendation, and as Mr. Hughes has said, it is the recommendation of that Commission which forms at any rate one great reason for this Conference. I am prepared to hold by the recommendation of the Commission in that respect, but a manning scale fixed by some formula has not yet been shown to yield equitable results—to my satisfaction, at any rate. So far as our evidence went at any rate, no manning scale has yet been produced which does not yield most extraordinary inequalities. With regard to the manning scale for the stokehold that has been proposed in the Australian Report, taking 100 vessels on our own coasts, it yields, as regards 50, extraordinary discrepancies up and down from the present manning, which manning is agreed to by the men and by the masters. Consequently, no scale has been produced as yet to show, to my satisfaction, that you can by a scale fixed on a certain formula, arrive at any equality.

HON. W. M. HUGHES: I do not wish to interrupt Mr. Thomson, but I thought it was usual, when a man moved a motion, for him to be allowed to speak on it first.

HON. DUGALD THOMSON: I thought you had stopped.

HON. W. M. HUGHES: I stopped because you went on.

HON. DUGALD THOMSON: Excuse me; I do not think Mr. Hughes will accuse me of interruption.

HON. W. M. HUGHES: No; I thought you were going to take a point of order.

THE CHAIRMAN: Mr. Thomson has been addressing the Conference on merits.

HON. W. M. HUGHES: I will let Mr. Thomson finish now.

HON. DUGALD THOMSON: I have only a few words to add. I do not know what Mr. Hughes means by that motion. I do not know whether he means a Manning Committee, which will deal with every vessel, or whether he means a scale applicable by formula to every vessel, but if it is to be not a committee or the Board of Trade dealing with every vessel on its own merits, but a scale which is to apply universally to all vessels according to a certain formula, then I say that before we decide in favour of that, in the interests of the Empire and of Australian shipping, we ought to have a scale produced which will give effective and equal results. Until that is produced, I cannot support manning scale based on formula, if Mr. Hughes means that.

HON. W. M. HUGHES: Well, Mr. Chairman, all I wish to urge is this. Everything that can be said in favour of a manning scale has been, I presume, said over and over again. I do not wish to say more than that in my opinion it is very necessary to have a basis of some kind. I admit everything that Mr. Thomson said about the extraordinary difficulty, and, indeed, in many cases, impossibility, of fixing an effective or suitable scale, but at the same time, one ought to be fixed. There ought to be some basis, and the Royal Commission has recommended what it considered a reasonable and practicable one. To deal with anomalies it suggests the appointment of a committee; and I see that in your last Act, Mr. President, you have appointed a

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committee very much upon the lines the Commission suggested. We call our committee a committee to adjust anomalies. Its functions will be to determine how many men are sufficient to man a ship in the case of a new type of ship, or where there shall be a complaint by the shipowners that there are too many men, or by the seamen that there are too few. We consider that it is impossible to lay down a hard-and-fast scale for all ships. I admit that that is impossible.

**THE CHAIRMAN :** That is a very important admission, but could you put it rather into your resolution, because that looks as if you had a hard-and-fast scale in your mind.

**SIR WILLIAM LYNE :** That is the troublesome part of the resolution.

**HON. W. M. HUGHES :** Allow me to explain. One cannot put everything in a resolution. I was just going to explain it. You will see that in our Report we speak about the difficulties urged by those who gave evidence before us, and we have thought that those difficulties might be avoided if we appointed a committee to adjust anomalies.

**SIR WILLIAM LYNE :** Do I understand that that has been already done by the Imperial Government?

**HON. W. M. HUGHES :** If you will allow me just to go on for a moment, what I do say is this. I strongly urge that the British mercantile marine in general ought to have the benefit of a scale of manning, just as they have a scale of provisions, and a number of cubic feet of air space and accommodation, and so on. There ought to be a minimum number. They ought not to be permitted to send ships to sea undermanned. I do not say that they do so habitually, but I say they do so occasionally. They are not undermanned in the technical sense of the word, but they are not efficiently manned. Now you have, Mr. President (I think very wisely, indeed) taken care, under your new Act, to insure the competency of seamen by insisting upon their having served a certain period at sea. They cannot be A.B.'s now merely by the production of a discharge, if I understand the matter rightly. But that is no good unless you have sufficient numbers. In the Australian Parliament, I feel sure the majority will support a manning scale. I should like to say that I feel thoroughly with Mr. Thomson that it is extremely difficult to fix upon a scale, but the appointment of a committee, such as I have referred to, does away with a great many, if not all, of the objections.

**HON. DUGALD THOMSON :** There is no difference of opinion with regard to the ships being properly manned.

**HON. W. M. HUGHES :** The difficulty is to get just what is enough without having too many, and I wish to say myself, as an Australian, that all we desire is to see this salutary principle enforced upon all British ships, because we believe the British mercantile marine is not only one of the chief, if not the chief, industries of the State, but that its Imperial significance can hardly be exaggerated.

**THE CHAIRMAN :** Do you recommend a scale in your Report?

**HON. W. M. HUGHES :** We do.

**HON. DUGALD THOMSON :** The majority recommend a scale, but the minority take exception to it.

**HON. W. M. HUGHES :** Mr. Thomson was very careful to say that he did not assent to this, and he was perfectly right to do so. We have it here, on page 29, in my volume; the paging is different in yours, but you will find it under the heading of "Manning," No. VIII. In that, we deal with officers. We lay down a scale for officers, and then we lay down, further on, a scale for seamen, and for the engine room—for engineers and for stokers. Now I want to say this, with regard to the stokehole. We recognise a very great difficulty there, and we have recommended a coal-consumption basis, and if the Conference cares to do so, although I would not suggest that it should do anything more than consider the principle, subject to this qualification which I have made mention of—namely, the appointment of a Committee to adjust the

anomalies and to deal with particular cases—I do most emphatically press that as a rider to my bald resolution here. I say that the very difficulty that you have stated, of getting legislation through the House of Commons, ought to be a reason why this Conference should approve this resolution to strengthen the hands of those who are desirous of bringing the British mercantile marine up to the mark, and putting it upon a satisfactory basis. Our Commission said: "The decline of seamen is principally owing to the bad accommodation, insufficiency of the number of men employed," and so on; and we consider that one of the methods to insure their competency, and that there is a sufficiency of them, would be to give them comfortable decent quarters. For those reasons, I move this resolution.

**MR. HAVELOCK WILSON :** Mr. President, I support Mr. Hughes in this resolution, and I do so because I have given very considerable attention to the question of manning. I was also a member of Sir Edward Reed's Committee, and no doubt the different members present have had the opportunity of reading Sir Edward Reed's Report. It will be noticed that amongst the majority who signed the Report in favour of a manning scale, was one of the principal shipping owners of the United Kingdom—Sir Francis Evans, representing the Union Castle Line—and the majority Report was also signed by the Nautical Adviser to the Board of Trade, and also by the Secretary to the Board of Trade. This question of manning, I think, ought to be taken up. It does not affect the seamen so much on the larger vessels as it does on the ordinary tramp steamers. Now I know that it is a common practice with a tramp steamer to commence a voyage from the Tyne to the Black Sea with no intention whatever to proceed through the Suez Canal. When they get to the Black Sea, they sometimes get a charter to proceed from there to Bombay. Now they have only sent five or six firemen to do the stoking work, which they may be able to do in cold weather, but when that ship commences to go through the Suez Canal, those five or six men are expected to do the same work in tropical climates as they would have had to do in the cold climates. There are no extra men taken on board. Then, again, another thing to be taken into consideration, is the difference in the quality of the coal. They may get a class of coal in the United Kingdom with which it is perfectly easy for five men to maintain steam, but when they get out East and get an inferior kind of coal, it is simply "blood for money," for those men to have to do the work. In my opinion, this question should have been dealt with long ago, after a recommendation of a Committee in the year 1896, and here we are in 1907, and nothing has been done by our Parliament. I certainly support Mr. Hughes's resolution, because if Australia and New Zealand have thought it possible to have a manning scale, I have no doubt they had good reasons for making such a recommendation; and, as a matter of fact, I am informed that the manning scale is in operation in New Zealand already. The shipowner says "You cannot make a manning scale." Well, my reply to that is, how does the shipowner regulate the manning at the present time? It is all done by rule of thumb. One shipowner says five seamen are sufficient; another shipowner—a little more liberal—says, "I will give them seven." But I do not think men ought to be called upon to do excessive work without any regulation whatever. And may I also say this to the Conference, without taking up a great deal of time. Probably they are not aware of the large number of firemen who commit suicide on board of British ships—not only the British seamen, but the Lascar seamen and the Chinese, very often. If members of this Committee were to read the Board of Trade Returns of the deaths that occur on board British ships, they would see every month, probably, 15 to 20 men who commit suicide—they come up from the stokehole and jump right overboard. Mr. Norman Hill shakes his head, but all I can do is to refer him to the monthly Return of the Registrar-General, and he will see there this Return of men disappearing. Certainly, I say suicide; that may be—

**MR. NORMAN HILL :** 15 or 20 a month?

**MR. HAVELOCK WILSON :** I said 15 or 20 a month.

**MR. NORMAN HILL :** A month?



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MR. HAVELOCK WILSON: Yes, a month. You will not find it there, but if you refer to the Return of the Registrar-General of Shipping and Seamen, you will find there the deaths on board of ships; you will see the causes of disappearance—"jumped overboard," and so on. Well, I say that that is due to excessive work, and that it is not right to leave a shipowner to regulate that business in his own way. I say, that the State ought to come in and say when a man is overworked and when he is not. Now, the Committee, which considered this question very carefully, said they would fix a scale with regard to the stokehole on the consumption of coal, and I think that is the best basis on which it could be regulated. In tropical climates, if a man stokes 2½ tons of coal every 24 hours, he has done very well. In cold climates he might do 3½ tons, but that means that in reality it may be 5 or 7 tons, because he has got to trim the coal from the bunker on to the plate, and I do support the recommendation of Mr. Hughes for the adoption of a proper manning scale.

SIR WILLIAM LYNE: I should like to say one word, please, because I must go.

THE CHAIRMAN: I was going to suggest that we should adjourn now for luncheon. I think this would be a suitable time for luncheon.

SIR WILLIAM LYNE: I should like to get over my one word first, if you will allow me, because I may not be able to get back to the minute. It is a matter more for the British members than for the Australians, although, of course, we are all anxious about it. I think we, as Australians, have got, in the other two resolutions, really what we were aiming at, but I am still of opinion that it would be a good thing for the British Government if they could get something similar. For that reason, I feel inclined to vote for the words as altered now.

THE CHAIRMAN: Have they been altered?

SIR WILLIAM LYNE: The words have been altered to "United Kingdom," I think it is, instead of "British."

THE CHAIRMAN: Yes, that is right.

SIR WILLIAM LYNE: It is not a matter I should have brought forward, perhaps, but I would not like it to be understood that I am not in favour of all conditions of this kind. In this particular case I shall vote for it for that reason, but I think that, as far as we are concerned, we have got a great deal already in those two resolutions.

(The Conference adjourned for luncheon.)

THE CHAIRMAN: I think we might proceed with the discussion now. We will take the shipowners' case.

MR. BELCHER: Before the shipowners are called upon to express an opinion in connection with this matter, perhaps I may be permitted as one of the representatives from New Zealand—

THE CHAIRMAN: We have heard the case of the seamen presented by Mr. Havelock Wilson and by Mr. Hughes. I thought we would then hear what the shipowners have to say, and then, of course, the debate will go on afterwards.

MR. BELCHER: Very well, sir.

THE CHAIRMAN: The debate will not conclude. Then I should like the representative of the Board of Trade, Captain Chalmers, to give the official view of the matter. Then it will be thrown open for general discussion.

MR. BELCHER: As long as you give me an opportunity of speaking.

THE CHAIRMAN: Oh, certainly. Now, Mr. Norman Hill.

MR. NORMAN HILL: With regard to the motion before the Conference I would wish, for the shipowners, to make it perfectly clear that we recognise to the fullest extent that efficient manning is one of the elements of seaworthiness. By efficient manning we

mean such manning as is necessary to secure the vessel being a seaworthy ship. We do not take into our consideration—and so far the legislation of this country has not taken into consideration—questions of labour; it has left that to be settled as between the masters and the men. But without any reservation we agree that a vessel that is insufficiently manned from the view of safety is not a seaworthy ship. Starting with that as our standpoint, we object entirely to the resolution, and I think we need only refer to one observation made by Mr. Hughes in moving it to justify our objection. Mr. Hughes, you will recollect, said that it was absolutely necessary that his resolution should be qualified by giving to the Executive the power to deal with special ships. Now, to our mind, from the manning point of view, every ship is a special ship. You can no more lay down hard and fast scales for manning for what is efficient manning for the purpose of seaworthiness, than you can lay down hard and fast rules with regard to the load line. Every vessel must be judged on its own merits. We quite recognise that the Executive, in enforcing the law as it exists in this country, has power to stop any vessel which by reason of undermanning it believes to be unseaworthy. We quite recognise that the Executive, in giving instructions to its officers, must lay down in general terms some scales, but those are very different from Statutory Scales. We have suffered too much in this country from the enactment of Statutory Scales, which we have stood year after year notwithstanding the fact that the class of vessels to which they are applied has entirely changed. We know that this kind of Statutory Scales must effectually retard improvement and development, as much as they punish reckless and improper action on the part of the shipowner. If the Executive in its instructions to its officers, gave for their guidance certain rules or certain regulations, we could go to the Executive and could show that we have introduced improvements; we could show that what was necessary to-day will not be necessary for the new ships of to-morrow. Therefore we feel most strongly that anything in the nature of a hard and fast scale is to be fought against to the utmost of our ability, both in our own interests and in the interests of the country. There is one other point we would like to refer to, and that is the basis put forward for the manning scales which has been adopted by the New Zealand ships and which was certainly suggested by the Australian Commonwealth in the Commonwealth Bill. Both those scales with regard to seamen you will note are based on the net registered tonnage. Now there is a controversy which is giving you a good deal of trouble at the present time in this country from which you will have gathered that the net registered tonnage has no real reference to the size of the ship. May I suggest one other point with reference to manning in the engine department. The suggestion is that in the Commonwealth Bill it was based on the grate surface, the grate area. You will see in the Bill they treated one man as sufficient to work 18 feet of grate surface at ordinary draught and 14 feet at forced draught. You see there at once if you try to fix any scale of that kind the disturbing factor introduced by the mechanical arrangements of the ship. The scale assumes that, working not under forced draught, a man can take care of 18 feet, and that if he is working under forced draught he can only take care of 14 superficial feet of that area. At once you see the disturbing element introduced by the mechanical arrangements of the draught. Now, sir, that is one disturbing factor which is in existence to-day, and which is recognised by the Bill. The report of the Royal Commission abandons the idea of grate surface, and suggests it should be on coal consumed. No consideration is taken of the conditions under which that coal has to be brought from where it is stowed into the furnace. When they were dealing with draughts they had a certain regard for the mechanical arrangement of the draught, but when they are dealing with the coal consumed they have no regard to the mechanical and labour-saving appliances which are involved, and the position of the bunkers, and I will appeal to any practical man here whether on all ships under all conditions he would be of opinion that three tons was a reasonable work for the man. It must depend upon the nature of the work he has to do. In other words, I go back to my first and my only point, that is that each particular ship, as to its manning, has to be judged by itself. That is our reason. If I may end as I began, we admit to the full that efficient manning is necessary to seaworthiness, but it is only by judging the particular ship that you can say what crew that vessel must have on board to secure that seaworthiness.

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SIR WILLIAM LYNE: Whom would you appoint to make that?

MR. NORMAN HILL: Here the Board of Trade has authority to stop any vessel which by reason of undermanning is, in the opinion of the detaining officer, unseaworthy. That has been enforced since 1897.

MR. HAVELOCK WILSON: Not in the stokehold.

MR. NORMAN HILL: If there is any deficiency in the manning of the stokehold which makes a ship unseaworthy.

SIR JOSEPH WARD: It is not found out until the ship is at sea.

MR. NORMAN HILL: That is for the Board of Trade. Our Parliament has placed that responsibility upon the detaining officer.

MR. HAVELOCK WILSON: I should like to ask if Mr. Norman Hill can give us a reference to where the Board of Trade has power to interfere with the stokehold.

MR. NORMAN HILL: If it affects seaworthiness. We believe that it would be bad policy to introduce any system based on manning scales.

SIR WILLIAM LYNE: What do you mean by the term "seaworthy"?

MR. NORMAN HILL: If the vessel can be navigated with safety to the life and property on board.

SIR WILLIAM LYNE: Even supposing one man has to do two men's work?

THE CHAIRMAN: The real difference is not one of principle. Mr. Norman Hill, on behalf of the ship-owners, admits the principle of the right of the Government to interfere with the manning of ships, but he objects to a rigid scale.

SIR WILLIAM LYNE: I fancy I understand that.

SIR JOSEPH WARD: I wish to ask Mr. Hill if the remarks he made just now apply to the New Zealand shipping law.

MR. NORMAN HILL: Yes. Can you and do you apply the scales in your Act to many of the existing types of vessels which are now working?

SIR JOSEPH WARD: In our case we give a minimum only.

MR. NORMAN HILL: You give a minimum, but are there not at the present time many vessels engaged in your trades which could not with safety be worked on that minimum—new vessels? In other words, are there not now many vessels which necessarily have to carry much greater crews than you provide for?

SIR JOSEPH WARD: We have a minimum.

MR. NORMAN HILL: But if there are vessels now in existence which cannot be safely navigated on your minimum, your Act is a delusion and a snare.

SIR JOSEPH WARD: We insure that under certain conditions not less than a certain number of men should be carried. If the vessel, in the opinion of the owner or anybody else, should have more, that is all right. All we wish to go for is the preservation of a minimum.

MR. NORMAN HILL: It does not secure safety.

SIR JOSEPH WARD: We do not go into the question of tonnage or anything at all of that sort.

HON. DUGALD THOMSON: A certain horse-power?

SIR JOSEPH WARD: Yes.

MR. NORMAN HILL: Unfortunately the minimum becomes the standard down to the point at which it is fatal to development and improvement, and it encourages bad ship management.

SIR JOSEPH WARD: We are so content with our laws that I do not want to interfere with them. In our case it works very well.

THE CHAIRMAN: I should like Captain Chalmers, on behalf of the Board of Trade, to say a word about this before the debate proceeds.

CAPTAIN CHALMERS: There was a Committee appointed by the Board of Trade, which sat in 1894 and 1895, and that Committee reported. The majority report and two or three of the minority reports practically supported this in substance, with regard to the manning of the deck: first of all that the Government should pass an amending Act and constitute undermanning as a source of unseaworthiness, as well as overloading and defective equipment and machinery. That was done. Then the recommendations of the majority report were adopted with regard to the minimum number of deck hands which should constitute undermanning; that was that if there were a sufficient number of hands on deck, in addition to the officer of the watch and the master, to be divisible into two watches, having one at the wheel, one at the look-out, and one about the decks to trim the lamps or do anything that was needed, no vessel which came up to that standard should be deemed unseaworthy. That was adopted, and the regulations put forward in a circular by the Board of Trade.

SIR JOSEPH WARD: Do I understand that that applies to cargo and passengers alike, to all but emigrant vessels?

CAPTAIN CHALMERS: It applies to all except emigrant ships.

SIR WILLIAM LYNE: Do you think that three men would be sufficient on a ship?

CAPTAIN CHALMERS: We who have had control of the largest mercantile fleet in the world consider it answers the minimum of safety—that it comes up to the standard of safety.

SIR WILLIAM LYNE: On a 6,000-ton vessel, or a 10,000 or 12,000-ton vessel?

CAPTAIN CHALMERS: While that ship is being navigated at sea it does not matter whether she is 3,000 tons or 10,000. What we have to consider is such undermanning as will cause serious danger to life, and with regard to the exigencies of navigation, with a hand keeping a look-out, a hand at the wheel, and a hand about the deck, the purposes of safety are covered. We have had an experience of over thirty-one years now; we have had the power to detain unseaworthy ships all this time; and our experience is based upon the constant diminution of both loss of life and property at sea, with the largest mercantile fleet the world has ever seen, and we are quite content with the results. We are quite content with it because we have a loss of life and property at sea which is proportionately far smaller than in the case of any other fleet in the world.

SIR WILLIAM LYNE: Do you think they only keep three men on deck? I know when I was coming here they had more than that.

HON. W. M. HUGHES: Have you done anything with the officers at all?

CAPTAIN CHALMERS: With regard to the officers, we have an officer on each watch.

HON. W. M. HUGHES: You do not do anything with reference to the boats? You do not have a competent person to each boat?

CAPTAIN CHALMERS: Among the life-saving appliances which these vessels carry, they have to carry on each side a lifeboat or lifeboats sufficient to carry all persons on board, so that if anything happens to that ship all the crew can get away in lifeboats. She has to have on each side of the ship a lifeboat capable of carrying all hands on board. If she has a list to one side, and has to be abandoned, there is the other side available. If both lifeboats are available, they can divide themselves and go in two boats.

HON. W. M. HUGHES: Is a competent person allotted to each boat?

CAPTAIN CHALMERS: That we leave to the discipline of the ship when she gets to sea. We do not interfere with regard to that because we find it is done in practice.

HON. W. M. HUGHES: Has your Department power to do that by administration, if you like?

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**THE CHAIRMAN :** Yes. I have been looking it up just now, and I certainly think we have. I think the powers are wide enough, even if we wished to impose a scale. I say this because I do not doubt it at all. As a lawyer, Mr. Hughes, you will see that under the Merchant Shipping Act, 1894, we have power to detain unsafe ships, ships which are unfit to proceed to sea without serious danger to human life, and that applies to machinery; and by the Act of 1897 the definition of unseaworthiness was extended to undermanning. There was no scale imposed.

**HON. W. M. HUGHES :** We have not got that Act of 1897. I should like to have a copy.

**THE CHAIRMAN :** We have issued instructions under the Act of 1897.

**MR. HAVELOCK WILSON :** Which section?

**THE CHAIRMAN :** There is only one section. We have simply extended the definition of unseaworthiness to undermanning. We can issue any instructions we like to our surveyors. We can impose a scale. We can say, "You must consider ships which have not got a certain number of men as unsafe." Take your point if you like; we can say we must have a certain number of men to each boat, and so on. It strikes me that we have very full powers without any legislation at all. There is no doubt about it.

**MR. HAVELOCK WILSON :** I would like that made clear. It only applies to the deck.

**THE CHAIRMAN :** You are quite wrong there.

**MR. HAVELOCK WILSON :** There has never been a regulation upon it.

**THE CHAIRMAN :** That is a question of the instructions which the Board of Trade issue, but we have the power without going to Parliament at all to extend that to all hands on deck.

**MR. HAVELOCK WILSON :** The stokehold, I mean.

**CAPTAIN CHALMERS :** May I say a few words with regard to the stokehold. With regard to that we have never interfered. When the articles of agreement are being signed, if the Superintendent finds that the master is signing on short of six deck hands he sends a notice to the detaining officer of the Board of Trade at once, and says, "This man is attempting to clear with less than the proper number." The Board of Trade detaining officer immediately goes to him and says, "If you attempt to go to sea with only five hands, I will detain you."

**MR. HAVELOCK WILSON :** On deck?

**CAPTAIN CHALMERS :** On deck.

**SIR JOSEPH WARD :** May I ask if any cases of that description have occurred?

**CAPTAIN CHALMERS :** We had numbers of cases during the first three or four years, about up to 1901, and invariably when the detaining officer interfered, the other hand, or the other two hands, were shipped. We never had a single ship detained, for the simple reason that they carried out the recommendations without detention. With regard to the stokehold, we have never found it necessary to interfere except in cases where suicides have been reported amongst the firemen. Invariably our practice in that case is for the owner to be approached, and it is pointed out to him: "We find that your stokehold is so manned that you seem to be putting an inordinate amount of work upon your men, that is to say, there are more than 3½ tons per man of coal being worked per day, and we consider that an unsafe standard, and you had better bring your manning up to that."

**HON. W. M. HUGHES :** Is that the standard observed by the Board of Trade?

**CAPTAIN CHALMERS :** It is the standard recommended by the report of the minority.

**HON. W. M. HUGHES :** Is that the standard which your Department acts upon?

**CAPTAIN CHALMERS :** We act upon that recommendation.

**HON. W. M. HUGHES :** I see.

**CAPTAIN CHALMERS :** I would like to read a clause in the Committee's Report:—"After full consideration of the evidence laid before us, and after regarding the subject from all available points of view, we have come to the conclusion that no British steamer of over 700 tons gross measurement ought to be allowed to proceed to sea from a British port with less deck hands than six, in addition to the master and the mates. Of the six deck hands, at least four should be A.B.'s. All the six men must be watchkeeping men, so that there must always be three men on deck in addition to the officer of the watch during the night watches." This is the Report of the Majority Committee, which Mr. Havelock Wilson signed.

**MR. HAVELOCK WILSON :** I would like to put this question to Captain Chalmers. What would the Board of Trade do in the case where the owners or the captain take two of the deck hands and keep them at work all day, and then in the night time there are really only two men in the watch? Would the Board of Trade say that that was not right?

**CAPTAIN CHALMERS :** We say it is not right, but we cannot follow a ship to sea.

**MR. HAVELOCK WILSON :** If a case was brought under the notice of the Board of Trade, where they had six deck hands and two of them were kept working on paint work all day, and then the look-out and the steering was done by the other men in each watch, would the Board of Trade say that that was right?

**CAPTAIN CHALMERS :** The only way that that would come before us would be in the case of a casualty, and if we ordered a Court of Inquiry into that casualty and the Court found this wrong disposition of hands had taken place, the captain or master might be censured by the Court and probably might lose his certificate for a certain time.

**SIR JOSEPH WARD :** That is only in the case of accident?

**CAPTAIN CHALMERS :** Yes.

**HON. W. M. HUGHES :** That would apply to long hours in the case of officers, too?

**CAPTAIN CHALMERS :** No.

**HON. W. M. HUGHES :** Supposing a casualty occurred as you say, and it was shown that an officer had been 16, 20, 24, or 30 hours on watch or on duty, that would be undermanning?

**CAPTAIN CHALMERS :** It would be open to the Court to find whatever they desired to find on the subject.

**HON. W. M. HUGHES :** As an expert you would say that was so?

**CAPTAIN CHALMERS :** I am loth to express an opinion, because such a case has never come before us in our Courts of Inquiry. We have never had a single case where a casualty happened through an officer being overworked, or alleged to be overworked.

**HON. W. M. HUGHES :** I have evidence here which I think ought to be brought under your notice. Here is a case of several collisions off the Australian coast, and they have all occurred or nearly all occurred when the officers have been on the watch for a very long while. There was the collision between the "Dovedale" and the "Silver Cloud"; the officer had been on deck for 30 hours. Another officer had been on deck 21½ hours, and another 57½. It was observed that quite a number of these accidents occurred within the first watch after the ship got to sea. They had been on duty all day, and the man had to go on after being up all night and all day. The ship started at 5 o'clock at night; it was his watch, and he actually went to sleep, and the collision occurred within four or five miles of the coast.

**MR. DUNLOP :** All these cases occurred in the coasting trade?

**HON. W. M. HUGHES :** Entirely.

**MR. DUNLOP :** You have ample power to deal with them?

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CAPTAIN CHALMERS: In our coasting trade we have never had a case. The only one was one which happened in the North Sea, in broad daylight. There were three hands and an officer on deck. They were painting the chart house, and the officer very unwisely went off the bridge to help the men paint the chart house, and a fishing craft was run down simply because he was not on the bridge. It was not because he was tired or sleepy, but doing something which he ought not to have done.

THE CHAIRMAN: Was his certificate suspended?

CAPTAIN CHALMERS: Yes.

THE CHAIRMAN: We have ample powers, subject to the appeal to the Court provided by the Act?

CAPTAIN CHALMERS: Yes, certainly.

MR. HAVELOCK WILSON: All on deck?

HON. W. M. HUGHES: Oh, no; I do not think so.

THE CHAIRMAN: No. Mr. Hughes will bear me out there.

HON. W. M. HUGHES: What Captain Chalmers has said with regard to the scale has impressed me very much with reference to the  $3\frac{1}{2}$  tons, namely, that they regard the  $3\frac{1}{2}$  tons, when the question arises of whether a ship is undermanned or not undermanned; they ask, "How many tons of coal a day are you in the habit of dealing with?" and if it is more than  $3\frac{1}{2}$  tons per man they consider that a *prima facie* case has been made out in favour of undermanning.

CAPTAIN CHALMERS: With regard to the other point, as to the suicides of firemen, I have the official return of the five years from 1901 to 1906 inclusive, and the total number of suicides in British ships amongst firemen and trimmers registered in the United Kingdom during that period was 152.

MR. HAVELOCK WILSON: Those are what are put down as suicides, but what about disappearances?

CAPTAIN CHALMERS: The disappearances which are put down as supposed suicides are 159.

THE CHAIRMAN: In five years?

CAPTAIN CHALMERS: Together, that is 311 in five years.

THE CHAIRMAN: It is about 60 a year.

MR. HAVELOCK WILSON: What about the deaths from excessive heat, heart failure, and so on?

CAPTAIN CHALMERS: On shore in this country the return of suicides is 250 to every million people. If you take that 60 a year and apply it to 120,000 firemen, it is a little higher.

SIR JOSEPH WARD: It is 480 to the million.

MR. HAVELOCK WILSON: Where are you going to get 120,000 firemen?

CAPTAIN CHALMERS: In the mercantile marine.

MR. HAVELOCK WILSON: You cannot get any such figures.

CAPTAIN CHALMERS: Yes, you do. The lascars are included.

MR. HAVELOCK WILSON: Even if you take the lascars in, you cannot get 120,000 firemen.

CAPTAIN CHALMERS: It is 120,000 from our official returns.

THE CHAIRMAN: Would this meet your view, Mr. Hughes? We prefer proceeding by something which is more elastic. We are agreed in principle. Would something of this sort meet your view:—"That this Conference approves of the principle of provisions to prevent dangerous undermanning, applicable to all United Kingdom, Australian, and New Zealand ships"?

HON. W. M. HUGHES: I see after what Captain Chalmers has said that it is the practice to impose some restrictions, and there is a scale, because there must be one man on the look-out, one at the wheel, and one with the officer on the bridge. I do not care how many—that is a matter for experts to speak about, not for me.

It is a matter which concerns each ship. You have a scale for officers, there must be a man to each watch, and there must be a certificated captain in all but the home trade cargo ships; and you could stop him if you liked because you might say, "This ship is not seaworthy because this man is incompetent." Then for the stokers you have the  $3\frac{1}{2}$  tons. So that there really is a scale.

THE CHAIRMAN: Not quite. That is a minimum. A scale runs up and down.

HON. W. M. HUGHES: Suppose say some official basis—that is all I care about.

THE CHAIRMAN: Our basis is unseaworthiness and danger to human life through undermanning.

SIR WILLIAM LYNE: Your practical basis is  $3\frac{1}{2}$  tons.

HON. W. M. HUGHES: Yes, for the stokers. And on the deck, one on the bridge, one on the watch, and one at the wheel. As to whether there should be seven at the wheel or 15, or a cwt. for each stoker, or 10 tons, that is a matter for argument as to the kind of ship and the kind of coal, and so on.

CAPTAIN CHALMERS: We call it a minimum standard.

THE CHAIRMAN: We can agree to your resolution in that form.

HON. W. M. HUGHES: You can put any rider you like.

THE CHAIRMAN: We do not quite like the word "scale."

SIR WILLIAM LYNE: I think after the remarks which have fallen from Captain Chalmers, we ought to put in the minimum  $3\frac{1}{2}$  tons.

THE CHAIRMAN: We could not do it.

SIR WILLIAM LYNE: That is what we propose in our Bill.

HON. W. M. HUGHES: Oh, no; I do not think we need put it in. That only applies to the stoker. We have evidence of the highest authority on this business, and he says  $3\frac{1}{2}$  tons, and our report says  $3\frac{1}{2}$  tons.

SIR WILLIAM LYNE: And our Bill says  $3\frac{1}{2}$  tons.

HON. W. M. HUGHES: We all say the same thing.

MR. HAVELOCK WILSON: The New Zealand law says horse-power.

MR. FERNIE: If you insert anything at all, it will prevent improvements being made which may come on later on. We may find a lot of improvements later on.

SIR WILLIAM LYNE: I certainly object to not having a minimum.

THE CHAIRMAN: Seeing we are substantially agreed in principle, would these words meet the view expressed:—"That this Conference approves of the principle of a minimum standard of manning applicable to all United Kingdom, Australian, and New Zealand ships"?

SIR WILLIAM LYNE: After the remarks of Captain Chalmers, what objection can there be to fixing it at  $3\frac{1}{2}$  tons, because that is what everyone seems to agree to?

MR. LLEWELLYN SMITH: We want elasticity.

HON. W. M. HUGHES: That only applies to stokers. My opinion is worth nothing as compared with Captain Chalmers's. To say that three men are sufficient to keep watch, which is all the scale says, is on the face of it insufficient, does not say anything at all, because you might send a ship of 10,000 tons to sea with only 12 men or 9 men, and that we say is quite inadequately manned. However, I am not going to say that you would allow a ship so manned to go to sea. But the  $3\frac{1}{2}$  tons is different altogether. It could not be undermanned in the stokehold.

MR. BELCHER: If we get a resolution agreeing to the minimum principle, then I think both from the

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New Zealand and Australian points of view we have nothing to complain of. In our law we have provided what the minimum shall be, and Australia will do the same.

SIR WILLIAM LYNE: We propose to do it.

THE CHAIRMAN: You are on a different basis.

MR. BELCHER: If we could have the principle of a minimum it will apply to officers, seamen, firemen, and everybody else, and I think you have what you want.

MR. PEMBROKE: As an underwriter, I prefer giving a free hand to the Board of Trade.

THE CHAIRMAN: That would be our minimum standard, whatever it is.

MR. NORMAN HILL: Is not the principle which we accept, the principle that we have laid down by the Imperial Parliament, that a vessel is unseaworthy if not efficiently manned?

THE CHAIRMAN: That is it.

MR. NORMAN HILL: That is the only principle. If you lay down rules and instructions which exceed the necessity of seaworthiness, we can challenge them.

THE CHAIRMAN: The minimum standard is that required by seaworthiness.

MR. NORMAN HILL: The test is seaworthiness. The test is not by scale.

THE CHAIRMAN: I agree. That is why I object to the word "scale."

HON. W. M. HUGHES: Put in "basis."

THE CHAIRMAN: A fixed number is a different thing, but the standard means the standard of seaworthiness.

SIR WILLIAM LYNE: To come really to practically bedrock, suppose we carry the provision which is in this Bill which I have before me now, which mentions  $3\frac{1}{2}$  tons as the minimum. If this resolution agreeing to the principle is carried, might I ask this—I do not know whether you can absolutely answer—is that likely to be used as a reason for not agreeing to our Bill?

MR. LLEWELLYN SMITH: Your Bill only applies to Australian ships.

SIR WILLIAM LYNE: I want a minimum, so far as our powers go. If we put in a minimum of  $3\frac{1}{2}$  tons, will that be objected to when the Act is passed?

THE CHAIRMAN: Certainly not. You can impose any conditions you like for your own trade.

SIR WILLIAM LYNE: I wish to see myself safe in this matter, that is all. I want to be able to say when I am dealing with this Bill, as I shall have to deal with it if I am in the Government at the time, that if this provision is put in, it will not be any obstacle to the reception of the Bill by the Imperial Government.

THE CHAIRMAN: Speaking for myself, I should certainly not regard it as an obstacle. The only thing I am contending for is that each Colony and the Imperial Government should fix their own basis, as it were.

SIR WILLIAM LYNE: I quite agree with you in that.

THE CHAIRMAN: Sir Joseph Ward has the New Zealand Bill. They have one basis, you suggest another, and we have set up a third, but we are all agreed that there ought to be some minimum standard of manning. That is the principle upon which we are all agreed.

SIR WILLIAM LYNE: We are affirming a principle. If this resolution, which is an open one to some extent, is carried, is it likely that your minimum would be adhered to at  $3\frac{1}{2}$  tons?

MR. LLEWELLYN SMITH: We could not say that.

MR. COX: How far are you going to make the Australian conditions apply?

SIR WILLIAM LYNE: As far as we can.

THE CHAIRMAN: Captain Chalmers points out a very important consideration—that we shall have to depart from the scale altogether if liquid fuel comes in; and it is coming in very rapidly.

HON. W. M. HUGHES: Or improvement in appliances?

THE CHAIRMAN: We can only affirm the principle. There must be certain elasticity to meet new conditions, and the great variety of conditions which have arisen in the construction of vessels.

HON. W. M. HUGHES: It is a well-known fact that in some ships men can shovel 5 tons easier than in other ships they can fire  $2\frac{1}{2}$  tons. We had evidence of that before the Commission. In some of our ships they are doing 5 tons, and in others  $2\frac{1}{2}$  tons. The position of the bunkers, and their condition, whether they are full or not, the kind of machinery, and so on, whether the ashes are thrown out by an ejector or whether they have to haul them up—everything tells.

MR. NORMAN HILL: Cannot we only affirm the principle that efficient manning is one of the essentials of seaworthiness.

SIR WILLIAM LYNE: If we do that, I want it to be clearly understood that that does not interfere with our proposal to make a scale.

THE CHAIRMAN: Oh, certainly not.

MR. NORMAN HILL: The only thing we do hope is that Sir William will consider the expediency, rather than putting it into a schedule of an Act of Parliament, of adopting the course our Government has adopted, and put it in as instructions to their detaining officers, so that those instructions can be reconsidered and any ship judged on its merits to meet the case which Mr. Hughes has put. If your officers were satisfied that because of the mechanical assistance given to the men they could work more easily 5 tons on ship A than 3 tons on ship B, ship A should get the benefit of having adopted those mechanical contrivances. If instead of putting it into a schedule of an Act of Parliament you adopt our principle and give it as instructions to the detaining officers, you will then be in a position to reconsider them.

SIR WILLIAM LYNE: I think we should very likely do it by a regulation under the Act in that way.

MR. NORMAN HILL: If you would, it would help.

HON. W. M. HUGHES: We shall have some sort of Committee, or experts.

HON. DUGALD THOMSON: I think we might adopt your proposal.

THE CHAIRMAN: Allowing each Colony to take its own basis, and alter it from time to time?

SIR WILLIAM LYNE: On that understanding—so long as it is clearly understood—I shall not press against it.

THE CHAIRMAN: Would you mind accepting it in this form, Mr. Hughes? "That this Conference approves of the principle of a minimum standard of manning applicable to all United Kingdom, Australian, and New Zealand ships."

HON. W. M. HUGHES: Yes; I will amend mine to suit that.

MR. HAVELOCK WILSON: Could we have it made clear that that manning means the stokehold as well as the deck?

HON. W. M. HUGHES: Oh, it does.

MR. HAVELOCK WILSON: It is all very well for Mr. Hughes to say it does, but I have had a good deal to say on this question in the Imperial Parliament, and we have never got that far yet, to say it will apply to the stokehold.

CAPTAIN CHALMERS: It does apply to the stokehold.

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MR. HAVELOCK WILSON: I can only promise the Board of Trade that they will hear more about this later on in the House.

HON. W. M. HUGHES: I shall not insist. I do not see it will affect the matter. It cannot prejudice the matter just to put "this applies to deck and stoke-hold."

MR. MILLS: I may say that I am interested in Australia also, and I know the views of Australian shipowners with regard to this matter, which was very fully gone into before the Commission, of which Mr. Hughes is the able exponent here. This question of fixing a number of tons per day was very strongly objected to by shipowners in Australia, for the reasons stated by Mr. Norman Hill, that the conditions in each ship were quite different. In one ship the seamen and firemen together can easily handle 5 tons, while in other ships 3 tons would be a hard day's work. It is impossible to fix anything like a standard scale. For that reason they objected even to 3½ tons being looked upon as the standard scale. The shipowners there are quite willing that the scale should be decided by some authority, and that each ship should be considered on its merits, either by the Departmental officers or by an Advisory Committee to be appointed.

HON. DUGALD THOMSON: A Committee was what they recommended.

MR. MILLS: Mr. Hughes admits that a Committee is advisable, but he lays stress upon the point that they must have a standard to go by, and that is 3½ tons a day. I have had opportunities of discussing the matter with Mr. Hughes, and have pointed out that if 3½ tons a day is fixed as a standard, and a Committee is appointed with power to vary it in some degree, that Committee as a matter of fact will go little beyond the 3½ tons. They will not consider themselves at liberty to consider the position of a ship in which 5 tons a day would be a fair day's work. The result of fixing 3½ tons a day as a standard would be an enormous increase in the manning of ships on the Australian coast, and they would be compelled in many cases to carry useless men for whom there is no work.

THE CHAIRMAN: That is not pressed as part of the proposition. It is simply now the general principle.

SIR WILLIAM LYNE: We have got a ship running between Melbourne and Launceston, which has an apparatus by means of which all the ashes are thrown out.

MR. MILLS: We have 20 or 30 ships fitted with it.

SIR WILLIAM LYNE: I wanted to know whether that was a saving of labour.

MR. MILLS: It must be; otherwise the men would have to put the ashes out by hand.

SIR WILLIAM LYNE: I just wanted to know. That is a case where there may be a lowering of the standard.

MR. MILLS: I will give you a still more striking case. A ship of large power and consumption would under that Act be obliged to carry what you call the minimum—what I call the maximum—number of men, regardless of whether it was steaming 2,000, 3,000, or 5,000 miles, or 500 miles, and regardless of whether she was engaged in a trade between ports where she would be able to replenish her bunkers every day or two, when there would be little or no work for the trimmers to do, or whether she was steaming 5,000 miles or 20,000 miles, when she would require an army of trimmers to handle the coal. The same law would apply to a ship under those different conditions.

HON. W. M. HUGHES: That shows the advantage of having a Committee to consider everything.

MR. MILLS: When the ship is efficiently manned can only be decided by a Committee, and not by attempting to fix anything in the nature of the Australian standard like 3½ tons.

HON. W. M. HUGHES: We ought not to discuss this at all.

THE CHAIRMAN: I rather felt that we were entering into a discussion of detail.

MR. MILLS: It has been mentioned very freely.

THE CHAIRMAN: It was not pressed. We are all generally agreed as to the principle. I should like to carry a perfectly unanimous resolution here. I should like to have the representatives of the shipowners here with us, if we can. I have suggested to them that they might be willing to adopt the words of the Australian Bill—that is the old Bill—Section 206: "No ship shall be deemed seaworthy under this Act unless she shall be in a fit state as to number and qualifications of crew, including officers, to encounter the ordinary perils of the voyage then entered upon." I have left out all about cargo and ballast, which we have had already. That seems to put the thing very clearly, and I think that we might adopt that. Then we do not enter into a discussion as to tons of coal or horse-power or anything of that sort.

HON. W. M. HUGHES: We adopted practically the terms of the judgment in the case of *Hedley v. The Pinkney Steamship Company*.

THE CHAIRMAN: I left out the words in the Act about cargo and ballast, and simply confined it to the number and qualifications of the crew, including officers. It will read: "No ship shall be deemed seaworthy unless she is in a fit state as to number and qualifications of the crew, including officers, to encounter the ordinary perils of the voyage then entered upon."

HON. W. M. HUGHES: There is only one thing which is lacking there, and that is all mention of a definite basis. Now it is this very definite basis that I thought was a new principle with the Board of Trade, but which they say is not a principle at all.

SIR WILLIAM LYNE: I am prepared to accept that after the remarks of Captain Chalmers.

HON. W. M. HUGHES: After the statement of Captain Chalmers I am perfectly prepared to accept that, with that interpretation put upon the section.

MR. BELCHER: Before this matter goes to the vote, I want to say a word upon it, seeing that I come from a Colony where a manning scale is in existence.

THE CHAIRMAN: Do you accept this?

MR. BELCHER: No, I do not accept it at all; and I am going to give my reasons for it.

SIR WILLIAM LYNE: You can keep that manning scale still if you like. We do not interfere with that.

THE CHAIRMAN: We do not interfere with it at all.

MR. BELCHER: I quite understand that.

THE CHAIRMAN: And we do not interfere with the Australian proposal about coal.

MR. BELCHER: I understand there is no attempt to interfere with any legislation we have in existence in New Zealand. The proposal before the Conference is that there shall be a suggestion made to the British shipowners that they should establish a minimum manning scale of some description. My own opinion, as a practical seaman, is that the minimum that has been suggested by Captain Chalmers for the deck purposes is altogether inadequate. It has been stated here that any vessel over 700 tons—

MR. HAVELOCK WILSON: 7,000.

MR. BELCHER: 700 tons—is fully manned, no matter what her capacity above 700 tons is, provided she has got three men in a watch.

HON. W. M. HUGHES: Three men in the deck watch, is it not?

MR. BELCHER: That is the statement made by the responsible official of the British Board of Trade. I say as a practical seaman that that is altogether inadequate, and I shall not agree under any circumstances to that being the minimum.

THE CHAIRMAN: It is not. We are not pressing it.

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MR. BELCHER: I am going on to other matters if you will let me continue. I say that is altogether inadequate, and what I say in connection with the matter also is this: that there is absolutely no provision made to see that the minimum which may be necessary for each ship is observed or established. Now we have that on the word of the responsible official of the Board of Trade in the remarks which he made some days ago in respect to the granting of certificates to vessels. It was then stated very clearly and distinctly that to survey all the ships that come under the purview of the Imperial authorities would necessitate an army of inspectors. Now what I want to know in connection with this manning scale, or basis, or whatever you like to term it, is, who is going to administer it? At present there is no provision made for administration at all, because it was stated by Mr. Norman Hill that the question of the manning of the ship in his opinion should be left (and so far as I can see, it is to a very large extent left) as between the owner of the ship and the seamen. I say that it is not right that it should be left at that stage, for this simple reason, that the crew of the ship only meets the owner of a ship as a rule just immediately before the vessel sails. The men, before they go on board the ship at all, have to sign an agreement which takes them on their voyage, and they do not know until they get on board that ship what she is like, how she is fitted, or what the nature of the work on board of her is likely to be, and they cannot very well, if they sign this agreement, without transgressing some of the principles of the Shipping Act, refuse to go into that ship without the risk of being put in gaol. There may be an honest difference of opinion between the men and the owners as to whether the ship is seaworthy or not with the number of hands she has on board, and who is going to step in? Whom have you to appeal to in connection with that matter to know if she is seaworthy or otherwise in so far as manning is concerned?

THE CHAIRMAN: These are the instructions: "In case of any such vessel failing to have a certain number of deck hands, in addition to the master and mates, the Superintendent or the Deputy-Superintendent should draw the master's attention to the fact, and immediately report the case in writing to the Resident Detaining Officer or Surveyor of the Board of Trade."

MR. BELCHER: That is all very well, but I still say there is no provision in existence to say what number of men that 7,000-ton ship shall carry.

THE CHAIRMAN: No.

MR. BELCHER: That is the whole point—to whose discretion is that to be left? These are the reasons that I see for saying there is no adequate provision made for the establishment of what you are trying to lead us to believe is to be the minimum scale. I say the minimum is not given effect to if you are going to take the two cases which you have mentioned. If six men are sufficient, and the Board of Trade apparently think it is, to man a 700-ton ship, I say six men are not sufficient to man a 7,000-ton ship, and that is where the necessity of a scale comes in. You must have the gradations through the whole gamut of the vessels from the smallest to the largest, to define the number of men who must be carried on those vessels. Unless you have that, I say your minimum is no use: there will be a possibility of vessels going to sea constantly undermanned in the future, and the provisions which you say will meet that will not, in my opinion, do anything of the kind. Now it has been stated also, which bears out my contention—this has come from the report of one of your own officers—that there was some years ago a considerable amount of friction between the Board of Trade officials and the owners of ships as to the number of men that they were carrying. That shows most conclusively that there was a disposition on somebody's part to run a ship with less than what was thought to be a safe number of men. That is likely to be repeated again unless you lay down your gradations and say what number of men each ship shall carry. Now with regard to the net registered tonnage in New Zealand, and the manning being based on the net registered tonnage, I have heard something here to-day which somewhat surprises me as to the manner in which the net register of a ship is arrived at. I do not know what alterations have been made recently by the Board of Trade with regard to the measurement of ships, whether there has been any at all or not, but the British

shipowners appear to be very adverse to the manning of the deck on the registered tonnage. On what other basis are you going to man a vessel, if you are not going to take the registered tonnage? I do not know of any other basis which can be taken for the manning of the deck at all. I think the British authorities will be on safe ground by adopting a somewhat similar plan to what they have in New Zealand; and while I am on this point I would like to ask this question: With regard to the minimum which has been mentioned here for the British vessels, assuming a vessel goes to Australia or New Zealand under charter to run on the coast, and she has some kind of acknowledgment or certificate from the British Board of Trade officials, that she is fully manned in accordance with the British Board of Trade requirements, will it be permissible for the Australian or New Zealand authorities to step in and say, "Your vessel must be manned in accordance with our requirements"? That is a point which will have to be borne in mind, because we have gone this far with regard to the issuing of the certificate to a vessel, that, provided she comes up to the requirements in regard to certain things, that she will be allowed to trade there, but that principle has not yet been extended so far as the manning is concerned.

MR. HAVELOCK WILSON: Yes, it has; we passed a resolution.

MR. BELCHER: With regard to this registered tonnage, I should like to know, as a matter of information, what there is behind this matter which is not quite apparent to me just now. I am under the impression, from the remarks which fell from the shipowners, that there is something in connection with the registered tonnage where an alteration has been made from the previous system of measuring a ship. If there has been any alteration I should be glad to know it. With regard to the mechanical appliances which have been referred to by the shipowners for the easing of work in the stokehold, I know a good deal about a ship's stokehold, and I do not know of one ship yet where there is any mechanical appliance that in any way eases the work of the men. There may be some of them in Britain here, but I do not know of one, either in Australia or New Zealand, where the mechanical appliances have made the work of the men in the stokehold any easier. The ejector does not do so. It does not make a man's work any easier; it may, in some instances, shorten his work a little, but the fact remains that the ashes have to be got rid of just exactly the same by the ash ejector as if pulled up by hand. So far as the manning of the stokehold is concerned, I do not know which is the most scientific way of arriving at a definite conclusion as to how it should be done. New Zealand, as you know, has adopted the principle of indicated horse-power. It has, generally speaking, in New Zealand, worked out fairly satisfactorily; but this fact remains, that in a great many of the vessels in New Zealand the number of men carried in the ships is in excess, and considerably in excess, of the minimum laid down in the schedule. But there is no getting away from this fact—that the essence of the whole thing, the essence of all the work which has been done in the stokehold by the trimmers and the firemen—the essence of the whole work is shown in the machine which is being driven. That is where the ultimate results go to—into the cylinder; and I do think myself that the horse-power is one of the best systems under which the stokehold should be managed. That is always a known quantity—the indicated horse-power.

HON. W. M. HUGHES: Do you say it is better than coal consumption?

MR. BELCHER: I would not be prepared to say it is better than any system of coal consumption, but I do say that the horse-power can be ascertained by mechanical process; it can be ascertained within a very nice point of what the vessel is actually indicating. And the reason why I suggest the horse-power as the basis instead of coal consumption is this: that the latter necessitates the setting up of a committee; and I maintain it will be a most difficult matter indeed for the committee, especially in Britain here, where the ships are so numerous, to ascertain the exact coal consumption of every ship that is sailing out of Britain. For if the minimum manning is to be on the coal consumption, then there will have to be accurately ascertained the amount of coal that is consumed by each ship, and there is a possibility that with a great many of the ships which are at present in

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existence you will never know the exact coal consumption, and the result is you will not know the proper number of men to put on board that ship. So far as New Zealand ships—ships going to New Zealand—are concerned, the work in the stokehold is getting a great deal harder than it was previously; the stokeholes are more cramped than what they were. The steam space of the vessel is being cramped as much as possible, which necessitates harder and more incessant work. I say that in opposition to the statement which has been made here—that there are appliances in existence which have a tendency to lessen the work of the men.

HON. W. M. HUGHES: Is the New Zealand scale too heavy?

MR. BELCHER: For what?

HON. W. M. HUGHES: For stokers?

MR. BELCHER: I can only say this, that if some of the ships in New Zealand were manned on the bare minimum allowed under the schedule, the vessel could not possibly get along.

THE CHAIRMAN: That shows, surely, the danger of a rigid minimum.

MR. HAVELOCK WILSON: Well, it might be worse.

MR. BELCHER: I do not think it does that at all. When I say the vessel could not get along, she would not get along as fast as she would if she had a proper number of men on board; they could not get the results out of the ship. That is one thing which is very certain.

MR. FERNIE: That will be a loss to the owners.

MR. BELCHER: I am only mentioning this to show that it is necessary to have a minimum, and the minimum, so far as the deck manning is concerned, should be considerably higher than what has been proposed for the British vessels. Another factor which should enter into the manning of the deck department is the passenger certificate. I consider it is one of the most important factors that there is in regard to a passenger ship, because it means this: if you have 12 or 14 or 16 or 18 and in some cases 20 life-saving appliances on board that ship, and the vessel meets with a casualty, and there is no one to man those boats, it will simply mean that the passengers will have to scramble for themselves. I take it there is a duty cast upon all shipowners to make adequate provision for the safety of the people they carry. I say if they have life appliances and no one to man them, the ship is not properly manned and the interests of the passengers are not being looked after.

THE CHAIRMAN: I think I will put the resolution now to the Conference. I take it it will be moved in the words of the Australian Bill. I am going to put it in these words: "No ship shall be deemed seaworthy unless 'she is in a fit state as to number and qualifications of crew, including officers, to encounter the ordinary perils of the voyage then entered upon.'"

HON. W. M. HUGHES: Do you mind putting it in plain words so that it can be added to the report, because this is rather an important thing from my standard, that I was quite willing to accept that after hearing the statement of the Board of Trade officials, notably Captain Chalmers.

THE CHAIRMAN: That will be on the notes.

HON. W. M. HUGHES: Very well.

SIR JOSEPH WARD: I do not want to detain you a minute.

THE CHAIRMAN: I think you have already addressed the Conference. I do not wish to be hard, but still we could not possibly get on.

SIR JOSEPH WARD: I said that Australian shippers would strongly object to anything in the shape of a 3½ ton standard being set down. After I spoke, Sir William Lyne, in accepting this proposal, said he did so on the understanding that 3½ tons would be looked upon as the standard.

THE CHAIRMAN: We have nothing to do with that at all. That is a matter entirely for the Australians. We do not dictate to the Australian Commonwealth in

regard to that and do not presume to dictate, and they do not dictate to us; that is entirely a matter for them.

MR. HAVELOCK WILSON: Will you mind reading it again?

THE CHAIRMAN: "No ship shall be deemed seaworthy unless she is in a fit state as to number and qualifications of crew, including officers, to encounter the ordinary perils of the voyage then entered upon." (Carried unanimously.)

SIR JOSEPH WARD: I wish to ask permission to alter the wording of this slightly, and I hope it will commend itself to those present. I wish to make the resolution read with the words after "desirability of" left out, and to put in: "Giving to masters, mates, and engineers the designation of officers in the Imperial Shipping Act and its Regulations." At present under the law they come under the designation of seamen. The resolution will then read: "That it be a recommendation to the Board of Trade to consider the desirability of giving to masters, mates, and engineers the designation of officers in the Imperial Shipping Act and its Regulations." Under our law, officers and masters, mates and engineers, are known as officers.

HON. W. M. HUGHES: Masters and officers.

SIR JOSEPH WARD: Yes. Under the Imperial Act they are known as seamen, so that it is a recommendation to the Board of Trade—simply a recommendation to them that the designation should be given to them in the Act, of "officers."

MR. NORMAN HILL: I think there is perhaps a catch in this, that it is against the officers. Just at the present time I am not quite sure how you would affect their position. For instance, if you take the provisions of the Imperial Act as to the repatriation of seamen—

SIR JOSEPH WARD: He is not mentioned as an officer.

MR. NORMAN HILL: I am speaking against the shipowners' interests. At the present time the officer is a seaman and the master is not. If you take him out of the category of seamen and put him into a new category you might affect his position under the Imperial Act.

THE CHAIRMAN: What about workmen's compensation?

MR. NORMAN HILL: That is in the same position.

SIR JOSEPH WARD: This is only a recommendation to the Board of Trade, and if you find there is going to be any serious trouble involved, I presume Mr. Lloyd George would not allow it to go through.

MR. NORMAN HILL: I would not like officers to think—

THE CHAIRMAN: To think that we were depriving them of the benefits of those Acts. They enjoy them now. The moment they become officers they cease to enjoy those benefits.

MR. LEWELLYN SMITH: Is that a motion of sufficient substance?

SIR JOSEPH WARD: It could only be done by an amendment to your Act, and I take it you would make provision to save all their rights.

MR. HAVELOCK WILSON: You would have to alter almost every section.

HON. DUGALD THOMSON: How can we expect the British representatives to assent to this if it may have serious effects?

SIR JOSEPH WARD: It cannot have unless you do it by Act.

HON. DUGALD THOMSON: But they are asked to assent to it.

MR. NORMAN HILL: It would not be right to support such a resolution without their being here.

SIR WILLIAM LYNE: In the Act which I shall have charge of probably, we deal with this in the interpretation clause, and we describe the word "officer" in relation to a ship to mean the master, mates, and engineers of the ship. That is the way we propose to deal with it.



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MR. HAVELOCK WILSON: I do not think the British officers would be thankful for that alteration, as it would shut out the officers from a good many privileges that they enjoy under the different sections of the Act—repatriation and other things.

MR. DUNLOP: An officer is an officer, but he is still a soldier.

THE CHAIRMAN: Are you, Sir Joseph Ward, very anxious to press this?

MR. HISLOP: On behalf of New Zealand, I should like this. It is purely a recommendation to the Board of Trade.

THE CHAIRMAN: Supposing we put it that the suggestion has emanated from New Zealand, and consider what can be done.

MR. LLEWELLYN SMITH: We will put it on our dossier or papers when an amending Act comes forward, to consider it, but we think as a recommendation this is rather too small a matter.

SIR JOSEPH WARD: I will put it, that this be a request to the Board of Trade to put it upon their papers for consideration.

MR. LLEWELLYN SMITH: We will do so, but we prefer you do not pass the resolution.

SIR JOSEPH WARD: That might be put upon your own agenda for consideration.

MR. LLEWELLYN SMITH: We will do that.

THE CHAIRMAN: We are afraid the officers might think it was an attempt on our part to deprive them of certain privileges they enjoy at the present moment.

SIR JOSEPH WARD: They want this to apply to the Imperial Act as well, if it is possible to do it. Now, as a matter of courtesy to these officers, there is no harm in the resolution being put on record: "That it be a recommendation to the Board of Trade to put it upon their agenda, as resolved."

THE CHAIRMAN: It will appear in the papers tomorrow that we passed this resolution, without any explanation. The officers will see it, and they will say: "We are enjoying certain rights as seamen of which we will be deprived as officers," and therefore they might think it was an attempt on the part of shipowners or somebody to keep them out of this privileged category.

SIR JOSEPH WARD: I would suggest we get over that by putting in "without deprivation of any of the rights accruing to officers."

HON. W. M. HUGHES: I do not think you need do that at all. The recommendation would not take anything from them.

THE CHAIRMAN: "Without prejudice to any rights they enjoy at present under the designation of 'seamen.'" Very well. This is the resolution: "That it be a recommendation to the Board of Trade in any amending Act to consider the desirability of giving to masters, mates, and engineers the designation 'officers,' in the Imperial Merchant Shipping Act and its Regulations, without prejudice to any rights they enjoy as 'seamen.'" (*Carried unanimously.*)

MR. LLEWELLYN SMITH: We are not to bring in a special Bill for this?

THE CHAIRMAN: Oh, no.

SIR JOSEPH WARD: In an amending Act.

SIR WILLIAM LYNE: I do not think there is any necessity for me to make a long speech on this. The motion is: "That every possible encouragement should be given by legislation, and otherwise, to the employment of British seamen in preference to foreigners." The shipowners have put papers giving certain numbers in place of other certain numbers. The Royal Commission also did the same, and those are all available. I feel there could scarcely be any opposition to a resolution of this kind which simply carries the principle, and therefore at present, at all events, I do not think there is any necessity for me to make a speech about it. You do not know what has taken place at the Conference with reference to it.

THE CHAIRMAN: Might I ask—would you mind reading it like this: "That every possible encouragement should be given to the employment of British seamen on British vessels," leaving out the words "in preference to foreigners." It comes to the same thing.

SIR WILLIAM LYNE: I know you are very tender about these things.

THE CHAIRMAN: Our trade is an international one, you must remember. We have half the carrying trade of the world. We are doing more carrying for foreigners than we are doing for our own country.

SIR WILLIAM LYNE: I do not mind.

HON. W. M. HUGHES: I think Sir William has overlooked something there. That word "foreigners" does not include the whole of those persons that Sir William is desirous of affecting. As the President has just stated, the object from his standpoint is the employment of British seamen on British vessels.

SIR WILLIAM LYNE: I am agreeable. I do not want to detain you.

THE CHAIRMAN: "That every possible encouragement should be given—"

SIR WILLIAM LYNE: "Should be given by legislation and otherwise."

THE CHAIRMAN: I do not know whether that is necessary, because we have now got a Committee to consider, and I hope we are going to get some money for it. I do not know that you want "by legislation or otherwise."

SIR WILLIAM LYNE: Unless you have any serious objection, I should like to keep those words in.

THE CHAIRMAN: No, I have not.

MR. NORMAN HILL: We have the strongest objection to "by legislation."

SIR WILLIAM LYNE: This is only establishing the principle. The chances are we will legislate.

MR. NORMAN HILL: We could not possibly accept the bald resolution in this form, even if you left out "legislation or otherwise," because we have had instances given us here, in the course of the Conference, of the hard fight Australian shipowners and the New Zealand shipowners are having to maintain their trade with Fiji and the islands. Now all our trade is carried on under similar conditions. We have to fight for every ton of cargo we carry. We have to fight with conditions which are far more against us than any conditions appertaining in the Pacific.

THE CHAIRMAN: But surely you would not object as a shipowner to every possible encouragement being given to the employment of British seamen on British vessels. This is not prohibition.

MR. NORMAN HILL: It is not prohibition, but before we accept such a statement we want to have it clearly recognised that we are not saying that the State has any right to impose upon us restrictions or obligations.

THE CHAIRMAN: They are not restrictions at all. One of the things I had in my mind is that we know a committee at the present moment is sitting to consider this very question. There may be a recommendation that a certain sum of money should be expended upon apprenticing for instance to encourage British sailors. We cannot do that without legislation.

MR. COX: It is the expression of a pious hope.

THE CHAIRMAN: "Given by legislation or otherwise" is suggested.

SIR WILLIAM LYNE: I am quite agreeable to that.

MR. FERNIE: This looks as if in the opinion of the Conference we should be restricted.

THE CHAIRMAN: Oh, no.

MR. FERNIE: Why should British shipowners be restricted any more than a British hotelkeeper from having foreign waiters.

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**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?

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THE CHAIRMAN: Restrictive conditions would be, suppose we passed an Act of Parliament here, to say that you should not employ Germans, or Swedes, or Norwegians on British ships.

SIR WILLIAM LYNE: The resolution as first proposed gives very different reasons. That long resolution which Mr. Norman Hill proposed really will not do anything which is going to cost shipowners more.

THE CHAIRMAN: We are not suggesting that. This is a suggestion we are making with a view to effecting a compromise. This is simply our suggestion with a view, if possible, to secure the support of the shipowners and get a perfectly unanimous vote, which will be very important to us. It is purely ours.

SIR JOSEPH WARD: I want to say to Sir William Lyne that I think we ought to agree to that suggestion. I have no fear of the proviso with regard to the non-imposition of restrictive conditions. This Conference has already passed a number of resolutions with regard to seamen and ships, which we are trying to put into effect. Where there is a great change it is undeniable that it has to be a gradual process. If we make a statement that a particular thing is to be done, we shall get a number of people saying that it should be put into operation in a few months, and we shall create a wrong impression.

SIR WILLIAM LYNE: I do not propose that.

SIR JOSEPH WARD: I think by putting this proviso in it will be all right.

MR. HAVELOCK WILSON: Might I call Sir William Lyne's attention to the Act of last year. I can assure Sir William Lyne that it will have a great effect in reducing the number of foreigners in future. It states that every seaman engaged on a British ship, either at a port in the United Kingdom or on the Continent between the River Elbe and Brest, must speak and understand the English language. That will have a big effect in reducing the number of foreigners.

THE CHAIRMAN: I think, if I may press Sir William Lyne—

SIR WILLIAM LYNE: Go on. You always press me to do as you like.

THE CHAIRMAN: The resolution is: "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."

MR. NORMAN HILL: It is encouragement and not penalty.

HON. W. M. HUGHES: I do not quite understand how far those words go, "restrictive conditions." Do you mind my looking at the resolution?

THE CHAIRMAN: Certainly.

MR. HAVELOCK WILSON: "Restrictive conditions" would be to say that there must be so many Britishers on British ships. That would be all right in the United Kingdom, but a vessel might go to a distant port where you could not get Britishers to supply the number of men required. This would be restrictive conditions.

THE CHAIRMAN: They would have to leave the ship behind.

SIR WILLIAM LYNE: That is why I wanted to know what was meant by "restrictive conditions." If one was dealing with this in an Act of Parliament, or a Bill before Parliament—suppose somebody was proposing this, and it was said, "the Conference was not in favour of imposing restrictive conditions," one would want to know what were the restrictive conditions.

SIR JOSEPH WARD: Suppose a British shipowner sent a ship to Hamburg with a British crew, and when there the British crew were paid off—

THE CHAIRMAN: Or deserted.

SIR JOSEPH WARD: Or deserted, and he had a contract to go on to Melbourne or New Zealand, and had to take on board a foreign crew there, I should say he was entitled to do that.

SIR WILLIAM LYNE: So should I.

SIR JOSEPH WARD: Unless you make some such reservation you would be imposing a condition which the shipowner would have to evade. Then he would be told he was breaking the contract.

MR. NORMAN HILL: We have been working for some time in Liverpool on a training school for lads for the Mercantile Marine. We have it well established, and we have got a certain number of boys and turn them out each year. We have been worrying the President of the Board of Trade for some time to give us a helping hand. We are having very good results and turning out very good lads, and this resolution will give encouragement to the President of the Board of Trade to worry the Chancellor of the Exchequer to get him to see that this is a national work, and to give us a helping hand.

MR. PEMBROKE: There are a great many good boys who are added to the number of seamen.

SIR WILLIAM LYNE: There is one thing which is underlying in my mind in this question, and that is the education for the Mercantile Marine of men who can be taken by the Navy after going through that—naval cadets I think you call them. Now, the system which is adopted now, or which is allowed now, of educating so many foreigners, to my mind is absolutely antagonistic to Great Britain, because you are educating men who will fight against you. One of the strongest reasons why we all like to see the employment of British seamen is that you make a reserve which you can use in times of stress in favour of ourselves instead of in favour of our enemy. That is one of the reasons why I felt this question was one which should be dealt with very strongly if we can. Now I am quite prepared to say this, that if the proviso with regard to restrictive conditions is not meant in any way to take away from the effect of the first part of the resolution—

THE CHAIRMAN: I quite agree.

SIR WILLIAM LYNE: If those words are put in, and that is understood so that I can use it hereafter, I agree.

THE CHAIRMAN: Certainly. Very well.

MR. HUGHES: I should like to give my reasons why I cannot vote for this. If that means restrictive conditions so far as employment of coloured persons is concerned—

THE CHAIRMAN: That is the next motion.

HON. W. M. HUGHES: It is all right. I see the next motion. I have kept that well in my eye. After all, there are persons who are not included in the next motion that I object to. We are speaking now of the whole of the British Mercantile Marine. Mr. Belcher's motion is confined to the coasting trade of Australia and New Zealand. I moved an amendment in the House imposing certain restrictions upon vessels carrying the Australian mails, and in consequence one company is now employing white persons in the stokehold instead of coloured persons in the stokehold. I take it that is a restrictive condition. If the "restrictive conditions" in your rider means that, I shall have to vote against it.

SIR WILLIAM LYNE: But does it?

HON. DUGALD THOMSON: It means that they will get a subsidy if they employ white seamen.

THE CHAIRMAN: That is encouragement, surely.

HON. DUGALD THOMSON: The difference is this. If you say you will give certain concessions as you did propose in your proposals before the Royal Commission to ships carrying 85 per cent. of British seamen, that is legislation, but not restrictive. This is as I take it. If on the other hand you say that no British ship should enter Australian ports unless she had 85 per cent. of British seamen, that would be a restriction.

HON. W. M. HUGHES: No doubt it is as you say. The only point is this. It may be we shall carry our mails on the poundage system yet, and it may be that we should give the preference by saying that all boats carrying foreigners, say the Nord Deutscher Lloyd, shall not carry our mails.

SIR WILLIAM LYNE: There will be no subsidy given to a ship which does employ foreigners.

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THE CHAIRMAN: The condition with regard to the mail contract is a different thing. That is a subsidy from the State.

HON. W. M. HUGHES: This does not apply to subsidies granted by the Commonwealth or New Zealand in respect to services rendered to those States. Would you put this proviso in: "Provided that this rider does not apply to the subsidies granted for services rendered to the Commonwealth or New Zealand"?

THE CHAIRMAN: You might have endless provisos like that.

SIR WILLIAM LYNE: I would like Mr. Hughes to vote for it as well as myself. I do not want a division. My wish is to have it as originally intended. But in order to get it unanimous I want to give something, so long as it is clearly understood, as I said just now, that this restriction is not one detrimental to either Australia, New Zealand, or to Great Britain. That is what I want to be clearly understood.

HON. W. M. HUGHES: It is well to be plain with the Conference; there is no guarantee that the Australian Parliament will not restrict its coasting trade to those persons employing only white seamen.

MR. LLEWELLYN SMITH: That is your own coasting trade.

THE CHAIRMAN: This is the British trade. This is an Imperial resolution, and that is why I think it is very important. Here is a resolution proposed by Sir William Lyne which will have Imperial effect if it is to be carried, and therefore I think, if I may say so, that it would be very wise if you could see your way to make a few verbal concessions of this sort, which would enable us to get a perfectly unanimous resolution, so as to carry all parts of the Empire along with us. I quite agree that with regard to your home trade, the Australian trade, you may do things which we cannot possibly do here. I want you to take into account the difficulties of our great international mercantile marine.

HON. W. M. HUGHES: Would you put in that the resolution would not affect any right which Australia may have in regard to her own coasting trade?

THE CHAIRMAN: You do not want that. We do not propose to interfere with that at all. This is an Imperial resolution, which is a very different thing.

HON. W. M. HUGHES: It appears that because a thing is called an Imperial resolution one has to swallow it although it is most disagreeable both in odour, taste, and everything else.

THE CHAIRMAN: No. You know perfectly well this is a resolution for our consumption, to put it quite bluntly. This is a hint to us. Sir William Lyne is not thinking about what is going to happen in Australia. He knows perfectly well that you can legislate there as you think proper. This is a hint to us that it is about time that we should encourage British sailors in British ships. We accept that, provided he will add those words.

MR. DUNLOP: We have swallowed some of your Colonial resolutions, and we did not like them a bit.

THE CHAIRMAN: This is for our own shipping. The shipowners have gone a very long way to meet you. It is an enormous thing for them to have accepted, even subject to these words, and I trust that Mr. Hughes will not be too insistent under these circumstances.

HON. W. M. HUGHES: I am thinking, without wishing to say anything at all against shipowners, that the readiness with which they have accepted makes one believe there is nothing at all in it.

THE CHAIRMAN: Oh, no. Last year they did accept a very important restriction, as Mr. Havelock Wilson pointed out. Employment was restricted on British ships to those who can understand the English language. That has an enormous practical effect, and the shipowners did not contest it.

HON. W. M. HUGHES: I do not wish at all to stand out against the matured opinion of others. All I wish to have is your statement that this is not to be regarded in any way as limiting our own rights.

SIR JOSEPH WARD: Everything that Mr. Hughes wants in the matter of mail contracts they can do under their own contracts, and we can all protect ourselves.

The resolution, in the following form, was then carried unanimously: "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."

MR. BELCHER: I move: "That this Conference is opposed to the employment of Lascars, Coolies, Chinamen, or persons of any other alien race on any vessels owned, registered, or chartered to trade in the Commonwealth or New Zealand." I think the resolution will commend itself to the Conference for the reasons that have been very ably advanced by Sir William Lyne, that is, that we should not encourage the employment of persons who will be of little use to us in the event of the Empire getting into serious trouble with another nation. The resolution just passed with regard to the employment of British seamen, or the encouragement of their employment, is a very good one. But I know of my own knowledge that the employment of persons mentioned in my resolution is on the increase, and anything that can be done to reduce their number, and to eventually exclude them altogether from British ships should in my opinion be given effect to. I do not think it can be said that these people are employed because Britishers cannot be obtained. My own impression is that if the shipowners treated their men a little differently, making their conditions a little better than they are, they would get a sufficient number of Britishers to man all the ships that are run by the British Empire. It has been said—whether it was said sincerely or not, I do not know—it has been remarked here by one of the British shipowners that it would be impossible to get a sufficient number of Britishers to man British ships. That is a statement which I can scarcely agree with. This resolution, as will be seen, confines the exclusion of Lascars, Coolies, and Chinamen from all vessels that are owned, registered, or chartered to trade in the Commonwealth or New Zealand. It is a well-known fact that in Australia there are a considerable number of vessels trading from Australia to Eastern ports, the shipowner practically deriving all his profits from the trade that that ship does between the East and Australia. I contend that under these circumstances the people of the country—

THE CHAIRMAN: I am sorry to interrupt you. I have a suggestion here that this affects India to such an extent that it would be quite necessary that we should have the India Office represented. We cannot get an India Office representative to-day. Therefore I propose that this should be postponed till to-morrow, when we can secure the attendance of an India Office representative, because it is very important that India should be represented here. Therefore I will pass on to the next resolution if you do not mind.

MR. BELCHER: Will you allow me to make a few remarks outside those individuals?

THE CHAIRMAN: You cannot. It is Lascars which are of the most importance, and you cannot make one speech now and another to-morrow when the representative of the India Office is here. You had better postpone it till to-morrow.

MR. BELCHER: Very well, provided you will give me an opportunity.

THE CHAIRMAN: Certainly.

SIR JOSEPH WARD: I move "That the terms and conditions of the bill of lading at present in general use are in many respects unsatisfactory to shippers and consignees, and that in the interest of traders generally it is desirable that the Board of Trade should publish a form of bill of lading containing such reasonable conditions as in its opinion are sufficient to safeguard the rights of the shipper, shipowner, and consignee." I hope that the Conference will unanimously agree to this. It is a recommendation to the Board of Trade to endeavour to frame a model bill of lading. That would be done by them, I presume, after full investigation and inquiry, at which the shipowners would have the opportunity of being consulted. But I do know now that there is a great deal of feeling on the part of the people who are concerned outside of the shipowners with regard to the

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reasonable measure of protection which they ought to be entitled to. At present the shipowners are contracted right out of almost every liability. With regard to a bill of lading which comes to us, I know there is a general complaint about it from end to end of the colony amongst the mercantile community. I am disposed to think that if an effort were made to have something like uniformity in the main conditions, it could be done. I assume the minor conditions have to be put into different classes. But the representative men connected with commerce in New Zealand have an opinion that they are contracted right out of almost every protection, although they have to pay the freight. Therefore we desire shipowners' responsibilities defined, so that if they want to protect themselves they can be covered in the freight. As at present, the bill of lading is so exhaustive for the protection of the shipowners that the consignee and the shipper might just as well accept every liability. There is scarcely a consignee in New Zealand who is satisfied with the terms of the bill of lading. There ought to be something definite, so that the consignees or the shippers can protect both themselves and those with whom they are trading. Now the whole thing is very unsatisfactory. As this is merely a recommendation to the Board of Trade to endeavour to frame a model bill of lading, I hope it may meet with the support of the Conference, and I move the resolution. I do not want to take up time unnecessarily by going into details.

Mr. NORMAN HILL: I am sorry to have to disagree on behalf of the shipowners, but we believe it is bad business to restrict in any way the liberty of contract on charter parties and bills of lading. It is impossible to impose on the shipowner full responsibility under all circumstances for the cargo entrusted to him. Sir Joseph Ward has pointed out that it is impossible to make him responsible for perils on the sea. The terms upon which a man insures, and the risks which he insures against, are matters of bargain between himself and his underwriter, and we think it has been established by trade all over the world that it is far cheaper to the owners of goods to insure the risks of perils of the sea, and include in that insurance the insurance of the acts and defaults of shipowners, paying a premium to cover all that insurance rather than for the owner of the cargo to insure only the perils of the sea, and to impose on the shipowner the liability for the acts and defaults of his servants, which necessarily results in a higher freight being charged. The point has been tested in many trades as a matter of business. The shipowner offers two forms of bill of lading, one form which assumes all responsibility for the goods, that is to say, besides being the carrier of the goods he is the insurer. The other form says he will carry the goods subject to certain exemptions, and amongst others he exempts himself from liability for the acts and defaults of his servants, and leaves the owner of the goods to effect his own insurance. The experience all over the world in our trade has been that the first form is never taken up. It remained a dead form. The owner of the goods has found it cheaper to pay a lower freight on the second form, plus the insurance premium, rather than pay the shipowner for carrying the goods and for insuring them. When you come to the actual points in which these cases arise, of course, there are cases in which some shipowners have been absolutely unreasonable in repudiating responsibility, and it is those bad cases which provoke what we venture to think is a demand for bad law. You take the ordinary exemptions on the question of seaworthiness at the start of the voyage. The Australian Act imposes full obligation on the shipowner if there is any damage resulting from the ship starting in an unseaworthy condition. Take a vessel sent from here in every respect seaworthy. She is lying in an Australian port, and through gross negligence on the part of her officers and crew, the sea communications are left open. That vessel when she begins to take her cargo in the Australian port is unseaworthy, and, as the cargo is put in, the ship settles, and she finally goes down, or the cargo is seriously damaged. Now, which is it more reasonable should bear the loss which has been occasioned by that accident—the shipowner who is paid according to the weight or measurement of the goods for carrying them to this country, or the underwriter who has insured these goods against the perils of the sea, and been paid a premium based on the value of the goods? If you impose on the shipowner the responsibility for the goods, in a case of that kind your freight will be a mixed figure.

SIR JOSEPH WARD: I do not suggest that.

Mr. NORMAN HILL: The Australian Act does impose that liability. That, I venture to think, is bad business.

SIR WILLIAM LYNE: It is the law.

Mr. NORMAN HILL: It is the law, and it is bad business, we believe. This matter is no new matter. It has been debated in the United Kingdom for years. On the Continent, in Germany and France, in every country at some time or another there has been a very strong party amongst the merchants to adopt this form of procedure, to introduce either a model bill of lading, or introduce legislative restriction on the freedom of contract. All those have gone, so far as Europe is concerned. At the last Conference held in Europe, it was resolved that it was in the best interests of trade to leave the terms of these contracts to be settled as between the parties, and that is the present position, and beyond doubt it is the feeling in Europe. So far as providing in one bill of lading any one standard form, it is impossible to devise any standard form applicable to all the trades and to all classes of cargoes. For these reasons I would move as an amendment to this motion: "That legislation restricting liberty of contract on charter parties and bills of lading is unnecessary and undesirable, inasmuch as the ordinary forms of insurance upon goods having been adapted to meet the well-known exemptions from liability for the acts and defaults of the shipowners' servants, protection against loss resulting therefrom can be more cheaply obtained by the shipper or consignee, from the underwriter direct than by forcing a liability upon the shipowner and thereby increasing the freight."

SIR WILLIAM LYNE: I think this matter is very important, and I hope that you will take a division or ascertain the opinion of the Committee with reference to it. We have an Act in existence as follows: "Where any bill of lading or document contains any clause, covenant, or agreement whereby—(a) the owner, charterer, master, or agent of any ship, or the ship itself is relieved from liability for loss or damage to goods arising from the harmful or improper condition of the ship's hold, or any other part of the ship in which goods are carried, or arising from negligence, fault or failure in the proper loading, stowage, custody, care, or delivery of goods received by them or any of them to be carried in or by the ship; or (b) any obligations of the owner or charterer of any ship to exercise due diligence, and to properly man, equip, and supply the ship, to make and keep the ship seaworthy, and to make and keep the ship's hold, refrigerating and cool chambers, and all other parts of the ship in which goods are carried, fit and safe for their reception, carriage, and preservation, are in any way lessened, weakened, or avoided; or (c) the obligations of the masters, officers, agents, or servants of any ship to carefully handle and stow goods, and to care for, preserve, and properly deliver them, are in any wise lessened, weakened, or avoided, that clause, covenant, or agreement shall be illegal, null and void, and of no effect." That is a clause we have in our Act. One reason why that Act was passed was in connection with ships which bring our fruit and butter—of course, the over-sea ships. We put in a provision, at my instance, that opportunity should be given somewhere on the deck, or at some convenient place for any person sent by the owner of the goods, or the underwriter of the goods to be able to tell at any time by an indicator what the temperature of the freezing chamber was. Shipowners would not tender with that in. That was one reason why this was brought in.

HON. DUGALD THOMSON: That was not the reason for this Bill.

SIR WILLIAM LYNE: That was one reason, because I had to deal with it.

HON. DUGALD THOMSON: I was in the Ministry that passed this Bill.

SIR WILLIAM LYNE: I know that, but that took place before. This was a very sore point, and we had to withdraw that from the terms of the contract. I always held, and hold now, that every shipowner should allow, if they continued their previous arrangement, the owner of the goods, or the underwriter, full access to see that his goods are not destroyed by negligence on the part of the officers of the ship, and they would not do it. They absolutely refused. We passed this law, throwing the responsibility on the shipowner, and doing away with the neces-

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sity of having the indicator which we desired to have in connection with our fruit and our butter and those perishable things, large quantities of which are carried. The motion of Sir Joseph Ward has mainly this object in view, to prevent the bill of lading from absolutely taking away every protection from the owner of the goods, because that is what it does. He must go and insure his goods, and sometimes he cannot do that under the conditions. It seems to me it is very necessary to follow to a large extent, if not wholly, the law we have in existence at the present moment, which is a fact so far as Australia is concerned at any rate.

MR. ANDERSON : With regard to what you said as to tell-tale thermometers on board ship, it is common report that gas meters are untruthful, but I believe their veracity is very great as compared with tell-tale thermometers.

SIR WILLIAM LYNE : Perhaps it is so, but Mr. Anderson knows very well that his ships were among those which refused to tender under it. We were told, in answer to our pressing the question, that we must watch the result and must rely upon the officers of the ship looking after the goods.

MR. ANDERSON : We think our officers understand their business, and the responsibility is upon them of carrying the fruit in good condition.

SIR WILLIAM LYNE : And the poor shipper whose butter or fruit is ruined—what has he to fall back upon?

MR. ANDERSON : Can you tell me of any case in which that has happened?

HON. DUGALD THOMSON : I would like to say a few words upon this matter. In this I cannot agree with the objections of the shipowners (hear, hear). If those "hear, hears" are meant to indicate that I have agreed with them previously, I can only say this, that the attitude I have taken at this Conference is to deal fairly with all the parties concerned. I shall oppose what I think are unfair propositions coming from any quarter. Now, I have had a great deal of experience of bills of lading and shipping contracts, and the result of the safeguards that the shipowners have secured for themselves in recent years in their bills of lading. If you look at the bill of lading of 50 or 60 years ago you will see it is an absolutely different document from the document of to-day, and that every clause which has been put into that bill of lading since has been to enable the shipowners to escape from their common carrying liabilities, and to leave every loss, if possible, with the shipper of the goods. Now, Mr. Norman Hill has said that can be covered by insurance. Mr. Hill knows, I am sure (at any rate if he does not, the shipowners know), the enormous cost of insuring with particular average. And the reason of that is this, that the extreme possibility of loss is always taken by the insurer, which may occur in the worst managed vessel, and the vessel in which the goods are least looked after, and that is fixed as the rate of premium. But that insurance does not cover the enormous national loss which is occurring, and has been occurring, through the shipowners escaping from their responsibility of looking after the goods when they are the only people who can look after the goods. That is a false principle. If a person who has the custody of the goods, and is the only person who can look after those goods, fails to do so, then there is no one else can do it, and surely if the responsibility is to be on anyone it ought, with reasonable restriction, to be on the shipowner who has the custody. Owing to that not being the case, on our Australian coast and over-sea also, there has been a constant loss occurring that was absolutely unnecessary. That is a national loss. It amounted to very big figures on the Australian coast, because the person who had the goods in custody was freed from the responsibility of looking after them. Now, that is undesirable, and all this Australian Act does, so far as I am aware at any rate, is to bring the shipowner back to his common carrying responsibilities—he is not allowed to escape them, and may I point out to Mr. Norman Hill that, whilst he says that the shipowners will have to get a higher freight if these responsibilities are put on them, that they were actually carrying from the United States, where the Harter Act is in force, at lower rates than they were carrying from Great Britain, where there was no such provision.

MR. PEMBROKE : The Harter Act protects the shipowner.

HON. DUGALD THOMSON : I would like to see the comparison. I am quite willing to enter into that matter if desired. I would like to see in what this differs from the Harter Act. There are protections here also for the shipowner. I quite admit that some of these things, such as the lower rates from the United States, are affected by competition in particular directions. This low freight lasted for a long time, and owners found apparently no reason to increase their freights on account of that responsibility, and why should they so long as they are properly protected? It only means this, that in the one case where the responsibility is theirs they look after the goods, and the loss is not incurred. In the other case where there is no responsibility, they do not look after the goods, and the loss is incurred. We had ample proof of that on the Australian coast where great carelessness was shown in the treatment of goods; often they were allowed to be pillaged even under the eyes of the officers of the ships. Cases of fruit were allowed to be emptied, and the empty cases were handed over as a sufficient fulfilment of the contract. Now as to liberty of contract. I myself where there is real liberty am perfectly in agreement with those who would propose not to interfere with that liberty, but there is no liberty, because when the shipowners combine as they do, the shippers have to ship under any conditions which they seek to impose, and that has been the case. Therefore I hold that the proposal of Sir Joseph Ward is a desirable one. I do not know how far the publishing of a fair bill of lading will go, but I think it is desirable. And may I point out that in the Australian Act the shipowners are protected against a great many things. They are protected against faults or errors in navigation, perils of the sea or navigable waters, acts of God or the King's enemies, the inherent defect, quality or vice of the goods—that is perfectly right—the insufficiency of package of the goods, the seizure of the goods under legal process, any act of omission of the shipper or owner of the goods, his agent or representative, or saving or attempting to save life or property at sea, or any deviation in saving or attempting to save life or property at sea. And they are only liable where there is a failure to exercise due diligence and to, properly man, equip, and supply a ship and keep the ship seaworthy. I need not read the rest which Sir William Lyne has read, but it is only where they have failed to exercise due diligence and where there has been negligence, fault or failure in the proper loading, stowage, care and delivery of the goods that they are liable.

HON. W. M. HUGHES : It puts them on the level of ordinary carriers.

HON. DUGALD THOMSON : Now I believe all these responsibilities attached to shipowners at one period—common carrier liabilities. They have seen reason to put clauses in the bill of lading to specially exempt themselves. If the bill of lading of 60 years ago were adopted, with exceptions for special circumstances—I quite agree with the need of special conditions in some circumstances, but they can always be filled in—then there would be no necessity for these Acts. The shipowners are exercising their powers in combination, and I think they are going too far; they are leading to a heavy loss of goods, which is a national loss and unnecessary, on account of refusing to accept their own responsibilities. I think in their own real interests—if not their immediate interests, which are not always the real interests of any concerned—it would be much better if, instead of expecting the shippers (for as Mr. Hill said there were some unreasonable companies who would not acknowledge claims) to be satisfied with the reasonableness of a particular shipowner and were able to recover nothing—where the owner is not reasonable—they were to allow fair conditions. They could have a variation of these where necessary, but there should be only reasonable conditions in their bill of lading. That, I am sure, would be, in the end, in the best interests of the people who now sustain this national loss, and in the best interests of the shipowners themselves.

MR. LLEWELLYN SMITH : Would you be content with the Harter Act, because it differs materially from the Australian Act?

HON. DUGALD THOMSON : I do not think it does. I have the comparison here.

MR. NORMAN HILL : The Act which you have quoted from and the exemptions are all conditional on the ship at the beginning of the voyage being seaworthy in all respects. Therefore, if the ship in the case I put,

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through the negligence of the officer, started unseaworthy, the shipowner has amongst other things to be responsible for inherent defect, quality, or vice of goods.

HON. DUGALD THOMSON: May I point out this, that there must be somebody responsible in that case. The owner of the goods, or the shipper of the goods, has no power to save that loss or avoid it. If there is to be insurance against that loss, who is the party that ought to be insured? Is it the party that cannot exercise any control over it, or prevent it, or is it the shipowner?

MR. ANDERSON: The Bill goes further. If a ship starts unseaworthy owing to a certain latent defect, and is lost owing to a cause which has nothing whatever to do with that latent defect, then the exemptions which are mentioned under A, B, and C sub-clauses would not apply for the protection of the owner.

HON. DUGALD THOMSON: I do not think that is so; but, if so, it is quite a proper point to raise as a suggestion for any amendment.

MR. ANDERSON: That is my reading.

MR. LLEWELLYN SMITH: Another great difference between that Act and the Harter Act is that the Australian Sea-carriage of Goods Act does not exempt a shipowner from faults or errors in the management of the vessel which the Harter Act does.

HON. DUGALD THOMSON: Faults or errors in navigation.

MR. LLEWELLYN SMITH: Yes, but not in the management of the vessel. That is a material difference of course.

HON. W. M. HUGHES: The Sea-carriage of Goods Act was passed during the sitting of the Royal Commission, and we then had evidence from the merchants and shippers as to the effect of that Act, and some of them objected to it, and they recommended the Harter Act. But in our opinion the Sea-carriage of Goods Act was quite sufficient, and the Commissioners did not feel justified in recommending any amendment.

THE CHAIRMAN: I can see the differences are quite irreconcilable over this, and I think the only thing we can do is to vote upon it. I do not think there is the slightest chance of securing anything like unanimity over this, and if we do prolong the discussion I do not think we would arrive at any practical issue which would be generally acceptable, and I am afraid, therefore, we will have to vote upon it. The Board of Trade could not at the present moment accept it. There has been an amendment moved by Mr. Norman Hill.

HON. W. M. HUGHES: Will the British delegates consider the Harter Act?

MR. LLEWELLYN SMITH: Oh, certainly.

HON. W. M. HUGHES: In its entirety. That is the American law.

MR. LLEWELLYN SMITH: We will certainly consider it.

HON. W. M. HUGHES: That is better than the existing law, a great deal.

SIR WILLIAM LYNE: We are not going to alter our law.

HON. W. M. HUGHES: Of course we are not.

THE CHAIRMAN: We are not considering your law and the New Zealand law. This is a suggestion for Imperial law, which is a different matter. We could not accept the resolution. It is perfectly clear that the shipowners resist it, and at the present moment there is no demand from the merchants here.

MR. DUNLOP: They are absolutely against it.

HON. DUGALD THOMSON: I think there is an objection. I saw several resolutions recorded of the chambers of commerce recently in favour of a better bill of lading.

THE CHAIRMAN: But there is no real demand here, and you know very well that where there is no real demand for a thing, and you have a powerful interest affected, legislation is perfectly impossible. I am not discussing the merits because it is no use. As practical politicians, you know what the position is here.

SIR JOSEPH WARD: May I point out just one or two matters, and then I am done; and so far as I am concerned we can take a division and have done with it. I think Mr. Norman Hill's amendment is based on a misconception of what it is I am suggesting. The assumption is that this resolution if it is carried is going to alter the whole tone of the bill of lading. I am suggesting nothing of the kind. I have in my mind's eye what was done in New Zealand, and I think also in the older country where we put on record a set of model by-laws for the acceptance of municipal bodies. They not infrequently go on with their own set of by-laws which are outside the model set. Why should there not be an opportunity for people to adopt a particular bill of lading, the conditions of which they know have the approval (if you like) of shipping people and the Board of Trade, in contradistinction to what the system is now? I have very little hesitation in saying that I could go to different importers in New Zealand and produce half a dozen different bills of lading with different conditions, although all are ostensibly to cover the same thing, and none of those people in New Zealand know at the time of shipment what the conditions of those bills of lading are. It is very common in the commercial world and in the shipping world, too, for a shipper at this end to make large shipments and for the other man at the other end to carry out his own insurance without knowing the terms of the bill of lading. This is just one of the cases where the whole commercial community in our country at all events (and they are not more intelligent there than elsewhere, so I assume that other people will have the same ideas) would regard the interposition of the Board of Trade as a very valuable thing for the development of British commerce. I am exceedingly sorry personally—although I am perfectly prepared to see the amendment carried if the majority decide it—I am sorry that there is no effort on the part of the shipowners and the Board of Trade combined to introduce a model bill of lading. I have not suggested interference with the charter party. That amendment does. I have not suggested that we should impose disabilities upon the shipowners, such as Mr. Norman Hill's amendment proposes. I am merely urging that the modern condition of affairs requires modern treatment. If we had over our railways in our country documents for the carriage of goods of any class that come by any of the ships to New Zealand containing conditions similar to what they are in these bills of lading, the merchants would be in revolt. They want to have reasonable conditions in the bill of lading provided so that they may know what they are doing. They do not know what they are doing now. I am not prepared to take the suggestion that we should take another Act as against what we have in New Zealand.

MR. PEMBROKE: I have the misfortune to be the chairman of the Documentary Committee of the Chamber of Shipping of the United Kingdom, and I can assure you that we have the greatest difficulty in getting anything agreed between the shipowners and merchants. It would take a lifetime to get a bill of lading agreed between them such as you suggest.

SIR JOSEPH WARD: Suppose we went to independent people outside.

MR. PEMBROKE: We have various documents agreed which are now in constant use, but the subject bristles with difficulties.

THE CHAIRMAN: I know there are certain things which one may be able to put through, but there are certain things which in the present condition of thing, it is absolutely impossible to put through. The merchants even are perfectly satisfied with the present system on the whole.

MR. DUNLOP: They prefer it.

THE CHAIRMAN: Where you get merchants and shipowners agreeing, it would be impossible for us to alter it.

HON. W. M. HUGHES: But the merchants of Australia have not agreed.

THE CHAIRMAN: You have carried your Act. I will put the amendment first: "That legislation restricting

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“liberty of contract on charter parties and bills of lading is unnecessary and undesirable, inasmuch as the ordinary forms of insurance upon goods having been adapted to meet the well-known exemptions from liability for the acts and defaults of the shipowners’ servants, protection against loss resulting therefrom can be more cheaply obtained by the shipper or consignee from the underwriter direct than by forcing a liability upon the shipowner and thereby increasing the freight.” The original motion by Sir Joseph Ward was: “That the terms and conditions of the bill of lading at present in general use are in many respects unsatisfactory to shippers and consignees, and that in the interest of traders generally it is desirable that the Board of Trade should publish a form of bill of lading containing such reasonable conditions as in its opinion are sufficient to safeguard the rights of shipper, shipowner, and consignee.”

*The amendment was not accepted by the Colonial delegations. The resolution was supported by the Australian and New Zealand delegations, the representatives of the Board of Trade and Shipowners dissenting. The Colonial Office representatives abstained from voting.*

THE CHAIRMAN: We record our dissent.

MR. COX: Might it be recorded that the Colonial Office did not vote on that.

SIR JOSEPH WARD: I think the division on the amendment ought to be recorded.

THE CHAIRMAN: On the amendment we did not vote.

MR. HAVELOCK WILSON: May I say I was neutral?

THE CHAIRMAN: So were we.

SIR JOSEPH WARD: So long as it is put on record the result of both divisions on my motion also, it is all right.

HON. W. M. HUGHES gave the following notice of motion:—

“To move that this Conference approves the principle of a Naval Reserve as outlined in Appendix D of the Report of the Commonwealth Royal Commission on the Navigation Bill and suggests that if possible some uniform scheme be drawn up suitable for adoption throughout the Empire.”

SIR JOSEPH WARD: May I suggest that we take off the agenda paper the resolutions which I understand cannot be put here. They were indicated by you this morning, Nos. 9, 11, and 12?

THE CHAIRMAN: Yes.

SIR JOSEPH WARD: I understand your view is that No. 9 should come before the Imperial Conference. I propose to confer with the Prime Minister of Australia, and the matter can therefore go off the agenda paper here. In regard to 11 and 12, those I understand you rule out of order?

THE CHAIRMAN: Those will be out of order.

SIR JOSEPH WARD: I only want to say, while I bow to your ruling, I understand it covers a great constitutional question, and I am sorry that we should not have a decision upon No. 11, for the reason that when the Conference has finished—

THE CHAIRMAN: We will leave No. 11 on the paper for the present. Nos. 9 and 12 I rule out, but 11 I have some doubts about.

(The Conference adjourned till the following day at 11 o'clock.)

## SIXTH DAY.

Wednesday, April 10th, 1907.

The following were present:—

The Right Hon. D. LLOYD GEORGE, M.P., President of the Board of Trade, *in the Chair*.

## United Kingdom Delegates.

Mr. H. LLEWELLYN SMITH, C.B.,  
Mr. WALTER J. HOWELL, C.B.,  
Mr. R. ELLIS CUNLIFFE,  
Capt. A. J. G. CHALMERS,  
Mr. H. BERTRAM COX, C.B.,  
Mr. A. B. KEITH,

Of the Board of  
Trade.

Of the Colonial  
Office.

Mr. E. PEMBROKE,  
Mr. K. ANDERSON,  
Mr. H. F. FERNIE,  
Mr. R. J. DUNLOP,  
Mr. NORMAN HILL,  
Mr. J. HAVELOCK WILSON, representing Seamen.

Shipowners.

## Australian Delegates.

Hon. Sir W. J. LYNE, K.C.M.G.  
Hon. W. M. HUGHES.

Hon. DUGALD THOMSON.

Dr. H. N. WOLLASTON, LL.D., I.S.O., of the Australian Commonwealth Department of Trades and Customs, was also in attendance.

## New Zealand Delegates.

Hon. Sir JOSEPH WARD, K.C.M.G.  
Mr. JAMES MILLS.

Mr. WILLIAM BELCHER.  
Mr. A. R. HISLOP.

Dr. FITCHETT, Solicitor-General of New Zealand, was also in attendance.

## Secretaries.

Mr. J. A. WEBSTER,  
Mr. G. E. BAKER,

Of the Board of Trade.

Mr. J. HISLOP, Private Secretary to Sir J. Ward.  
Mr. D. J. QUINN, Private Secretary to Sir W. Lyne.

## AGENDA.

1. Brussels Conventions as to Collisions and Salvage.

The text with translation and short explanatory Memorandum has been circulated to the Colonial Delegates.



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## 2. British and Foreign Seamen.

Motion by Mr. Belcher "that this Conference is opposed to the employment of Lascars, Coolies, Chinamen, or persons of any other alien race on any vessel owned, registered, or chartered to trade in the Commonwealth or New Zealand."

## 3. Eyesight Tests.

Motion by Sir Joseph Ward "that the Board of Trade be urged to take into immediate consideration the question of Eyesight Tests with a view to imposing a higher standard of efficiency than at present required."

## 4. Compasses.

Motion by Mr. Anderson "that the Board of Trade standard of compass efficiency as testified by current certificates shall be accepted for British ships in Australian and New Zealand waters as being of the same effect as local certificates."

## 5. Payment of Seamen's Wages.

Motion by Mr. Belcher "that it be a recommendation from this Conference to the Board of Trade to suggest that legislation be introduced whereby all seamen be paid their full wages at every port where the crew may desire the wages to be paid."

## 6. Clauses in Articles of Agreement.

Motion by Mr. Belcher "that it be a recommendation from this Conference to the Board of Trade to ascertain and investigate the various clauses attached by shipowners to the Articles of Agreement signed by the crews of vessels. This with the view of securing uniformity in this respect, and also establishing the principle of equity as between employer and employed."

## 7. Motions by Sir William Lyne—

(a) "that a scheme of compulsory insurance for seamen is desirable."

(b) Load Line—

(1) "that the North Atlantic mark should apply to ships leaving Australia, *via* Cape Horn";

(2) "that it is advisable to have a light load line for ships in ballast."

(c) "that all seamen be engaged only through a Government officer—the superintendent."

(d) "that advance notes be abolished, and allotment notes restricted to relations only."

(e) "that imprisonment for desertion be abolished."

(f) "that the adoption of uniform legislation is desirable, with a view to extend the benefits of the Workmen's Compensation Acts to seamen."

(g) "that third-class engineers having sea-service, on passing a practical examination, be permitted to qualify for higher grade certificates."

(h) "that all vessels constructed after a certain date shall be fitted with water-tight compartments."

(i) "that all sea-going ships carrying more than ——— passengers or being more than 5,000 tons gross measurement shall be fitted with apparatus for transmitting messages by means of wireless telegraphy."

## 8. Resolutions of Conference.

Motion by Sir Joseph Ward "that the Imperial and Colonial Governments concerned be requested to introduce legislation to give effect to the resolutions of the Conference in cases where legislation is necessary."

THE CHAIRMAN: I will explain to Mr. Belcher the reason why we have not put his motion first. The reason is that the Secretary of State for India asked me if I could put it off for an hour so as to enable him to get a good man from the India Office to come here to represent the Department. If we get through the first in less than half an hour, we shall have to put it off again. I promised to put it off for an hour.

SIR WILLIAM LYNE: In the report which I saw to-day, I think there is a mistake. I understood the resolution moved by Sir Joseph Ward yesterday, and voted for by the Australian and New Zealand delegates, was voted against by the shipowners; and I firmly understood that the Colonial Office did not vote at all.

THE CHAIRMAN: No; the Colonial Office took no part in the voting.

SIR WILLIAM LYNE: Unless my ears deceived me, you declared the motion carried.

THE CHAIRMAN: I simply declared the fact; the Colonial representatives voted for it, the shipowners and the Board of Trade representatives voted against it. The Colonial Office refrained, as they did not regard it as a matter within their Department.

MR. COX: I think it was my fault. We were breaking up, and there was a good deal of confusion from people rising from their places, and I intimated rather inaudibly to the President that we did not wish to vote upon that, but that we wished to remain neutral.

SIR WILLIAM LYNE: I heard that.

MR. COX: And then I explained further after the Conference had risen, because I was not certain that the President had heard what I said.

SIR WILLIAM LYNE: It seems a little bit foolish to me as it is now. I wish to mention that I have seen Mr. Deakin with reference to one other matter. I asked him to see Sir Joseph Ward as to bringing a certain matter referred to yesterday before the other Conference.

THE CHAIRMAN: That is a matter for the other Conference.

SIR WILLIAM LYNE: I told him what you said, and he thinks it is a matter for this Conference. I do not know whether he changed his mind after he spoke to Sir Joseph Ward.

THE CHAIRMAN: I shall be very pleased to see him, with the Colonial Secretary, about it.

SIR WILLIAM LYNE: I asked him to have a talk with Sir Joseph Ward about it.

THE CHAIRMAN: If they are all agreed to refer it to this Conference, very well, I do not object; but I should not like to do it without a conference with the Colonial Secretary and Mr. Deakin. I am not sure whether Canada would not care to have a voice in that matter.

HON. DUGALD THOMSON: She would. She is interested in the Pacific.

THE CHAIRMAN: I do not think we can do it without the presence of the Colonial representatives.

HON. DUGALD THOMSON: May I ask if the resolution as to what constitutes coasting trade was actually put?

THE CHAIRMAN: I was not here at the time.

HON. DUGALD THOMSON: I want to know if my protest of dissent was recorded. My dissent came at an earlier part, and if it was put afterwards, I do not recollect its being put; but I will not say it was not. I do not know whether my dissent was recorded.

MR. LLEWELLYN SMITH: The place for the recording of your dissent would be on the voting on Mr. Norman Hill's rider, which was that it was inexpedient to apply the Colonial laws to the coasting trade.

MR. NORMAN HILL: Mr. Thomson had left. I had to bring that up just at the very last moment with a view of getting it on the minutes, and, unfortunately, Mr. Thomson left before our innocent protest was made.

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HON. DUGALD THOMSON : I had to leave, and that is perhaps why I do not remember its being put.

MR. LLEWELLYN SMITH : That is how it was.

HON. DUGALD THOMSON : But I desire my dissent recorded.

THE CHAIRMAN : I think we had better see that that is recorded.

MR. LLEWELLYN SMITH : I do not see any reason why it should not be recorded. That would be on Mr. Norman Hill's rider.

MR. NORMAN HILL : It is in support of mine.

HON. DUGALD THOMSON : Yes ; it was dissent to the resolution as carried.

THE CHAIRMAN : Before we get on to the agenda, I should like to say this : it is a pretty formidable agenda. I am not sure that it is not gathering in strength, and certainly it is in dimensions, from day to day, and we cannot get through it unless we are prepared to limit the debate very considerably. Yesterday we took very considerable time over certain motions ;— I think, longer than we ought to have done. I do not want to lay down any five minute rule about speeches, but I think it is desirable that speeches should be compressed within those limits if possible. After all, we are only addressing this Conference, and not our constituents, and we can explain afterwards to our constituents what was the reason which moved us, at greater length—the reasons which led us to support or oppose certain resolutions. But I think it would be possible to limit our remarks within five minutes. I think there is another rule which I *must* lay down : that not more than one speech shall be delivered upon a resolution by the same delegate ; otherwise we shall never get to the end of our business if two or three speeches are delivered on the same resolution by the same delegate. That is a rule which I think I must lay down, subject to any personal explanation which may be permitted by the Conference. Here is a letter from the India Office, which states that Sir James Mackay is coming at half-past eleven, so that if we are free then we will take the resolution. Now we will proceed with the first item on the agenda, "Brussels conventions as to collisions and salvage."

SIR WILLIAM LYNE : Who brings that on ?

THE CHAIRMAN : This will be brought on by the Board of Trade. Mr. Llewellyn Smith will perhaps explain.

MR. LLEWELLYN SMITH : These conventions, which have not yet been acceded to on behalf of His Majesty's Government, have been circulated to the representatives of Australia and New Zealand.

HON. DUGALD THOMSON : I have not seen one.

MR. MILLS : I have not had a copy.

MR. LLEWELLYN SMITH : Then we cannot discuss it, clearly ; they were circulated.

HON. DUGALD THOMSON : I have no copy.

MR. MILLS : Has there been any list of the resolutions passed yesterday circulated ?

MR. LLEWELLYN SMITH : This was circulated some days ago.

MR. MILLS : But yesterday's work ?

MR. LLEWELLYN SMITH : I cannot tell you.

MR. MILLS : We have no note of the resolutions passed yesterday, and sometimes there is confusion as to the exact shape in which they were passed.

MR. LLEWELLYN SMITH : It was at the suggestion of the Australian Government that it is brought before this Conference. I understand that the Colonial Governments were asked their views as to the expediency of adhering, and the reply from Australia was that it was a fitting subject to be discussed here. That was the reason why it was put down. The main changes, the important points, to which attention should be directed, are Article 4, which proposed the apportionment of damages according to the degree of blame, in cases where two ships in collision are found to be in default, in place

of the present rule that it should be equal damage if both vessels are in default. The second is Article 5, which establishes liability in cases where collision is caused by the fault of the pilot, even where the latter is carried by compulsion of law ; and Article 8, which prescribes that "after a collision, the master of each of the ships in collision is bound, so far as he can do so, without serious danger to the ship, its crew, and its passengers, to afford help to the other ship, its crew, and its passengers. He is likewise bound, so far as possible, to make known the name of his vessel, and the port of registry as well as the places from and to which it is sailing. The owner of the ship is not liable by reason of contraventions of the above provisions. Such contraventions do not either entail a legal presumption of fault from the point of view of pecuniary liability for the collision." I am reading from our translation, which is not an authorised translation. It is made for the convenience of this Conference. After consulting all the interests likely to be affected in the United Kingdom, I may say that the conclusion of the Board of Trade is in favour of adhesion. This is an opportunity for an expression of opinion on the part of Australia and New Zealand, if they feel disposed to express such an opinion.

SIR WILLIAM LYNE : What on ?

MR. LLEWELLYN SMITH : As to whether it is desirable that adhesion should be given to these conventions. These are draft conventions—I should not say they are draft ; they are conventions which have been agreed to, subject to adhesion.

SIR WILLIAM LYNE : Numbers 4 and 5 I do not propose to say anything upon. With regard to No. 8, our great objection to it is that we do not want that regulation taken away of standing by a ship.

MR. LLEWELLYN SMITH : I do not think it takes away anything.

SIR WILLIAM LYNE : That is the interpretation. When we had a communication from the Colonial Office with reference to this, the idea was that an attempt was to be made to reduce the liability of the masters if they did not conform to the regulation. That is really the only point I want to watch.

HON. DUGALD THOMSON : What is the difference between Section 422 of the Merchant Shipping Act and this proposal ?

SIR WILLIAM LYNE : It seems to me it does take away something.

THE CHAIRMAN : Does it take away any liability ?

MR. NORMAN HILL : No ; I think it brings foreign vessels under our law.

THE CHAIRMAN : Do you hear that, Sir William ?

SIR WILLIAM LYNE : I have the law here—Clause 422 of the Merchant Shipping Act. With regard to this Regulation 8, my officers conceive that that will reduce the punishment. Now, under this law—I do not know whether it extends to both—the penalty for not doing what is required, there is—(a) a ship not doing this is adjudged to be in default ; (b) the master is liable for misdemeanour. If that is not interfered with I have nothing more to say, but if it is interfered with, we desire that it should not be.

MR. CUNLIFFE : Article 9 says : "The high contracting parties whose legislation does not forbid infractions of the preceding article, bind themselves to take or to propose to their respective legislatures the steps necessary to insure the repression of such infractions." The result would be that our Act dealing with this matter, which is section 422 of the Merchant Shipping Act, will cover this case as a punishment for the failure to comply with it.

SIR WILLIAM LYNE : Will you show how it is provided for here?—Why the necessity for leaving us to provide legislation, if you have the legislation now ?

HON. DUGALD THOMSON : Does Section 422 of the Merchant Shipping Act make the vessel, the master of whom fails to carry out those provisions, liable, or the owner ?

MR. NORMAN HILL : The great object of this convention is to bring all vessels under the same law. Does not Article 8 adopt the whole of our law, Section 422,

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making it absolutely obligatory on the masters of vessels, after collision, to stand by? The only difference is that our law, unlike all continental laws, presumes that the master who did not stand by is responsible for the collision—not responsible for not standing by, but responsible for the collision. Now, that law is not in existence in any of the continental codes.

SIR WILLIAM LYNE: That just proves what I am afraid of, that you are wanting to take away a part of the punishment—the direct expression of part of the punishment. The last subsection 3 provides that if a master or person in charge fails without reasonable cause to comply with this section, he shall be guilty of a misdemeanour.

MR. NORMAN HILL: That stands.

THE CHAIRMAN: That would not be affected in the slightest degree.

MR. NORMAN HILL: This convention is the work of a great many years. There have been very great difficulties in getting foreign countries to adopt our provisions, and substantially we have got foreign countries on these two matters, collision and salvage, to adopt the law of the United Kingdom, and so far as I know, the law of the United Kingdom is the law which has been in force in Australia and New Zealand. We have made a very great step forward in getting foreign countries to go with us on these points.

SIR WILLIAM LYNE: Have you not reduced your stringency?—I am seeking rather for information as to what the effect is.

MR. NORMAN HILL: The other particular which has been specially mentioned is another example. Our law is, that if two vessels are both to blame, each vessel pays half the damage of the other, without regard to the degree of blame. Now the continental practice generally has been to apportion the damage according to the degree of blame. One ship may be very much to blame, and the courts have been in the habit of apportioning the damage, one ship to pay one-sixth, say, and the other five-sixths. We have always said half, and on that point we have agreed to take the continental practice rather than ours. With regard to this question of standing by, it is a kind of compromise between our practice and the continental practice. We insist on the obligation to stand by, and we have provided for punishment if the master does not stand by; but we have agreed that the fact of not standing by is not to be a presumption that the vessel which elects not to stand by was to blame for the collision. It is a very arbitrary rule to say that because you do not stand by after the collision you were responsible for bringing about the collision. As a matter of fact, it is a very difficult rule to support. It has been our rule, but it has been the rule of no other nation, and we think that in getting them to toe the line, in so far as imposing a direct responsibility to stand by is concerned, we have made a very substantial step.

SIR WILLIAM LYNE: What punishment devolves upon them if they do not stand by?

HON. DUGALD THOMSON: The master is punished.

THE CHAIRMAN: It is still a misdemeanour. If you look at the first page of this you will find that article 8 is inconsistent with subsection 2 of the section which you quoted No. 422, but not with subsection 3. If you look at the front page you will find that the convention provides for the repeal of subsection 2 of Section 422, but the section which you quote, making the person who fails to stand by guilty of a misdemeanour, remains. He is still guilty of a crime if he does not stand by, and he will be punished accordingly.

HON. DUGALD THOMSON: The person who neglects to stand by is punishable as much as he is punishable under the other law.

THE CHAIRMAN: That is so.

HON. DUGALD THOMSON: But it does not cause the implication that the collision was the fault of his ship when it may not have been.

MR. FERNIE: The underwriters would not be responsible.

THE CHAIRMAN: The underwriters certainly would not be responsible.

SIR JOSEPH WARD: Is there any reason why the second line should not be deleted: "the owner of the ship is not liable by reason of the contravention of the above provisions"? That suggests that he incurs no penalty, and that is going too far. If that were struck out, it would read: "such contraventions do not entail a legal presumption of fault from the point of view of pecuniary liability for the collision"; there is a conflict between the two.

MR. NORMAN HILL: Is not the object of 9 (2) to maintain the right to punish your own officers for breaking the laws you lay down? The object of 8 is to provide for collisions with regard to vessels under different flags.

SIR JOSEPH WARD: In our Act the subsection reads: "if the master or person in charge fails, without reasonable cause, to comply with this section, he shall be guilty of a crime." Then if he is the owner and master too—we have such cases—it goes on, "and the collision shall, in the absence of proof to the contrary, be deemed to have been caused by his wrongful act or default," and his certificate may be suspended. If you strike out "the owner of the ship is not liable by reason of contraventions of the above provisions," and leave this in, "such contraventions do not either entail a legal presumption of fault from the point of view of pecuniary liability for the collision," I think you do all you want.

MR. LLEWELLYN SMITH: I am afraid we are not in a position to amend this. This is a compromise arrived at at the International Conference, which was as far as we could get foreign countries to go. We are in a position, all of us—the Imperial Government and the Colonial Governments—to consider whether, taking it as a whole, it would be better to come in or not. It has rather got beyond the stage at which we could have verbal amendments.

SIR WILLIAM LYNE: Then what is the use of our considering it?

MR. LLEWELLYN SMITH: We were considering whether Australia would be benefited by participation.

SIR WILLIAM LYNE: Suppose Australia says she does not want it?

MR. LLEWELLYN SMITH: Then she will not accept.

SIR JOSEPH WARD: Speaking for New Zealand, before we could be expected to give our general consent to a proposal of the kind, obviously we ought to have been asked beforehand, and as we were not asked beforehand, this is the opportunity. We have never limited our Act in any way.

MR. LLEWELLYN SMITH: The Colonial Governments have all had it.

THE CHAIRMAN: I am told there has been a reply from New Zealand.

MR. HOWELL: Perhaps I could tell the Conference exactly what has happened. As regards the Colonies, the position is as follows: So far as the Colonies not possessing responsible government are concerned, the Colonial Office are prepared to accept any course which the Board of Trade may advise. The self-governing Colonies have expressed themselves as follows: Newfoundland see no objection to the Convention if accepted. Natal agree to whatever action may be decided upon by the Imperial Government. Cape Colony see no objection to the adoption of the conventions which are approved generally by the mercantile association, whose views have been sought in the matter. New Zealand refer to certain points in the collisions convention, Article 8, which they say would have to be considered in drafting legislation to give effect to the convention, but do not say whether they favour adoption of the conventions or not.

MR. LLEWELLYN SMITH: Australia's reply was that it was a suitable subject to be brought up before this Conference, and that is why it was done.

SIR JOSEPH WARD: I would like the other members who are here not to assume too much. Generally, I am quite prepared to fall in with such portions of that as are referred to in the despatch, whatever they may be; but that, of course, does not mean our legislating to put an owner or shipmaster who may be on a ship in the position of being relieved from all responsibility.

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HON. DUGALD THOMSON : I do not think it does, because that latter part does not free the master. As master he is not freed. It may free him as owner, but not as master.

SIR JOSEPH WARD : I desire to say that upon the understanding that it is not assumed that we are compelled to legislate line for line with this document which is here, I do not want to take up further time by offering opposition to anything.

SIR WILLIAM LYNE : I am advised by my officers that it would be an unwise thing to alter the law.

THE CHAIRMAN : You cannot see your way to accept the convention at the present moment?

SIR WILLIAM LYNE : Not at the present moment.

THE CHAIRMAN : In that case we had better pass no resolution.

SIR WILLIAM LYNE : I would prefer not, because at the present moment it is a legal matter to some extent, and I am advised that it is unwise to do it, so that I should be placed in a very invidious position if I gave my consent on behalf of Australia.

THE CHAIRMAN : We withheld our assent to these conventions until we had consulted the colonies first of all. At the suggestion of the British delegate, a third meeting will be held to consider any amendments which may be proposed, so if we could get any suggestions from the colonies we could bring them forward at that third meeting.

SIR WILLIAM LYNE : When will that take place?

THE CHAIRMAN : The Belgian Government are to summon a meeting in the spring. There will be a third meeting held. We have not assented to this convention until we had the views of the colonies upon it. We have sent it along, and now we know fairly well what the position is so far as the colonies are concerned. A third meeting will be held, summoned by the Belgian Government, some time this spring, and I should like to have any suggestions on the subject which can be brought forward then with regard to the convention. In the meantime I think we had better pass no resolution.

SIR JOSEPH WARD : I think so. I shall be glad to communicate with you after my return to New Zealand.

SIR WILLIAM LYNE : I think I shall very likely communicate before this Conference concludes.

THE CHAIRMAN : If possible we should like to have it, because they have promised to summon a Conference in the spring. I do not know what that means.

MR. LLEWELLYN SMITH : At this third meeting there will be apparently the chance of considering it further?

THE CHAIRMAN : Perhaps you would like to know the countries which have assented to the convention. They are Germany, Belgium, Brazil, Chili, Cuba, the United States of America, Mexico, Roumania, Russia, and France.

MR. PEMBROKE : Considering our interests are very much larger, I think it would be nice if the colonies could see their way to come into it.

THE CHAIRMAN : It is very desirable, no doubt, that we should have an international convention.

SIR WILLIAM LYNE : I think I shall be able to let you know something more about it.

THE CHAIRMAN : Now that Sir James Mackay has arrived, I think we can take Mr. Belcher's motion. Mr. Belcher will explain it.

MR. BELCHER : I move, "That this Conference is opposed to the employment of Lascars, Coolies, Chinamen, or persons of any other alien race on any vessel owned, registered, or chartered to trade in the Commonwealth or New Zealand." The object of the resolution is to try as far as possible to keep what I may term the blight of the Asiatic as far away from Australia and New Zealand as may be. You are all aware that the policy of the Commonwealth of Australia is distinctively

white. That sentiment has been clearly pronounced in Australia. It has been expressed right throughout their recent legislation. New Zealand, although it has not spoken quite so loudly as Australia, certainly holds generally, I think, the same opinion—that it requires white people for its country; in fact, it wants race purity, and it also wants its vessels manned with white labour. There are, I believe, certain vessels trading out of Australia, running pretty regularly between Australian ports and to Singapore and Calcutta and other places in the East, which are manned with the class of labour mentioned in the resolution. I regret very much to say that New Zealand is also troubled in a small degree with exactly the same complaint. There is a vessel owned by the Union Company which trades generally between New Zealand and Singapore and Calcutta. For some considerable time that vessel in that trade was manned with white labour. For some reason best known to the people who operate that company, the manning was changed from that of white to black, and she now runs regularly between the countries mentioned manned with black labour. We have not in our legislation anything restrictive as against the shipowner from employing aliens of any description. As I say, Australia is moving in that direction, and I think it highly essential that exactly the same thing should be done in New Zealand. The reasons for excluding this class of labour are very numerous. They have been already very ably expressed by Sir William Lyne, and, generally speaking, we look upon these people as undesirable, and that where Australian and New Zealand ships are concerned, where the profits accruing to the people who run those businesses are all practically derivable from the white population of those countries, we consider that the white community there who are desirous of following the sea as an occupation should have an opportunity in that direction as an outlet for their energies. There is no telling when once this policy is commenced where it is going to stop. It might be extended to the coasting trade. In fact, we know many years ago in Australia, there was a certain shipping firm there which had the whole of its fleet manned with Chinamen. Public sentiment got so strong in connection with the matter that they had to dislodge the whole lot of them and deport them out of the country. There was no gradual removing of them in that case. They simply had to do it in one act. That is the sentiment which prevails in Australia and New Zealand with regard to the employment of these people. I do not know what justification there is for employing them, except that they are cheap, for they are in a great many instances unreliable. It is the matter of cheapness, I think, which induces the employment of these people, because I know that when the vessel to which I have referred was manned by white labour under New Zealand conditions, the wage bill for the seamen and firemen was about £166 a month; with the employment of Lascars, the wage bill now, although there are double the number of men carried, is somewhere about £60 a month, making a difference of about £100 a month in the wages, with double the number of men carried. Apart from that altogether, both Australia and New Zealand have legislation in this respect, that a bond has to be given of £100 a head for the safe return of these people on board their ships. That, to my mind, is very repugnant indeed, and I cannot help saying that it appears to me, from my knowledge of this subject, that these people are in a servitude which no white person in the world would possibly submit to. They have no liberty of any kind. Contracts are made with these people for lengthy periods, and they are practically the property of the shipowner from the time they contract with them until the contract is finished. As I say, there is species of servitude about this kind of labour which closely borders on what I can only term slavery. I am very pleased to have heard Mr. Hughes the other day express the opinion, and express it very pronouncedly, that the Commonwealth is opposed to employment of this class of labour in any kind of British ship, and I was also very pleased to hear him say that the Commonwealth Government was hardly likely under the circumstances to grant a subsidy to any vessels, with regard to mails or otherwise, which carried this class of labour. I sincerely trust that the Australian Government will insist upon that principle.

SIR WILLIAM LYNE : You may depend upon it they will.

MR. BELCHER : And I hope that New Zealand will adopt exactly the same practice. It appears to me that representations to the people who employ this class of labour are practically useless. They are on the increase—there is no doubt about that. The figures show conclusively

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that this class of labour is on the increase in the various British vessels. We in New Zealand, at any rate, want to keep New Zealand for the New Zealanders, or for the British at any rate, as far as we possibly can, and, as I said before, it is highly desirable that we should have some restrictive legislation on our statute-book prohibiting the employment of this class of labour. There is a moral side to this question also. It is a well-known fact that these people cannot have social intercourse with the people of the countries where they trade, and I say the moral aspect of the question should weigh with us very considerably indeed, so far as the employment of these people is concerned. Race purity, I maintain, so far as our countries are concerned, is a thing which we intend to insist upon, and all the undesirables that we can possibly exclude from the country are going to be kept out. As a matter of fact, they are kept out of the country; but, unfortunately, they are allowed to come on board our ships, taking the place of white men who are willing to work and who, perhaps, have wives and families dependent upon them, and who are desirous of bringing their families up under decent conditions. They are displaced, and the cheap, and undesirable Lascars and Coolies are in their place. They are not in my opinion, speaking as a practical seaman, reliable men at sea, and I sincerely trust that it will never be my fate to be on board one of the liners if any accident should happen there, and to be at the mercy of assistance from the Lascars and Coolies. Only a few weeks ago, on the voyage from Australia here, I saw an exhibition of their ineptitude which was appalling. A certain performance has to be done before a vessel enters the Suez Canal. The boat was manned by five Lascars, and they were unable to do what was required, with the result that four white quartermasters had to go down and do what the Lascars were unable to do. I merely mention this as an instance of their unreliability. At any rate, the great and broad principle involved in connection with this matter is this: are our British ships to be manned with Britishers, or are they to become the dumping ground for the surplus population of the East? It has been stated here, very truly, that the mercantile marine may possibly at some time be the recruiting ground for our fighting forces. As a matter of fact, a good deal of activity is being displayed, both in Australia and in New Zealand, in the direction of trying to form a naval reserve. It is in operation at the present time, and there are a considerable number of New Zealanders, whom I know personally, who have become members of that reserve. As I said before, if the extension of this policy of the employment of the Lascar and Coolie is going to take place, then you can say good-bye to any possibility of establishing your reserve, and you will also not have a class of people which will be useful to us in the day when trouble may come along. I certainly trust that the Conference will pronounce with no uncertain sound that we believe in a white Australia and a white New Zealand, and that this class of labour should be excluded from the vessels.

Mr. MILLS: May I say a few words on this matter? The company with which I am connected has been referred to by Mr. Belcher. I do not want to prolong the discussion, but I think I should say a few words, although I may say at the outset that I think, as put by Mr. Belcher, it is purely a local New Zealand matter, and is not a suitable thing for this Conference to come to a resolution upon. He asks us to legislate for Australia and New Zealand, which it is beyond the province of this Conference even to make a recommendation upon. I am not here to defend coloured labour in any way as regards the Australian and New Zealand trade; in fact, there is no stronger supporter of white labour than myself. I look upon all that has been said in that direction from a sentimental point of view with favour, and I am a great believer in it. Mr. Belcher has referred to one steamer trading from New Zealand, which formerly had a white crew, and after some experience in that direction was supplied with a Lascar crew, which he says is not so efficient. I can only say that although he is right in saying that there is an economy in employing a Lascar crew as against a white crew directly, in the shape of wages, there is a very great deal more in the way of efficiency. The reason why a Lascar crew was put in was because the white men were not allowed by the authorities to do any work in the port of Calcutta, and as often as not a considerable proportion would be unfit for work at sea in hot weather. The efficiency of the ship was very much impaired. It was more for that reason than for any other that Lascars were substituted for a white crew.

SIR WILLIAM LYNE: Where was that?

Mr. MILLS: In a vessel trading from New Zealand to Calcutta. Mr. Belcher has said that if the thin end of the wedge is introduced it is only a matter of time for aliens to be introduced into the coasting trade, but that is impossible; there is a manning scale which would make it impossible. I do not like to say so—it does not do to publish these things far and wide—but our limited experience is that under many conditions the conduct of these coloured men is not only exemplary, but compares more than favourably with the conduct of white crews under similar conditions. Under very trying circumstances with regard to work and weather we cannot always rely upon white crews being fit for their work, either from their physical conditions or from their own fault. I merely make these remarks by way of explanation, as I have been referred to. As I say, I indorse all that Mr. Belcher has said with regard to the desirability of confining the employment on vessels in the coasting trade in the colonies to our own countrymen.

SIR WILLIAM LYNE: I entirely concur in the motion, and will support it if it goes to a division. The only two objections which I have heard raised with regard to the employment of white men instead of coloured men are these: one is that which has been referred to by Mr. Mills, that, not when the ship is at sea but when the ship is in port, and calls at a port, there is sometimes difficulty in getting the men on board again—much greater difficulty than there is so far as Lascars are concerned; more difficulty than there is with other coloured people also, but particularly the Lascars. There may be some little trouble in that regard, but I certainly think that if the men become more wedded to their ships and more satisfied with their conditions, that will lessen very much. Personally, I certainly think that if I was in any trouble, or the ship was in any trouble, I should feel much safer if we had a white British crew than if we had a crew of coloured men. As regards the stokehold and the climate, I know that that has been raised many times as the reason why coloured men should be employed in the tropics; and the vessel which has been referred to, trading from New Zealand to Calcutta, perhaps raises the question of their not being able to work in the stokehold. I have never heard the question raised except with regard to the stokehold. We have a good deal of traffic, and many ships, between China and Australia, in which they employ Chinese. I forget the name of the company, but the "Eastern" is one of the ships, and there are many. I am told it is the E. & A. Company, and the China Steam Navigation Company. I think there is a great deal too much made out of the assertion that white men cannot do their work wherever a black man can do it. We know perfectly well that men-of-war in the tropics do not employ black men, even when steaming at a higher rate of speed, and the white men can do the stokehold work. In the ships of the "Archer" class which came out to Australia, which are the very worst so far as the ventilation of the stokehold is concerned, white men did the work. If that is so, and if in every other regard the white men can do the work—Germans can do the work—why not white Englishmen? The Nord-Deutscher Lloyd do not employ black men, and they do not employ oriental people to do the stokehold work. Under all these circumstances I certainly feel that there is no reasonable objection to carrying a motion of this kind, which certainly does express the sentiment of Australia.

SIR JOSEPH WARD: I am very proud of the condition of shipping affairs in New Zealand, and I am not saying so for the purpose of paying a compliment to those responsible for the control of the ships trading around our coast. All the steamers which belong to New Zealand employ none but white people, with the one exception referred to by Mr. Belcher; and as a country we are strongly opposed to the system of the employment of Lascars or Chinese or coloured people upon our ships. It is only due to those responsible for the control of the great Union shipping line which trades to and from New Zealand, as well as its coadjutor, the Huddart Parker line of steamers which trade to our country, to say that they have voluntarily, without pressure from the Government, maintained all along white crews on board their steamers. Our country is very proud of it, and I think it is only fair to say on behalf of my colleague who is associated with Mr. Belcher and myself, Mr. Mills, the head of one of the great steamship companies, there, that the country itself has so far done nothing else but approve the spontaneous and voluntary efforts made in that direction by that organisation. Years ago we stipulated, in a contract where we gave a

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subsidy to a line of steamers for carrying the mails across America to England, for the exclusion of coloured crews. The then proprietors of the steamers had a section of the crew Asiatics. We pointed out that unless the conditions we required under our contract were satisfactorily complied with, we would withdraw our subsidies. Now I make a distinction between a country giving a subsidy for the carrying of mails by steamers outside of its own country, over which they have no control as to the conditions, so long as they pay a subsidy, and those which trade in the ordinary sense as tramps or cargo steamers. I support the motion of Mr. Belcher on the principle, to which we are wedded in our country, that we believe it is in our interests to have white crews upon our vessels. I fully recognise—and I want to say with all due deference to everybody else here—that after what we have done in our Parliaments, and what we are prepared to stand by there with regard to the preservation of white crews, the duty passes from us to the Imperial Legislature to make provision for the crews on British vessels trading to and from British ports. We control our own ports and we control our own class of seamen, and I am disposed to think that until the British people themselves see eye to eye with us in our desire to maintain white men on board our ships you will not be able to get them from British ports except by legislation.

HON. DUGALD THOMSON : Does this motion include that?

SIR JOSEPH WARD : I was just trying to put my own position.

HON. DUGALD THOMSON : Does the motion include British ships from over sea?

SIR JOSEPH WARD : I for one recognise that in what we have done and are doing and intend to do for the preservation of white crews upon our ships, the duty of dealing with over-sea British ships passes from us to the Imperial Legislature when in their judgment the circumstances connected with the Empire as a whole may seem such as to make it advisable to apply a similar system to vessels trading from Great Britain to other parts of the Empire. Speaking for New Zealand, we want the white race on the ships coming there, and as a matter of policy we would not give a subsidy to any line of steamers that did not carry a white crew. In that respect we protect our people; we consider we are protecting our country; and we believe that in a very material respect we are helping to provide conditions for having a mercantile marine there which in time of trouble and stress and difficulty may be utilised for the defence of New Zealand, and to that extent aid in the defence of the Empire as a whole. I do not wish to introduce any sentiment into the matter. I support Mr. Belcher's motion, and hope the time is coming when the Imperial Legislature will see its way to provide similar regulations for the ships trading from this country to the various parts of the world.

HON. DUGALD THOMSON : I agree with previous speakers that the sentiment of Australia, and I have no doubt the sentiment of all here present, is that it is highly desirable to employ British seamen on British ships. At the same time I would not go so far as to say that the feeling of Australia is that we should go beyond our own limits and try by any means to impose that on the British Government. We must recognise their freedom to legislate in that respect for their shipping just as we desire our own freedom. I do not think Mr. Belcher's motion means that. I think the resolution, as it is on the agenda, in referring to "any vessel owned, registered, or chartered to trade in the Commonwealth or New Zealand" means within our own jurisdiction.

Mr. MILLS : Hear, hear.

Mr. BELCHER : I will go this far, that vessels that are chartered, but which do not by any means come under Australian conditions, in so far as manning and that kind of thing is concerned, vessels trading regularly from Australia to Calcutta or any other of those places should be compelled to carry white crews notwithstanding the fact that they may be on English articles.

HON. DUGALD THOMSON : May I point out to Mr. Belcher that that is part of the matter that we have not decided as to its being within the scope of this Conference. That is the matter which was alluded to by Sir William Lyne this morning, and which the President, I believe, is going to consult Sir Joseph Ward upon, possibly

Mr. Deakin, and possibly one of the home authorities, as to its being within the scope of this Conference. However, I am dealing with the resolution as it is, which seems to affect only those vessels within the Commonwealth and New Zealand jurisdiction. Mr. Belcher has said he desires that British seamen shall be employed on those boats. He will find a great many with him in that desire. But as the resolution is phrased, I think there is a very inconvenient and undesirable reflection on British subjects.

Mr. COX : Hear, hear.

HON. DUGALD THOMSON : We are here in conference, and we ought to consider the position and the difficulties of the British Government in this regard. I would suggest to Mr. Belcher that he would obtain the full effect that he desires—what he expressed as his desire in his speech—if he phrased this resolution in a different way, something to this effect : "That this Conference is in favour of the employment of British seamen, to the extent that they may be available, on any vessel owned, registered, or chartered to trade in the Commonwealth or New Zealand."

THE CHAIRMAN : That is on the coast?

HON. DUGALD THOMSON : That is, within our jurisdiction, as I take it to be.

THE CHAIRMAN : That is not Mr. Belcher's resolution.

HON. DUGALD THOMSON : I was pointing out to Mr. Belcher that going beyond that raises the very question that we are at present in doubt about, as to whether any further extension of our powers beyond what is admitted as being our jurisdiction is a matter for this Conference, or a matter for the decision of the Imperial Conference. At any rate, however far it is meant to apply, I think it would be much better that the wording should be altered as I suggested, if Mr. Belcher is prepared to accept that, namely : "That this Conference is in favour of the employment of British seamen, to the extent that they may be available, on any vessel owned, registered, or chartered to trade in the Commonwealth or New Zealand." I am sure we must see that in conference here we have to consider each other's position and each other's difficulties. We must recognise that the British section of this Conference has fully done so in regard to our affairs, and we ought to do so in regard to theirs, and not cast reflections by a special resolution, naming these British subjects, when we can get the same result by a different phrasing of the resolution.

HON. W. M. HUGHES : I would like to ask whether this resolution, in your opinion, sir, does extend in its present form to vessels other than those employed on the coasts of Australia and New Zealand?

THE CHAIRMAN : I have looked at it from that point of view, and I think it is very ambiguous. Mr. Belcher's interpretation of it certainly extends it beyond the home conditions.

HON. W. M. HUGHES : I know that.

THE CHAIRMAN : And I think it is very desirable that the Conference should know what it is really voting upon. Sir Joseph Ward's speech was directed purely to the home waters.

HON. W. M. HUGHES : Quite so.

THE CHAIRMAN : And so was Sir William Lyne's speech, as I understood it.

SIR WILLIAM LYNE : Directed to what, did you say?

THE CHAIRMAN : Directed to the territorial waters of the Commonwealth.

SIR WILLIAM LYNE : Yes. I do not see how we can extend it to India.

Mr. MILLS : Then we are all agreed.

Mr. LEWELLYN SMITH : We passed a resolution that the Australian conditions apply.

HON. DUGALD THOMSON : You may have an opinion on the phrasing of this motion?

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MR. LEWELLYN SMITH : We could not assent to the motion as at present phrased.

THE CHAIRMAN : No. It is too ambiguous.

HON. W. M. HUGHES : What I wanted to say was this : that if it applies only to vessels owned, registered, or chartered to trade in the Commonwealth and New Zealand, it is quite unnecessary, because it has already been conceded here in the fullest possible way that we have the power to make laws for ourselves in this or in any other respect. Now, as to whether we should ask this Conference to affirm the expediency of making laws, I submit we are not here for that purpose at all. If there be a very good and sufficient international or Imperial reason why this should not be done, no doubt you yourself, or the representative of the India Office here, would let us know it without more ado. But I take it, that if Mr. Belcher's resolution merely applies to those vessels that are trading on the coast, within the meaning of the resolution already agreed to, then it is not necessary. If it means something more than that, I should be very glad indeed to support it, in spite of what my friend, Mr. Thomson, has said. Mr. Thomson has an idea that we are to be limited by the recommendation of the Royal Commission.

HON. DUGALD THOMSON : No.

HON. W. M. HUGHES : Now, that is not so at all. The recommendations of the Royal Commission only incidentally arise here, and because we there said that certain things shall only apply to New Zealand and the Commonwealth, it does not follow that here we may not say that it would be a good thing if such a principle were enforced on the British mercantile marine generally. I do not wish to labour the question at all; but I do think it would be a good thing if British seamen were employed, wherever that is possible, in place of Lascars, Coolies, or Chinamen. A very large number of vessels trading from the Commonwealth to places over-sea do carry whole coloured crews—the E. and A. Company, the China Steam Navigation Company, the B. I. boats, the Calcutta boats—nearly all carry coloured crews; and it would be a very much better thing for us if they carried British crews. If this resolution of Mr. Belcher's is confined to the Commonwealth and New Zealand I should be inclined to vote for its withdrawal. I would not vote against it, of course, but it is only saying the same thing twice. But if he will make it apply generally, I shall certainly support it, although I am quite free to admit that if the British representatives here—if you yourself, representing the Government—say that we ought not even to express a pious hope that the British Government might see their way to favour this, then I shall say no more. Because, of course, if the Government have made up their minds on this matter, no recommendation from us could do anything unless it were unanimous, which, of course, I readily concede it would not then be. I should like you, therefore, sir, to ask Mr. Belcher formally how far he intends this resolution to apply.

THE CHAIRMAN : I understand Mr. Belcher to intend that it should apply beyond the limits of the home waters of New Zealand and the Commonwealth.

MR. BELCHER : Yes; that is my intention.

THE CHAIRMAN : And that is your interpretation of your motion?

MR. BELCHER : Yes.

SIR WILLIAM LYNE : Do I understand that you would say that the Imperial Government must not employ Lascars in Indian waters?

MR. BELCHER : No; not at all. I have already referred to one case where I think the stoppage of the employment of Lascar labour is highly desirable, that is in vessels trading from Australia regularly to Singapore and Calcutta. I have a case in my mind where a steam vessel came to New Zealand not long ago with a cargo of guano from one of the outlying islands. I believe that vessel ran two or three cargoes there to the detriment of New Zealand vessels, and not only to their detriment, but it practically ran vessels sailing from Australia out of the trade altogether.

SIR WILLIAM LYNE : That is not what I wanted to get at. If this is to apply only to certain places you must put it in the resolution, otherwise it will apply everywhere. I agree with you that there are certain places

where it is desirable that coloured labour should not be employed, if we can so get it agreed to, but I cannot think that we can prevent the Imperial Government employing coloured labour all over its dominions.

THE CHAIRMAN : Unless we are prepared to give up India, and all places where we have coloured subjects, it would be impossible.

HON. W. M. HUGHES : I will suggest to Mr. Belcher one modification which he might agree to. He names Lascars, Coolies, and Chinamen; what he really means, of course, is coloured labour; he does not bother whether they are Lascars, Coolies, or Chinamen. I quite agree with Mr. Thomson that there is no good purpose to be served by emphasizing this matter, and if Mr. Belcher persists in his motion, which I certainly shall not take exception to, he should withdraw those words "Lascars, Coolies, and Chinamen," and substitute the words "coloured labour."

MR. BELCHER : I am quite willing to allow the words "coloured labour" to be substituted.

THE CHAIRMAN : There is no substantial difference there. The whole point is whether this is proposed as a resolution governing legislation within the home waters of the Commonwealth and New Zealand, or whether it is intended to be applied all over the Empire.

MR. BELCHER : No.

THE CHAIRMAN : Or beyond territorial waters.

MR. BELCHER : It is stated here, "any vessel owned, registered, or chartered to trade in the Commonwealth or New Zealand."

THE CHAIRMAN : If you mean trading within the territorial waters then it is absolutely unnecessary, and outside that we could not possibly accept it. Sir James Mackay will speak on the subject.

SIR JAMES MACKAY : I do not think I have very much to say. It is unnecessary for me to go into the question of whether Lascars or Europeans are the better sailors. That has been thoroughly well threshed out in another committee, the report of which I think you have before you. But I would strongly urge this Conference not to adopt a resolution which is worded as this resolution is worded. It is a great reflection upon 200 or 300 millions of the King's subjects, who are just as loyal, just as law-abiding, just as industrious, just as sober, and just as good citizens as we are ourselves. I should like to point out to Mr. Belcher that if this resolution is adopted it would place vessels belonging to Australia under a serious disability. No vessel belonging to Australia, according to what Mr. Belcher said, would be able to go to Calcutta, Singapore, or China except with a European crew.

SIR WILLIAM LYNE : Go from where?

SIR JAMES MACKAY : From Australia—a vessel owned in Australia. He proposed that no vessel owned or registered in Australia or chartered to trade there—

THE CHAIRMAN : It might be a British ship.

SIR JAMES MACKAY : Yes.

SIR WILLIAM LYNE : I do not think under our laws she would be allowed to go away without a white crew.

HON. DUGALD THOMSON : Oh, yes, if she was going out of our waters.

SIR WILLIAM LYNE : When she leaves the Australian coast I do not think she would be allowed to go without a white crew—not if we could stop it, at any rate.

SIR JAMES MACKAY : Surely, an Australian ship going up to Calcutta, an Australian owned ship, can sign on a crew in Calcutta and trade between Calcutta and other places. There is no law to the contrary.

SIR WILLIAM LYNE : If we could stop it, we would.

SIR JAMES MACKAY : If you did stop it, what I would like to point out is that you would place your own ships under a great disability.

SIR WILLIAM LYNE : I do not agree there, at all.

SIR JAMES MACKAY : You drive a trade, which is carried on now by vessels owned in Australia, to other

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ships, because you cannot possibly object to an English registered ship going from Calcutta, and trading regularly between Calcutta and Australia, with a Lascar crew.

SIR WILLIAM LYNE: Yes, we can; we can stop them by making them pay treble wages.

SIR JAMES MACKAY: I do not think that is possible.

SIR WILLIAM LYNE: When they get into our waters we will deal with them.

THE CHAIRMAN: The case put is where they are engaged in Calcutta. The contract is not made in your waters.

SIR WILLIAM LYNE: That very point comes in on the question I asked Mr. Bertram Cox in reference to Fiji. When they take on a crew to go to Fiji, we can deal with them when they leave our waters; and if they make a breach of what we tell them to do, we can deal with them when they come back, and so we can with a vessel going to India.

SIR JAMES MACKAY: It cannot be the intention of the Commonwealth to prevent a vessel belonging to India to take a cargo down to Australia and bring a cargo back to Calcutta?

SIR WILLIAM LYNE: It is the intention of Australia, if she can, to prevent the employment in our waters of coloured people at all.

MR. COX: Wherever engaged?

SIR WILLIAM LYNE: Yes; we are dealing with ocean-going ships as well.

THE CHAIRMAN: That is a question of international law.

SIR JAMES MACKAY: You will not allow a German ship to come into your waters either?

SIR WILLIAM LYNE: Oh, yes, we do; this refers to coolies.

SIR JAMES MACKAY: This says aliens—"or persons of any other alien race."

SIR WILLIAM LYNE: I do not want to delay this. I have stated exactly what our spirit is.

HON. DUGALD THOMSON: What *your* spirit is! You cannot speak for Australia in that respect.

HON. W. M. HUGHES: Do you lay down the principle, Sir James, that a vessel is perfectly justified in carrying a crew belonging to either of the countries between which she trades; for instance, that if she trades between Australia and China, she should carry either Australians or Chinese, which ever she prefers; if she trades between here and Manila, she can carry either Englishmen or natives of the Philippines, and so on? Do you lay down that principle?

SIR JAMES MACKAY: Yes; I do not see how you can get out of it.

HON. W. M. HUGHES: Logically, no doubt, that is a very difficult position to assail.

THE CHAIRMAN: As a matter of international law it is absolutely unassailable.

SIR JAMES MACKAY: You cannot get out of it. Otherwise, you prevent any Australian-owned ship trading to the East.

HON. W. M. HUGHES: The only point is this, that the British shipowner, in very many cases, uses the natives of those countries, not because they are natives of those countries, but because they are cheaper than the natives of other countries; cheaper, for instance, than the natives of Australia.

SIR JAMES MACKAY: They may be cheaper per head, but they will probably work out just as expensive.

HON. W. M. HUGHES: I do not think so.

SIR JAMES MACKAY: I can speak from some experience. That is the case in our ships.

HON. W. M. HUGHES: The evidence we took is certainly against that.

SIR WILLIAM LYNE: I think it is very likely that this matter may be decided in connection with Chinese crews. There have been great complaints with regard to those two lines of ships which run from Hong Kong down to Sydney, and which sometimes do coasting trade.

THE CHAIRMAN: To say that the natives of Hong Kong should not be allowed to man ships which trade between Hong Kong and any other port in the world seems to me to be an infringement of international law.

SIR WILLIAM LYNE: I think we have decided that, so far as Australia is concerned, when we are dealing with the coasting trade, we shall do what we like.

HON. DUGALD THOMSON: In the coasting trade, yes.

SIR WILLIAM LYNE: What is the coasting trade? Suppose a ship goes from Brisbane down to Sydney, that is coasting trade.

HON. DUGALD THOMSON: No.

SIR WILLIAM LYNE: If she takes cargo?

HON. DUGALD THOMSON: If she takes cargo, yes.

THE CHAIRMAN: I do not think it is necessary for us to enter into that, because we have already said that, with regard to the coasting trade, you can make any regulations you like. I think you have had rather favourable resolutions carried with regard to that, and therefore I should not reopen it.

SIR WILLIAM LYNE: I do not want to say any more about it.

SIR JAMES MACKAY: I should strongly urge you, in your own interests, not to pass this resolution.

SIR WILLIAM LYNE: We know what our own interest is, you know.

SIR JAMES MACKAY: You place your own ships under a disability, and they will not be able to engage in any trade between Australia and the East. If you do pass the resolution, I would strongly urge you to put it in other terms.

SIR WILLIAM LYNE: I am not speaking about the wording of this resolution. I think it goes too far.

SIR JAMES MACKAY: It is very objectionable that the Commonwealth and New Zealand should use language of this sort in a resolution passed formally.

SIR WILLIAM LYNE: You have no objection to moderate the language, Mr. Belcher?

MR. BELCHER: I have said that I am prepared to erase the words "Lascars, Coolies, and Chinamen," and substitute the words "coloured people."

SIR JAMES MACKAY: They are equally objectionable.

MR. BELCHER: So far as the objection is concerned, I can assure you that whatever objection the Colonial Office, or the Foreign Office, or the India Office may have with regard to the way we express ourselves here, they are no more offended in that respect than we are in Australia and New Zealand in seeing our white men standing on the beach unable to get employment because black fellows have got it.

HON. DUGALD THOMSON: May I point out to Mr. Belcher that as his proposal is the employment of British seamen, why not put it in that way, and cast no reflection which may be awkward for the India Office or for the British Government. All he is proposing is the employment of British seamen.

SIR JAMES MACKAY: Australia is very much indebted to India in the way of trade; India has taken a very large amount of timber from Australia.

SIR WILLIAM LYNE: I am not sure that that is a very good thing for Australia.

SIR JAMES MACKAY: You need not sell it.

SIR WILLIAM LYNE: We are sending too much timber away.



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SIR JAMES MACKAY : You can stop where you like. Then there are your horses.

SIR WILLIAM LYNE : Yes; you take our horses, I admit, and we can breed others.

SIR JAMES MACKAY : It would be a great pity to do anything to injure the trade between the two countries.

SIR WILLIAM LYNE : I do not think this will do so. I hope the trade will be done by means of white men instead of black.

MR. COX : As regards this question, everybody sympathises with the wish of Australia and New Zealand for the employment of Australian and New Zealand seamen; there is no question about that. If this is confined to the class of ships which Australia and New Zealand have the right to legislate for in their own waters, ships registered there, and so on, nobody can object to it. But there is one thing that I should strongly object to on behalf of the Colonial Office, and that is exclusion on the ground of colour. That question was fought out in 1897. I will read from a speech of Mr. Chamberlain made at the Premier's Conference in 1897, the part dealing with alien immigration: "One other question I have mentioned, and only one; that is, I wish to direct your attention to certain legislation which is in process of consideration, or which has been passed by some of the colonies, in regard to the immigration of aliens, and particularly of Asiatics."

SIR WILLIAM LYNE : What about our Alien's Law?

MR. COX : That is what I am coming to. You do not exclude on the ground of colour. This motion wishes to exclude on the ground of colour, and under that name, and that is going back on the compact and agreement which Australia and New Zealand have made, and honourably kept with this country for the last 10 years. Mr. Chamberlain proceeds: "I have seen these Bills, and they differ in some respects one from the other; but there is no one of them, except perhaps the Bill which comes to us from Natal, to which we can look with satisfaction. I wish to say that Her Majesty's Government thoroughly appreciate the object and the needs of the colonies in dealing with this matter. We quite sympathise with the determination of the white inhabitants of these colonies, which are in comparatively close proximity to millions and hundreds of millions of Asiatics, that there shall not be an influx of people alien in civilisation, alien in religion, alien in customs, whose influx, moreover, would most seriously interfere with the legitimate rights of the existing labour population. An immigration of that kind must, I quite understand, in the interests of the colonies, be prevented at all hazards, and we shall not offer any opposition to those proposals intended with that object, but we ask you also to bear in mind the traditions of the Empire, which makes no distinction in favour of, or against, race or colour; and to exclude, by reason of their colour, or by reason of their race, all Her Majesty's Indian subjects, or even all Asiatics, would be an act so offensive to those peoples that it would be most painful, I am quite certain, to Her Majesty to have to sanction it. Consider what has been brought to your notice during your visit to this country. The United Kingdom owns as its brightest and greatest dependency that enormous Empire of India, with 300,000,000 of subjects, who are as loyal to the Crown as you are yourselves, and among them there are hundreds and thousands of men who are every whit as civilised as we are ourselves, who are, if that is anything, better born in the sense that they have older traditions and older families, who are men of wealth, men of cultivation, men of distinguished valour, men who have brought whole armies and placed them at the service of the Queen, and have in times of great difficulty and trouble—such, for instance, on the occasion of the Indian mutiny—saved the Empire by their loyalty. I say, you, who have seen all this, cannot be willing to put upon those men a slight which I think is absolutely unnecessary for your purpose, and which would be calculated to provoke ill-feeling, discontent, irritation, and would be most unpalatable to the feelings, not only of Her Majesty the Queen, but of all her people. What I venture to think you have to deal with is the character of the immigration. It is not because a man is of a different colour from ourselves that he is necessarily an undesirable immigrant, but it is because he is dirty, or he is immoral, or he is a pauper, or he has some other objections which can be defined in an

"Act of Parliament, and by which the exclusion can be managed with regard to all those whom you really desire to exclude. Well, gentlemen, this is a matter, I am sure, for friendly consultation between us. As I have said, the Colony of Natal has arrived at an arrangement which is absolutely satisfactory to them." The arrangement which was made by Natal was accepted by Australia, accepted by New Zealand, and all your legislation has gone on those lines since. Mr. Belcher is departing from that in this motion. What he wants to do is to depart from the compact and arrangement which has been carried out by all of us for the last 10 years, and exclude Asiatics on the ground of colour. You can exclude them perfectly well on other grounds. You have kept them from immigration by other tests than that of colour, and you can do the same with regard to crews.

HON. DUGALD THOMSON : The resolution is only in favour of British seamen. Why not say so?

HON. W. M. HUGHES : Since that speech has been read, I want to say that there is no doubt that Mr. Chamberlain's despatch changed the course of legislation in the Commonwealth. It caused the education test to be put in, and I do not hesitate to say that that has done Australia—and perhaps the Empire too—ininitely more harm than anything else. We have achieved the reputation, not rightly at all, that we are trying to exclude white people. I suppose Australia is chiefly known to many people by the exclusion of the six hatters. That speech caused the hatters to be excluded.

HON. DUGALD THOMSON : No.

HON. W. M. HUGHES : Mr. Watson's motion to prevent the importation of coloured aliens—

HON. DUGALD THOMSON : The hatters were held up because they were under contract conditions.

HON. W. M. HUGHES : Was only lost by three. Had it been carried we should have heard nothing about the six hatters.

MR. COX : I daresay this may have been unpleasant to Australia. Things must be unpleasant to Australia occasionally, as they are to every other self-governing colony and every other country. But what I say is that this is a compact which was made ten years ago, and has been honourably kept; and, for my part, I am not going to take part in any resolution, or vote in favour of any resolution, which will upset that compact which has been acted on for the past ten years. That I absolutely decline to do.

SIR JOSEPH WARD : Will you allow me to make a suggestion? Mr. Belcher has moved a resolution, and has put his views on record, and in order to bring about unanimity, and meet what Mr. Belcher proposes, I would suggest that the resolution be altered to read as follows:—"That this Conference recognises the right of the self-governing dependencies to limit or exclude the employment of specified classes of persons on any vessel owned, registered, or chartered to trade in the Commonwealth or New Zealand." That omits all that is objectionable from the British point of view, with regard to a great country such as India; it omits the reference to race or colour, while doing exactly what Mr. Belcher wants.

MR. NORMAN HILL : Is not that repeating what has already been carried, which we agreed to?

SIR JOSEPH WARD : That had reference to the number of men, and Mr. Belcher has a different object. I think this removes the personal aspect which Mr. Cox objects to.

MR. NORMAN HILL : May I suggest that the colonies have told us with the utmost frankness that they will not discuss with us in any shape or form the policy of the laws which they make with regard to such matters as are within their jurisdiction? They have refused over and over again to accept any suggestions from us. They have told us they settle all those matters for themselves. Now, this is a matter which they claim a right to settle for themselves. They have passed a resolution affirming that right. They want us now to say (because, I suppose, they think there may be questions about the policy of excluding these races) that we agree to their views. I think that they are not entitled to ask us to take that position. If they are willing to discuss with us what is politic and what is impolitic in the laws which they make

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in their own countries with regard to trade within their own jurisdiction, we will discuss it with pleasure, and will do our best to point out why we think in many respect their laws are very impolitic. I suggest that the subject of the motion is not one to be discussed here.

**SIR JOSEPH WARD :** I really think you might support this, with one further suggestion which I will submit to Mr. Belcher, who, I understand, is favourable to the alteration:—“That this Conference recognises the right of the Commonwealth and New Zealand to limit or exclude the employment of specified classes of persons on any vessel owned, registered, or chartered to trade in the Commonwealth or New Zealand.”

**MR. COX :** That does not deal with the ground. It would enable them to put it on colour pure and simple. I had not quite finished what I had to say, but I will be as brief as possible. There is no objection to the exclusion of coloured persons otherwise than on the ground of colour from the ships which are engaged in the coasting trade of the Commonwealth or New Zealand, or in any other conditions where the Colonial regulations under the law apply. That is agreed. But His Majesty's Government are trustees for enormous numbers of coloured people, and the Colonial Office cannot agree to the exclusion of British subjects of any race only on the ground of colour on vessels which are not amenable to the Colonial regulations. That is to say, if a vessel goes from Calcutta to Australia, engaging her crew in Calcutta, we cannot agree that Australian conditions should be applied to that crew simply because the vessel goes backwards and forwards between Sydney and Calcutta.

**SIR JOSEPH WARD :** You can support the resolution as I have amended it.

**SIR WILLIAM LYNE :** What about the wage test?

**MR. COX :** The contract is not made in Australia. You can do this. You can make it an offence for that vessel to come into Australian waters a second time if she has not paid Australian rates of wages the last time she was there.

**SIR WILLIAM LYNE :** That is what I said.

**MR. COX :** I know; but if that is going to be put higher than as regards persons engaged in Australia that runs us, in regard to foreign ships, up against the obligations of international comity, and with regard to British ships we should have very seriously to consider whether we should allow that Act or whether we should not have to disallow it, however serious the consequences might be. I wish to speak quite plainly. I recognise that Australia has a right to do it.

**SIR WILLIAM LYNE :** Have not we already passed resolutions which apply to Australian waters regarding the question of wages?

**MR. COX :** As to vessels registered in Australia and engaged on the coasting trade, I am not dealing with them; I am dealing with a vessel registered in Calcutta which engages an Indian crew and goes to and from Sydney with a cargo, backwards and forwards, whose articles are signed in Calcutta on Calcutta conditions. Those are the cases where I say Australia cannot interfere.

**SIR WILLIAM LYNE :** We can interfere with them in another way.

**MR. COX :** You will have to do it by legislation.

**SIR WILLIAM LYNE :** No.

**HON. DUGALD THOMSON :** I will ask Sir William Lyne this: Would he not raise great objection if any of the dependencies of the Empire were to exclude from their ports, or to inflict heavy penalties upon, Australian vessels manned by Australian crews? If so, he cannot expect other parts of the Empire to assent to the same infliction of penalty or refusal to allow ships to enter which are manned by the crews of that portion of the Empire. We are going beyond our sphere altogether in that. I think he would be the strongest objector to any such treatment of Australia in that regard. When we are within our own waters it is a different matter. We have got our rights, and we can deal as we choose with those vessels within our own jurisdiction. But I would like to correct a statement made by Mr. Hughes as

regards the holding back of the celebrated six hatters being due to the language test under the Commonwealth Act. The exclusion of those hatters was not due to that. It was because they were under contract conditions. I did not wish that statement to go uncontradicted. It was under the contract conditions that they were held, conditions which are now changed by an amendment of my own. The Prime Minister, Mr. Deakin, objected to any mention of colour in that very amendment.

**MR. HAVELOCK WILSON :** With regard to the question of Lascars and Chinamen, before I say what I want to say may I ask the representative of the India Office a question or two? I would like to ask him whether there is any restriction as to the latitudes in which Lascars are employed?

**SIR JAMES MACKAY :** Yes, there is.

**MR. HAVELOCK WILSON :** Would you mind telling me what is the restriction in that respect?

**THE CHAIRMAN :** 38° N.

**MR. HAVELOCK WILSON :** That is to say, British ships are not allowed to employ Lascars in a higher latitude than 38° N.?

**SIR JAMES MACKAY :** Except firemen and stewards. They are not allowed to employ deck hands. That is for the protection of the Lascars.

**MR. HAVELOCK WILSON :** May I ask this? How do you manage with the deck hands who are on ships coming to England?

**SIR JAMES MACKAY :** If they are proceeding further North than 38° N. they must pay off their Lascars and transfer them to another ship.

**MR. HAVELOCK WILSON :** But if they are not allowed to be employed in a higher latitude than 38° N., how is it they are allowed to come on ships to the United Kingdom?

**CAPTAIN CHALMERS :** It is 38° N. in the western part of the North Atlantic. The British Islands are not in that portion of the North Atlantic.

**MR. HAVELOCK WILSON :** Let me get this point out. I would like to ask the representative of the India Office why they have a regulation to say they shall not be employed in a higher latitude than 38° north or south, and yet they allow them to come on ships to the United Kingdom, which is 50° N.

**SIR JAMES MACKAY :** 38° N. in the North Atlantic is very much colder than 38° here.

**MR. HAVELOCK WILSON :** That is news to me.

**SIR JAMES MACKAY :** The Board of Trade considered that, and the shipowners entirely agreed that 38° N. in the North Atlantic is too cold for Lascars.

**MR. HAVELOCK WILSON :** It is news to me that 38° N. in the North Atlantic is colder than 50° elsewhere. May I ask if that applies to south latitude?

**CAPTAIN CHALMERS :** No, I do not think so.

**MR. HAVELOCK WILSON :** Is there no limitation at all?

**THE CHAIRMAN :** I want you to speak to the resolution.

**MR. HAVELOCK WILSON :** I am going to.

**THE CHAIRMAN :** New Zealand and the Commonwealth are not 38° N. nor 50° N. This is confined to vessels registered or owned in New Zealand and the Commonwealth, or chartered to trade there.

**MR. HAVELOCK WILSON :** Before they can get to New Zealand they may have to go into a much higher latitude than 38°.

**THE CHAIRMAN :** I know; but this resolution would not affect it at all.

**MR. HAVELOCK WILSON :** That is the point I wanted. However, we will leave it at that. I have enough information for my purpose. With regard to Lascars and Chinamen, there is a good deal of cant talked about this matter. It has been said in the House

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of Commons and elsewhere that the Lascars are British subjects. Now, I want to say emphatically that a large number of the Lascars, perhaps half of them, who sign on British ships, are not British subjects at all, but subjects of foreign countries. That I am certain of. The same thing applies to the Chinamen. We are told that the Chinamen are British subjects. That I emphatically deny.

Mr. COX : Enormous numbers are.

Mr. HAVELOCK WILSON : I know, but I am quite aware of the fact that a large number of Chinamen are said to hail from Hong Kong who do not belong to Hong Kong. Men are entered on the ship's articles as Hong Kong Chinamen who were perhaps never in Hong Kong in their lives. That is done as a matter of convenience. A large number of Chinamen and Lascars, I say, do not belong to the British possessions at all, but are men belonging to foreign Governments. I do not exclude any men. I never have advocated the policy of excluding any man on the ground of being a Chinaman, or a Lascar, or a foreigner. What I have always contended for, and what I strongly contend for now, is this : if a shipowner prefers to employ a Lascar or Chinaman, let him give them the same conditions that he gives to an ordinary British subject. Now I want to tell the India Office this : that there is no proper supervision of the engagement of the Lascars in ports of India. The Lascars are very often compelled to sign agreements of which they do not understand a single line. The result is we have a good deal of trouble in English ports when those Lascars refuse to proceed on a voyage somewhere where they never agreed to go. Frequently those Lascars are sent to gaol because they refused to fulfil an agreement that they did not understand and knew nothing at all about. If the Government would say that if a Lascar is employed on a British ship he shall have the same amount of accommodation as a white man then we are getting near the mark, and I should say also that the Government who are giving out mail contracts should say to the shipowner who is getting a big subsidy from the Government (and one company is getting over £400,000 a year, not engaged in the mail service alone, but cargo-carrying boats) that they must pay the English rate of wages. Now I know the answer to that has been given more than once in the House of Commons, namely that the Lascars are engaged at ports in India. But I again deny that, and say that very often the Lascars are engaged, in ports in the United Kingdom. It is true that they are brought from India for ships in ports in the United Kingdom. I advocate before this Conference that whatever legislation may be passed, either in our Parliament or in the New Zealand Parliament or in the Australian Parliament, it should be laid down that the Lascar must have the same conditions that are given to other seamen on British ships. I can quite understand the case with regard to Lascars being engaged on ships registered and owned in India; there I see the Indian law applies : but that ought not to apply to ships owned and registered in this country, or in Australia, or New Zealand.

SIR WILLIAM LYNE : Did I understand it was said that the arrangement was that Lascars were not to go beyond 38° N.?

THE CHAIRMAN : Yes, in the North Atlantic.

SIR WILLIAM LYNE : Why does not that apply to the South?

CAPTAIN CHALMERS : I think there is a regulation about Cape Horn: they are not allowed to go round there.

SIR WILLIAM LYNE : I find they are going far below 38°—to Hobart. They are doing that now, and it is very cold there. I am a Tasmanian, and I know it is very cold. I only raised this question to be quite sure; I am very glad indeed to know it. It will be a help in some things that I would like to do.

CAPTAIN CHALMERS : This is ruled by the isothermal line. What the Government has done is to take the isothermal line—the equal heat line—in each hemisphere. For instance, if you take the latitude of New York, it is about 43° North, or something like that, and the line of average temperature in winter there will go right up North of Norway.

SIR WILLIAM LYNE : I am very glad to hear that there is a provision that they shall not go too far North, and I hope they will not be allowed to go too far South.

Mr. HAVELOCK WILSON : That is what I should like to see carried out.

THE CHAIRMAN : I am going to appeal to Mr. Belcher not to press this motion. In so far as trade on the coast of New Zealand and the Commonwealth is concerned, although I do not say that they have specifically the right to exclude British subjects of any colour (which is a matter that I do not want to express any opinion at all upon; it is a constitutional question which I would rather not say a word about), still they have the power of excluding Lascars by other means—by means of wages, manning, accommodation, and food scale.

SIR WILLIAM LYNE : I am glad to hear that you agree with what I said. Somebody did not agree with me.

THE CHAIRMAN : That is so far as the coasting trade is concerned. There is no doubt that they can insist upon certain wages being paid, upon certain accommodation being provided, upon a certain minimum manning scale, and a certain food scale also being imposed, which would have the practical effect of excluding Lascars. So far as that is concerned, it is a matter entirely for themselves and not for this Conference. But this motion goes very far beyond that.

SIR WILLIAM LYNE : It goes over the universe.

THE CHAIRMAN : Especially as interpreted by Mr. Belcher, and I could not possibly accept it. It is not merely the representatives of the shipowners, but the Imperial representatives would certainly vote against it. I do not know what would be thought in India of the British Government if they assented to a proposition of this sort, which would exclude Indian sailors from the benefit of a trade which we have captured from them. The Lascar is a sailor; he is an hereditary sailor since the Flood. He used to have all the coasting trade of India. Now, we have taken it away. Our steamers call there, and have practically destroyed the Lascar trade there, and the only opening they have got for sailing, for seamanship, is in our steamers. They are all hereditary sailors. Mr. Havelock Wilson says they are not all British subjects. That may be so. I daresay, for instance, if you go on some of the steamers, you will find natives of Goa, who are really Portuguese. They are stewards.

Mr. HAVELOCK WILSON : And firemen too.

THE CHAIRMAN : You cannot sift them and insist upon certificates of origin. But in the main they are British subjects. They are much better paid than they ever were in their own trade, and much better treated. They are extraordinarily well satisfied. They have begged and prayed and petitioned the House of Commons not to interfere with their accommodation or their food scale. They say it is exactly what they want.

Mr. BELCHER : Who did?

THE CHAIRMAN : The Lascars.

Mr. HAVELOCK WILSON : The shipping companies.

THE CHAIRMAN : The Lascars have already sent a petition to the House of Commons. I know that Mr. Havelock Wilson has doubts about the way it was got up, but they came and gave evidence themselves. There is no doubt that they are very much better paid and better fed than they used to be in their own trade. I do not suppose anyone will doubt that at all. That is the position. Suppose we were to assent to a proposition which would be a very grave reflection upon them? In the first place, they are very touchy on the question of colour. I remember a great row because the late Lord Salisbury referred to a learned and distinguished Hindoo, Mr. Naoroji, as "a black man." That created a tremendous feeling throughout India. We are responsible for the government of 300 millions of these people, and therefore we could not possibly assent to it, and I ask the Colonial representatives not to ask us to do so.

SIR WILLIAM LYNE : I am not asking you.

THE CHAIRMAN : I would rather not, if they can see their way. We are not interfering at all with their legislation.

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SIR WILLIAM LYNE: As long as you do not take away from us the right of dealing with them when they are trading to Australia.

THE CHAIRMAN: We have already assented to resolutions which give you the fullest powers.

SIR WILLIAM LYNE: I think you yourself pointed out how we can deal with them.

THE CHAIRMAN: If you said that no Hindoo should be employed in ships on the coasting trade, I do not suppose that we could possibly assent to a law (that does not belong to my Department) expressly framed in that way, because it is a reflection upon millions of the King's subjects. But you can do it in ways which are quite as effective.

SIR WILLIAM LYNE: We have ways of doing it.

THE CHAIRMAN: Yes. I beg you not to ask us to assent to a resolution which goes outside your acknowledged powers, and which will bring us into great trouble in India. It is, as a matter of fact, now the subject of conference and of discussion in India. They are very sensitive on these points, and therefore I think it would be a great misfortune if at an Imperial Conference of this kind we passed a resolution which will be regarded by them as a great offence. Mr. Belcher's object has been attained. I was unwilling to rule the matter out, because I know it is one of very considerable importance in New Zealand and in the Commonwealth. But his object has been attained. He has made it perfectly clear that the Commonwealth and New Zealand have a perfect right to deal with the matter in so far as their own coasting arrangements are concerned. But I do not think it can be claimed that where you have trade between two countries—I do not care what the countries are, whether it is China, or Germany, or America, or India—you are able to say, "We will only allow ships containing our own subjects to trade between these two countries."

SIR WILLIAM LYNE: We can do it in one way, but not in another.

HON. W. M. HUGHES: On our own ships, of course, we can do it; there is no doubt about that.

THE CHAIRMAN: That is a different matter when you are legislating with regard to ships registered in your own country.

SIR WILLIAM LYNE: We can do it in any ships, whether our own or not, which are in our coasting trade.

THE CHAIRMAN: Yes. But it is so utterly opposed to all international traditions. We could not do it with regard to Germany or any other country, and would not dream of doing it, nor would they dream of doing it with us; and it is rather hard that the amenities which are preserved between one nation and another should not obtain between different parts of the same Empire.

SIR WILLIAM LYNE: How about what they do in America?

THE CHAIRMAN: That is purely with regard to coasting. America would not dream, supposing there was a trade with India or China, of saying, "No Indian or Chinese sailor shall ever enter our ports engaged on vessels in the Indian or Chinese trade." That would really be regarded by the United States as an act of impertinence.

HON. W. M. HUGHES: The Japanese do trade directly with China and with San Francisco.

SIR WILLIAM LYNE: Was not a case given at Honolulu?

THE CHAIRMAN: That is an American port. That is a totally different matter.

MR. COX: It is as much coasting as trading between the Cook Islands and New Zealand is.

THE CHAIRMAN: The result is that, practically, America has no international trade at all—absolutely none. She used to have half or nearly half the trade of the Atlantic. It has now been captured almost entirely by us. Fifty per cent. of the international carrying trade is done by us. But that is another matter. I therefore ask Mr. Belcher, now that his object has been attained in the discussion we have had here to-day, not to put us to

the necessity, not merely of voting against this, but of making it appear that the representatives of the colonies have pressed upon the Imperial Government a resolution which will create a good deal of ill-feeling in India and which will be regarded by them as a reflection upon our fellow subjects there. I trust Mr. Belcher will now see his way to withdraw the resolution.

HON. W. M. HUGHES: I would like to ask you whether you would regard more favourably a suggestion thrown out by Mr. Wilson: "That this Conference is opposed to any discrimination between coloured and white crews with respect to accommodation, superficial space, and other general conditions provided in any Imperial, Commonwealth, or New Zealand law." I know something may be said against that, but it is an entirely different sort of thing after all. It does not aim at the colour line. It may be passed without offending any national susceptibilities, and practically it is similar to the method which Mr. Bertram Cox pointed out we had adopted instead of putting a colour test in regard to immigration.

THE CHAIRMAN: That is a very different proposition. There, Australia has the right to impose such conditions upon her own ships.

HON. W. M. HUGHES: I wanted to know whether the Imperial Government would consider that more favourable.

THE CHAIRMAN: The Imperial Government would equally resist that, for this reason. Where a British seaman comes forward and presses Parliament to improve his accommodation and conditions, then the Imperial Parliament says, "Very well, we will do it," and we have done it elsewhere. But when the Lascar comes to us and says, "Do not do it, because it will have the effect of excluding us from employment," that is a different matter. It is very hard to legislate for the benefit of a class which says, "For Heaven's sake, do not do it!"

MR. HAVELOCK WILSON: I hardly think that it is fair to keep harping on the fact that the Lascars sent petitions. I know as a matter of fact that those petitions were prepared by the shipping companies, and the Lascars had nothing to do with them whatever. I think it is unfair to keep putting that forward. I disagree with it entirely, and I always have done. I examined those men before the Commission on the Mercantile Marine, and I know how they were brought there. I know all about it. It was at the instigation of the shipping companies.

THE CHAIRMAN: Supposing you approached the Lascars—a perfectly impartial person like yourself—and said to them, "Would you like to have legislation which will put you in the same condition with regard to manning, accommodation, food scale, and everything else as the British sailor?" Do you suppose they would say yes?

MR. HAVELOCK WILSON: I do. I believe they would say that they are perfectly satisfied to be employed on their own coast. They have a right to be employed on their own coast; they have a right to do their own trade. But the Lascar and Chinamen do object to be taken into high latitudes and compelled to do trade which they never agreed to do. Gentlemen here who do not know much about it may dissent, but I know something about it.

MR. BELCHER: I have listened very carefully to the various opinions expressed with regard to the employment of this class of labour. With a great many of them I entirely disagree. Gentlemen representing the various departments, who have spoken on this matter, have pointed out to me many Imperial difficulties which will arise, and seeing that I am now assured that, so far as we are concerned in Australia and New Zealand, we have the power and the right, if we choose to exercise it, of excluding that class of labour, I will now, with the permission of the Conference, withdraw the motion altogether. (*Motion by leave withdrawn.*)

SIR JOSEPH WARD: I move, "That the Board of Trade be urged to take into immediate consideration the question of eyesight tests with a view to imposing a higher standard of efficiency than at present required." I move this resolution because there are different systems in operation which involve a very great deal of trouble, and in some cases those concerned have hardships imposed upon them by the different grades and methods of testing which apply under the Board of Trade rules. I have one

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case specially in my mind with regard to a big shipping organisation in New Zealand. I have a letter here from one of the best authorities upon eye testing, a medical gentleman in New Zealand, who mentions that 2,700 cases have come before him, and they have induced him to make representations with a view to an alteration. I should say that those cases are not all cases of men at sea. One of the difficulties which has presented itself to the officers on some of the ships in our waters is that their sight was not tested when they originally went to sea, or at any time after joining until they became officers. You may find a young man who goes on board ship with the intention of making the sea his profession, and who, after spending a number of years is confronted by the fact that under the eyesight tests carried out in our country he cannot be passed, and he has to go ashore and commence life again. What ought to be done, in my opinion, is this. There should be uniformity of system extending to all parts where an eyesight test is imposed, and the Board of Trade should investigate the present conditions of the eyesight test, and should submit it to the respective authorities of the different countries, and endeavour to have uniformity of system, so that an officer who might be passed in one part of the Empire under certain conditions required by the Board of Trade or other competent authority might not find himself excluded in some other portion of the Empire on account of some other different conditions. What I mean by the resolution is that there should be no possibility under the regulations of the Board of Trade for any man with indifferent eyesight, or colour-blind, to be allowed to take charge of a ship or be the officer of a ship where the care of the lives of others are necessarily under his control. Mr. Mills knows a great deal about this matter because it has come under his personal administration, and I should be very glad to hear what he has to say about it. I certainly think we ought to have uniformity of system, and that it should extend to all parts of the Empire.

Mr. MILLS: I should like to say a few words in support of the resolution. It is a subject in which I have taken an interest as a shipowner for a good many years. It is recognised in many quarters that the Board of Trade test is not adequate for the conditions of the mercantile marine at present, and it has been under consideration by medical men in the colonies. I will read you the resolution arrived at by the Inter-Colonial Medical Congress of Australasia in 1896—that is 11 years ago. The Congress urges, “(1) That the Governments of the different colonies should take steps to insure the proper testing of the vision of all men who are employed either at sea or in railway services whose duties are such that the lives of others depend on the acuteness of their sight either for form or colour. (2) That all examinations of vision should be made by a properly qualified ophthalmic surgeon. (3) That a high standard of vision and perfect colour sense should be insisted on for all men who are engaged as deck hands at sea, and who have to undertake duty on the look-out or in steering. Also that such a standard be fixed for those engaged in the engine-room as will suffice for their own safety and that of the ship. (4) That a high standard be fixed for vision and perfect colour sense required in all deck officers of ships, that they be re-examined on each promotion, and after reaching the rank of master at intervals of five years. (5) That the attention of the different Governments be called to the Report of the Committee on Colour Vision presented to the Houses of Parliament in June, 1892, and to the Report of the Council of the British Medical Association on the efficient control of railway servants’ eyesight, published in the same year, and that the standards recommended in these reports be taken as the basis on which the requirements of vision should be framed. (6) That the attention of the different Governments be specially directed to the law passed in the State of Alabama in 1887, dealing with railway servants’ eyesight, entitled ‘An Act for the Protection of the Travelling and Defective Vision,’ as a model on which suitable legislation might be based. In order to put in a definite form the standard that should be aimed at, the Congress suggests that no candidate be allowed to enter the dangerous services unless he is free from any chronic inflammation of the conjunctiva or lids: he must be free from strabismus, and possess perfect equilibrium of the external ocular muscles; his distant vision must not be less than  $\frac{5}{6}$  in one eye and  $\frac{5}{6}$  in the other without glasses, the tests to be made with Snellen’s types; he must have a perfect colour sense, tested both with

“Holmgren’s wools and with distant colour tests under varying conditions; and he must also have a normal field of vision for both form and colour. Hypermetropia of more than one diopter should be a bar to entering the services.” I daresay the officials representing the Board of Trade will say that their system at present is quite adequate, and probably shipowners may say, “We have done very well during the last fifty years, and why not let well alone?” But I maintain as a shipowner that the present condition of affairs is not satisfactory. As a matter of fact, a young fellow on passing his examination is submitted to an eye test more or less complete, and that is the last that is heard of it. We are assured by ophthalmic surgeons that the Board of Trade test is such that a man can pass it who is blind of one eye and has half the normal vision with the other. You will understand that that is because he is required to pass the examination with both eyes together; therefore, if he can see with one eye only he can pass the Board of Trade examination. I will read you a few suggestions by an ophthalmic surgeon of some distinction in the Colonies who has gone into this matter very closely, and who perhaps puts them in fewer words than I could do. He says: “I would urge that the eyes of all boys should be examined by an expert before they go to sea at all, and that unless their standard of vision is good and their eyes are free from inherent defects which are likely to reduce the vision later they should be stopped at the threshold of their career instead of being allowed to serve their apprenticeship. Our State railways test the vision of all cadets on entering the service, and keep up a periodical series of tests of a practical nature all through the period of service of those employees who are engaged in connection with trains and signals. There is no hardship involved in refusing a boy entrance to the service, but there would be hardship if a cadet were accepted and, after five years’ service, rejected for visual defects which might have been found out by a competent examination in the first instance. The same reasoning applies to the sea. There is no hardship in saying to a boy, ‘you cannot be taken as an apprentice because you have not enough vision to be safe as an officer,’ but there is hardship in refusing an officer’s certificate to a boy who has worked five years to get it, but who ought never to have been allowed to start a sea life at all.” Then with regard to the test itself, medical men to whom the test has been submitted in the colonies pronounce the Board of Trade test to be dangerously low. One says that it is criminally dangerous; another that it is disgraceful; another that it is absurdly low, and another that it is ridiculously inadequate. The surgeon, from whose letter I quote, continues: “The Board of Trade asks that a candidate should, with both eyes open, read at six metres three letters out of five of a line of letters, the whole five of which the ordinary person with average vision can read with either eye at a distance of 12 metres.” Just above he says: “I have met with instances in which stonemasons, and even labourers engaged in excavating work, after injuries to the eyes, have declared that they honestly felt unfitted to carry on their usual work, though their vision was quite sufficient to meet the Board of Trade requirements for a master’s certificate.” Then he continues: “It is quite impossible to say what amount of vision is necessary for safe navigation. I have come across cases in which masters whose vision was far below the Board of Trade standard as the result of the indulgence in alcohol, or from the presence of cataract or other disease have come out in charge of ships which have arrived safely, but if any emergency had arisen in which prompt action was necessary, it cannot be doubted that the master’s hazy vision would have been a greatly increased risk to the ship. It is hardly necessary to point out to you that the increased speed of modern ships renders dangers more imminent, and prompt and decisive action more imperative. Personally, I do not think it would be too much to insist that every boy going to sea should have average normal vision in each eye, and that no certificate should be given unless the holder had normal vision in one eye, and at least  $\frac{5}{6}$  in the other, the defect, if any, being due to some non-progressive cause.” The point is, we think, that there should be some legislation by which boys taking to sea life should be examined at an early stage; there should be a provision that the examination for the Board of Trade certificate should be conducted by experts, and there also should be regulations that officers should be examined at certain stated periods later on in their career. In this respect I think that great responsibility rests upon owners, and the question affects

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the seaworthiness of ships. Take the case of an owner of a steamer who requires a master. A man offers himself who is in the prime of life, perhaps 50 years of age, who has a good character and has had a good character; he is taken on the strength of a Board of Trade certificate issued 30 years before. No owner, so far as I know, ever asks the man to have his eyes re-examined, and there is no provision by law. Such defects may have arisen that this man may be quite unfit to go to sea. There are a great many disasters at sea, collisions and strandings, which occur under circumstances which to landmen are unexplainable; we see cases of collisions and strandings under circumstances which we cannot account for. My opinion is that many of these cases are due to defective eyesight.

MR. PEMBROKE: We have the New Zealand captains' eyesight tested every two years.

MR. MILLS: The question of eyesight efficiency should be considered in regard to seaworthiness, and I propose to move as follows, as an addition to the motion, or as a separate motion, whichever is thought desirable: "That in determining questions of seaworthiness, consideration be given whether suitable precautions have been taken to ascertain the efficiency of officers in regard to eyesight." The motion of Sir Joseph Ward is declaratory; it does not ask for any standard; it merely asks the Board of Trade to impose a higher standard, and to reject this motion would be practically to affirm that a high standard of efficiency is not necessary. That cannot be contended for a moment. Eyesight efficiency is more important than an extra few feet of accommodation, or even improvement in the matter of food. I do not know that I need say any more. I think there is a responsibility in this matter on the officials of the Board of Trade, and there is also responsibility on shipowners. Speaking for myself, when it became necessary to go into the matter after this deliverance by the Inter-Colonial Medical Congress of Australasia, and repeated by them, I adopted eleven years ago the eyesight test which has been carried out during this period in the service which I represent. It is a standard somewhat on the lines of that adopted in the navy. But there is this proviso, that general health, eyesight, and hearing will be tested on joining the service, and at the ages of 30, 35, 40, 45, 50—in fact, every five years. In the event of an officer failing to pass the company's test before the ordinary examiners, he is allowed to appeal to an expert, approved by the examiners, and the examiners shall then confer. That is to prevent any injustice being done to a man as the result of too drastic treatment by any individual examiner. I cannot too strongly impress the importance of this question of eyesight examination upon the Conference. As I say, I think that the governing bodies, the Board of Trade, or the Commonwealth and New Zealand should make it imperative, and make it practically a condition of seaworthiness.

SIR WILLIAM LYNE: Just two or three words. Of course this is done in connection with our railways. The Government railways in Australia have been very severe during the last few years on the colour and eyesight tests. They held an examination in New South Wales last year, with the result that a large number of drivers and guards have had to be made conductors and given work in other ways, because their eyesight would not stand the test. Now what applies to trains applies to some extent to shipping, especially where you have the ships going at a high rate of speed, as you have in certain parts. I certainly think that the proposal which has been made by Sir Joseph Ward and supported by Mr. Mills is not one which could reasonably be objected to. But I want to ask those connected with the Board of Trade this: if it came to their knowledge that a ship's officer was colour blind, what steps could the Board of Trade take to prevent his continuing as an officer, and how could they legally punish him?

MR. WALTER J. HOWELL: I will explain that directly.

SIR WILLIAM LYNE: Because I am informed that in Victoria a case took place some little time ago where a man was found to be colour defective, and an attempt was made to prosecute him. In fact, he was prosecuted, but they could not do anything to him. Mr. Mills has just reminded me in connection with the wreck of the "Australia" at the entrance to Queenstown, that in consequence of the evidence which was given with regard to

the bye-laws they have now adopted a very severe test for the sight of pilots. That test is just as necessary for those in charge of the ship as it is for the pilots, because certain point. Under those circumstances I very strongly the pilots are in charge of a ship only when she gets to a support the proposal with regard to this test. Perhaps the Board of Trade, and the Government too, will see that it is necessary to have this matter very thoroughly gone into and dealt with. Mr. Mills speaks as a large shipowner, and he knows more than I do about this question. He speaks from the experience of a lifetime, knowing what they have done in regard to their lines of steamers for their own protection. If it is necessary for them to take those steps, surely it is necessary for the Board of Trade to have some sort of test, and some means by which they can prevent owners from employing men or keeping them on their ships when they may be a source of danger to the passengers.

SIR JOSEPH WARD: I would suggest the word "general" instead of "higher," in the resolution—"imposing a general standard of efficiency."

THE CHAIRMAN: Yes—"with a view to imposing a general standard of efficiency."

MR. MILLS: You have that already. They contend that the present standard is adequate; we say it is not.

HON. DUGALD THOMSON: But we do not know what the standard is. It may be too high.

SIR WILLIAM LYNE: In the new Bill we have prepared we have this provision: "If at any time the holder of any certificate appears to be physically unfit to perform the duties required of him, the Minister may require him to submit himself for medical examination," and then if it appears that the unfitness exists and is likely to be permanent he can be dealt with.

THE CHAIRMAN: I think Mr. Walter Howell had better reply now.

MR. WALTER J. HOWELL: The subject which is dealt with in this resolution is, of course, most important. That has been admitted by the Board of Trade, and it has had for several years a very careful system of examination in force in this country. In 1877, the Board of Trade made the passing of a colour vision test a necessity for all candidates for examination. The test then instituted was by means of coloured cards and glasses, the object being to determine whether the examinee could distinguish satisfactorily the colours used most frequently in the combination of signals employed at sea. In 1890 there were a good many complaints made by doctors urging the Board of Trade to adopt a different system of tests, and the Board of Trade invoked the aid of the highest scientific body in the country, the Royal Society, and in 1890 the Council of the Royal Society appointed a Committee on Colour Vision, consisting of gentlemen of the highest scientific attainments. Among them I may mention Lord Rayleigh, who was the Chairman, Lord Kelvin, Professor (afterwards Sir Michael) Foster, Mr. Francis Galton, Sir George Stokes, and Captain (now Sir William) Abney, who is, I believe, recognised as one of the greatest authorities on colour blindness in this country. After carrying out a thorough investigation, not merely with regard to colour vision, but also with regard to form vision, and so on, not only as regards the mercantile marine, but as regards railways, the Committee came to a unanimous report. The Board of Trade at once had that report presented to both Houses of Parliament. That was in June, 1892. In 1894, the Board, following the unanimous recommendations of the Committee, instituted the present system of testing the colour vision of candidates by means of Holmgren's sets of wools, this being the test recommended by the Committee from among the various methods which came under their consideration. I shall be happy to circulate among the members of the Conference copies of the report of that Committee. It is an exceedingly interesting document. It shows with what minute care that Committee went into the subject. It refers not only to ships, but to railways and other subjects, and I think it will be found of the utmost interest. I am perfectly sure that, however great the authority behind the view of the Board of Trade may be, they will always be ready to listen to any evidence brought before them in regard to anything concerning them; and if the colonies, or anybody in this country, can bring forward evidence of at least equal weight to that of the Royal Society, tending to show that the whole system requires

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reconsideration, I am sure the Board of Trade will give it their most attentive consideration. A full account of the method of applying the test which is followed in practice is given in the Board's regulations relating to the examination of masters and mates in the mercantile marine, copies of which I shall be happy to furnish to the members of the Conference. The examinations in the sight tests are conducted by the examiners of masters and mates and some of the superintendents, all of whom have passed a satisfactory examination in the sight tests. With regard to their qualifications; here, again, the Board is acting under the advice of Sir William Abney. The work of the Examiners is, moreover, under the continual supervision of the principal examiner, so that there can be no doubt as to their competency to conduct the examination in colour vision. An appeal is allowed in all cases where any doubt arises, to a special examination, which is conducted not in wools simply, but by means of the spectro-scope as well, and it is generally conducted by Sir William Abney, who is, as I have said, a recognised authority upon the subject. It is an exceedingly severe examination, and is as advised by Sir William Abney. It will be seen that the present system of testing for colour blindness is not only based upon undoubted scientific authority, but can claim to be as complete and sound as can well be desired, so far as our information goes at the present moment. I should like to say that, of course, the Board of Trade only have distinct statutory powers for tests to be applied when a candidate comes up for examination for certificates. The candidate for the certificate of a second mate has to pass it, and if he comes up afterwards for the certificate of a first mate he has to pass it, and also when coming up for the certificate of a master. Referring now especially to what has been said here, I may add that, if we have reason to believe that any officer or any master is so colour blind or so deficient in form vision that he is incompetent to perform his duties, we refer the matter to a Local Marine Board, or some qualified court, to deal with his certificate. The Board of Trade have no power to cancel his certificate themselves, but these courts have power. Therefore, the Board of Trade put the scientific evidence before those courts, and those courts can deal with the certificates. The wool test, instituted in this country in 1894, was adopted also by those Colonies which issue certificates of competency recognised by Order in Council to be of equal validity with the certificates issued by the Board of Trade. A list of these Colonies will be found at page 147 of the Board's regulations. I ought to add that every year I present a report to the Board of Trade upon the results of the colour tests. We also go as far as we can in the direction of cautioning boys and persons going into the sea services. We have issued a notice to all the examiners and all the superintendents, indeed, to all our officers throughout the country, instructing them to make it generally known that any boy or man going into the sea service for any time should submit himself voluntarily to this test, and a great number of persons do so. They only have to pay a very small fee, 1s., and the results of the examination of those persons, as well as of that of officers are contained in the report which is submitted to Parliament every year. I hope that nothing that I have said will be construed into meaning "Rest satisfied as you are." If any evidence can be adduced and sent to the Board of Trade sufficient to induce them to consider whether their examination requires to be made more stringent, or less stringent (because many people in this country have said it is too stringent; I do not think so, but they have said so), I am sure the Board of Trade will give it their most attentive consideration.

**THE CHAIRMAN:** That is with regard to the case you brought before them, Mr. Havelock Wilson.

**MR. HAVELOCK WILSON:** I did not say it was too stringent.

**MR. HISLOP:** With regard to this matter the Merchant Service Guild of Australasia are finding fault with the companies in regard to imposing a very severe test. They are not finding fault with the Board of Trade itself; they are finding fault with companies imposing this test. What they would like to see would be a test imposed by the Board of Trade which should be a guidance and a rule to the employers of masters and mates, so as to take this altogether out of the hands of employers, if it is possible to do that. That was their contention. This morning, just a few minutes ago, a letter has come to me on behalf of 14,000 British captains and officers, signed by Mr. W. T. Moore, in which he says: "The present official eyesight tests are quite admirable, in

"fact almost too severe if anything. We have it in our own experience that members one week have passed their official eyesight test without the slightest question, and have also passed their examination for master's certificates. Next week they have applied to certain firms of shipowners who have had these men medically examined in sight tests themselves, with the result that their applications for employment have been rejected on the score of defective eyesight. These expert eye specialists always greatly magnify minor defects which may exist, and do not understand that to judge a man in such a way is to ruin his professional career at sea." That is what the Merchant Service Guild wish to bring forward—that the eyesight test should be established by the Board of Trade and made binding upon the employers.

**MR. WALTER J. HOWELL:** I think it would be a little difficult to do that.

**MR. HISLOP:** I quite recognise the difficulty.

**MR. WALTER J. HOWELL:** We can only lay down rules and say that unless the standard laid down is attained the certificates shall not be issued. Of course, in this country, we must recognise that this question of colour blindness is one on which there are great differences of opinion among medical men and scientists, and if an owner desires to submit the matter to a doctor he is quite at liberty to do so.

**MR. HISLOP:** Does it not appear to you that there must be something wanting in the Board of Trade examination when shipowners, not only in Australia, but also in Britain, find it necessary to subject a man to some further test?

**MR. WALTER J. HOWELL:** No, I do not think so at all. In all these matters of scientific opinion, just like technical questions, you will find opinions expressed on all sides. Anyone who reads the "Lancet" and other medical journals will know that this subject is being continually raised. It seems to me that when they cannot find anything else to discuss, they discuss colour tests. The question of division of opinion in such matters was touched upon in a cartoon of "Punch" this week which referred to doctors being divided into two camps, one, I think, calling alcohol poison and another calling it food.

**MR. HISLOP:** It does seem to me that there is something for the Board of Trade to do in this matter. We have had cases lately in Australia. There was the case of the boat wrecked at Port Philip, where the pilot was blind. He had been going on upon his old sight test. There was a case recently where a man had been master of a sea-going ship; it was necessary for him to go up for some examination, and he was rejected. These men had their certificates under the Board of Trade, and continued to act upon them.

**THE CHAIRMAN:** I do not want to restrict the discussion, if it is desired to proceed with it, but would this satisfy you: "That the Board of Trade be urged to take into immediate consideration the question of eyesight tests"?

**MR. MILLS:** No. The Board of Trade officials already say that their eyesight test is more than sufficient. I want a higher standard of efficiency.

**THE CHAIRMAN:** In that case we will take the short adjournment now.

(The Conference adjourned for lunch.)

**THE CHAIRMAN:** I understand Mr. Mills is now prepared to agree to Sir Joseph Ward's resolution, as altered, in this form:—"That the Board of Trade be urged to take into immediate consideration the question of eyesight tests with a view to effecting improvements if found necessary."

**MR. MILLS:** Under the circumstances, I am prepared to accept that, as I have the assurance of the officials of the Board of Trade that they will accept it in the spirit in which it is moved.

**THE CHAIRMAN:** They will look into the matter; they have promised that. Very well; I will pass it in this form:—"That the Board of Trade be urged to take into immediate consideration the question of eyesight

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"tests with a view to effecting improvements if found necessary."

*The resolution was carried unanimously.*

THE CHAIRMAN : Now we come to the question of compasses.

MR. ANDERSON : I move : "That the Board of Trade standard of compass efficiency as testified by current certificates shall be accepted for British ships in Australian and New Zealand waters as being of the same effect as local certificates." The purpose of this resolution is to make the principle already accepted by resolution No. 1 for hull, machinery, boilers, and life-saving appliances, applicable also to compasses. Assuming that sections 245, 246, and 247, of the Australian Navigation Bill are maintained in principle, and that it is the intention that every ship should have her compasses—

THE CHAIRMAN : I think it is very important that the Australian delegates should be present. Dr. Wollaston, I call your attention to No. 4 of the agenda, and ask you whether it can be discussed in the absence of your colleagues.

DR. WOLLASTON : We do not consider that a matter of very great importance. I think the meeting might deal with that. In our new measure we propose to provide for it. I think it was our intention that the Board of Trade certificate should be accepted. Generally we always try to accept the Board of Trade certificate and rules and regulations; even in cases where we take the power to make our own regulations we always base them on the Board of Trade regulations, so that they are practically the same. That was the case for many years in Victoria.

THE CHAIRMAN : Then you may proceed, Mr. Anderson, under those circumstances.

MR. ANDERSON : I do not think I need labour the point if that is the case. If it was intended that the compasses should be surveyed on every occasion of a ship setting out on a voyage, I am advised that such procedure would not only be without advantage, but would be a positive source of danger. It is a highly technical question, and I do not profess to be an expert, but I will do my best to explain the point. I am told that deviation in compasses is caused by two kinds of magnetism, one permanent and the other induced. The permanent magnetism, as its name implies, is a constant factor. Induced magnetism varies with geographical position. I am further told that the accurate adjustment of compasses depends upon the nice apportionment of the influence exercised by the permanent and induced magnetisms respectively. Now that nice apportionment can only be arrived at after a long series of experiments, and it follows therefore that, given the necessary knowledge, the people who are best qualified to adjust compasses are the officers of the ship itself. Of course, where the officers of the ship have not the necessary knowledge it should be done by an adjuster. In any case, however, I maintain the responsibility should be left upon the officers of the ship to see that the compasses are to their satisfaction and may safely be left upon them, because, after all, their lives and their livelihood depend upon the efficiency of the compasses. On the other hand, it would be a distinct hardship in the case of a captain who is an expert, who by a long course of study has acquainted himself with all the idiosyncrasies of his compasses, and is able to adjust the errors, or knows the errors, that the ship should have to have the services of an adjuster who, although he may be perfectly qualified to adjust the compasses so as to be true for one given position, would destroy the confidence of the captain in those compasses for every other position on the face of the globe. In fact, the captain would have to recommence his labour all over again. I am told that, as a matter of fact, there are very few men living who have the necessary scientific qualifications to adjust a compass finally and completely, and I therefore urge that the Board of Trade principle should be adopted in the case of compasses of "leave well alone." The captain is called upon by the Board of Trade either to give a certificate of satisfaction or call in an adjuster. I would like to remark that it is not the intention of this resolution in any way to derogate, any more than resolution No. 1 does, from the powers of the Commonwealth or of New Zealand to intervene, if they have reason to suppose that a ship is unseaworthy in the matter of her compasses, any more than it was the intention to limit their powers with regard to a ship which they have reason to suppose was unseaworthy in other respects.

MR. HAVELOCK WILSON : I would like to ask Mr. Anderson this question. Would he say that a ship which has been absent from the United Kingdom, say, three years, should not have her compasses adjusted by a proper competent adjuster?

MR. ANDERSON : I do not know of any certificate which runs for three years.

MR. HAVELOCK WILSON : I quite agree with what you say that there are many masters, and perhaps officers for that matter, who are competent to adjust their own compasses, but at the same time there are many officers and masters who know nothing about it.

CAPTAIN CHALMERS : It is in the master's examination.

MR. HAVELOCK WILSON : A master might pass an examination to adjust a compass, but that does not make him a competent adjuster of compasses. As a matter of fact, I think Mr. Anderson will agree with me on this point that nearly every ship has her compasses adjusted from time to time in the United Kingdom. Although a master may have knowledge to do it himself it is done by proper adjusters. I am looking at ships which are a long time away from the United Kingdom.

THE CHAIRMAN : I am told a certificate only lasts twelve months.

MR. HAVELOCK WILSON : That is what I want to know from Mr. Anderson.

MR. NORMAN HILL : As the resolution stands it only deals with a vessel holding a certificate from the Board of Trade.

MR. HAVELOCK WILSON : I think that is all right.

THE CHAIRMAN : This has been suggested to me. Sir Joseph Ward did not quite like the form in which the resolution was placed upon the paper; he thought it might be capable of interfering with New Zealand rights in the matter, but he is willing to accept it in this form :—"That a current certificate issued by the Board of Trade as to the efficiency of compasses shall have the same effect as local certificates." Mr. Anderson is prepared to accept it in that form. I want to get on to Mr. Belcher's two resolutions, and I put this.

MR. BELCHER : Before it is put to the meeting I would like to ask this : Is there any Board of Trade supervision over the adjustment of compasses, or is it left entirely to the officers?

CAPTAIN CHALMERS : The Board of Trade surveyor in giving his declaration has to declare that boats, signals, compasses, &c., are in such condition as are required by this Act. In our instructions we tell them that if they get a certificate signed by the master and the mate of the ship who have been with her on her previous voyage, saying that the errors of her compasses are known to them and can be applied, he has to accept that certificate, and embody it in his own, or the certificate of a known adjuster—they are to accept that.

MR. BELCHER : What I wanted to get information about was whether a certificate with regard to the correctness of the compasses or otherwise was provided by an officer of the Board of Trade, or whether it was supplied by the officer of the ship. Apparently it is done by the officer of the ship. Now, in New Zealand all compasses are adjusted by a licensed adjuster. It is not left to the master or officer of the ship at all to issue a certificate in connection with that matter. I quite see certain objections to that being permitted. It has been said, of course, with a good deal of force perhaps, that the officer of the ship will always see that his compasses are in good order for his own self-preservation. That, of course, is an assertion. But, as has been said by Mr. Wilson, some of those officers may not have sufficient scientific knowledge to know whether they are correct or otherwise. Mr. Anderson has told us it is a highly scientific piece of work to know just exactly when a compass is efficient or otherwise. Personally, I would not care to agree (as one of the New Zealand representatives) that a certificate of efficiency with regard to compasses should be accepted there which was of a lower description than what is required in New Zealand.



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MR. HAVELOCK WILSON: You will remember, a resolution has already been passed that if a ship is surveyed in the United Kingdom (and the owner can please himself whether he surveys or not) it is accepted by the Australian and New Zealand Governments as sufficient, so that if a vessel is properly surveyed that would include the compasses, and therefore that certificate would be available in the colonies. If she is not surveyed, then the colonies would survey the compasses.

MR. BELCHER: That does not get rid of my point. I have a certain objection to the officer of that ship giving any opinion as to the efficiency of the necessary navigating appliances on board that ship, which I contend should be under the control of the Board of Trade.

THE CHAIRMAN: It is under the control of the Board of Trade.

MR. BELCHER: Yes; but it has been stated that the officer of the ship can go to an officer of the Board of Trade and make an assertion to him that the compasses are in good order, but what guarantee is there that they are in good order?

MR. ANDERSON: Practically the officers of the ship are the only people who can say whether the compasses are in good order, because, as I have explained, the errors of the compass only develop as you alter your geographical position. I have known, for instance (and for that reason, I think, I have good cause to distrust so-called professional adjusters), the case of a ship which was adjusted in London; its compass was accurately adjusted for London, but it developed in Australia a deviation of 24 degrees.

MR. MILLS: I think I am right in saying that in New Zealand those masters who are competent are allowed to pass an examination and get an adjuster's license, in which case they can adjust the compasses of their own ship, and, as a matter of fact, they get a fee for it.

THE CHAIRMAN: Substantially, it is the same position. Will you take it in this form: "That the current 'certificate of the Board of Trade as to the efficiency of 'compasses shall have the same effect as local certificates.'" (*The resolution in this form was carried unanimously.*)

MR. BELCHER: I move, "That it be a recommendation from this Conference to the Board of Trade to suggest that legislation be introduced whereby all seamen be paid their full wages at every port where the crew may desire the wages to be paid." This resolution has been framed with the object of altering what is now the present system with regard to the payment of seamen's wages. This is meant as a suggestion to the Board of Trade that the system observed in Great Britain should be altered. Whether it is going to be a contentious point or not, as to whether it is permissible for one of the Colonial delegates to offer a suggestion to the Imperial authorities with regard to their own domestic legislation, is, of course, for you to decide, Mr. President. I do not want to enter upon this subject at any great length, and find, after it has been discussed at some length, that it is one of those subjects which does not come within our purview. At any rate, my object is to alter the system that now exists with regard to the payment of seamen's wages, and to give them the opportunity of demanding their wages periodically wherever they may be, and whenever they may require it. The British system, so far as I know and understand it, is this: that when a crew signs on articles of agreement in Britain, it does not matter how long that agreement may be for—it may be for three years, 18 months, or two years, as the case may be—that seaman has no legal right whatever to demand his wages at any port he is in. If the crew require money, the only method in which they can get it is by making an application to the master of the ship, who has the right of giving—

THE CHAIRMAN: Shall I read our section; it was amended last year?

MR. BELCHER: Oh, indeed!

THE CHAIRMAN: It is a very important amendment: "Where a balance of wages due to a seaman is more than £10, and a seaman expresses to the master of the ship his desire that facilities shall be afforded him for remitting all or any part of the balance to a savings bank or to a near relative, the master shall give to the seaman all reasonable facilities for so doing as far as regards so much of the balance as is in excess of £10,

"but shall be under no obligation to give facilities while the ship is in port if the sum becomes payable before the ship leaves the port." That is to prevent desertion. But he can demand all his wages over £10.

MR. BELCHER: That appears to me to be qualified. That money can only be drawn for the purpose of remitting it to someone else.

THE CHAIRMAN: That is so.

MR. BELCHER: To that I entirely disagree. Suppose the man wants it for his own purposes, surely the man who has earned the money, who has money due to him, should have the right of demanding that he shall get a portion, if not all, at any time he may require it. That is my contention in connection with the matter. I know complaints have been made to me by men on British ships in New Zealand that they found it impossible to get money from the master of the ship. They have gone to him repeatedly and asked for money to purchase necessities, or for the purpose of going on shore and enjoying themselves, and they have been denied. I suppose a sailor has a right to enjoy himself occasionally.

THE CHAIRMAN: I hope you will not misinterpret my smile.

MR. BELCHER: I do not suppose anyone will deny that a sailor has the right to enjoy himself as well as anybody else. That is by the way. I hold that it is an axiom of equity that a person who earns money is entitled to receive that when he requires it. I say the spirit of equity is altogether absent in the agreements which are now entered into in ships which sign their articles out of Great Britain. I suppose the members of the Conference have noted the remarks made in the Report of the Royal Commission appointed by the Commonwealth in connection with this matter. They have expressed so tersely, and in such splendid language, their views that I will read this portion of their report, which practically embodies all the views which I have in connection with the matter, and expresses them a great deal better than I could pretend to do. This is what the Commission say in their report: "Although the rate of wages paid to seamen on foreign-going ships of the mercantile marine of the Commonwealth is somewhat higher than that paid on vessels of most other countries, it is still considerably less in general than that paid to workers ashore. We are, however, not so much concerned with the rate of wage as with the manner in which payment is made. By practice, as well as by law, the seaman is not entitled to demand his wage until the completion of the voyage, or of the period for which he has engaged. This places him in a position of dependence, and has a most demoralising effect upon his fortunes and character. No matter what length of time he has been on the ship, nor what he may require in the way of clothes or other necessities, he cannot legally demand one penny. Other workers receive their wages when earned; the seaman, who works harder than most men, is not even entitled to payment at reasonable intervals. Where ill-fed, badly-housed, and sometimes even ill-treated, and, to crown all, unable to obtain a penny of his wages, it is hardly a matter for surprise if the sailor on such ships succumbs to the deteriorating influences of his environment. The effect, too, of this practice upon the masters and owners is in some cases not less deplorable than upon the seamen. Evidence was given before the Commission, in Newcastle, that one master of a vessel trading to that port made a boast that he had not paid a man for three years. The incentive to unscrupulous masters and employers to connive at desertion, or even to induce seamen to desert is, under such circumstances, considerable. It is not contended that the practice is general, but that it is not unusual the volume of testimony given before your Commission at Newcastle clearly shows. As this matter is dealt with more fully under the heading of 'Crimping,' it is not necessary to enter into further particulars here. But it is thought imperative that these conditions should be altered at the earliest possible moment. It is, therefore, recommended that in the foreign-going trade seamen shall be entitled to receive, at the expiry of one month from the time of shipment, and thereafter at intervals of a month, at any port where the ship calls for trading purposes, two-thirds of the wages earned by them." Those are the words of the recommendation of the Royal Commission which sat in Australia, and which took voluminous evidence as to the deteriorating effects of the withholding of the wages upon the seamen. The seamen, to my mind, at any rate in what might be termed deep-water ships, appear to be the victims of a good many people. It is a well-

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known fact in a great many ships that where the seamen require money urgently for their own purposes they cannot get it. Suppose a man on board a ship left London imperfectly clothed, or with a short supply of clothes, and on getting to another port desired to replenish his wardrobe, the master of the ship point-blank refuses to give him any money, for the reason that he thinks that he may desert. What the master does do in many instances, if he has not what is known as a slop-chest on board the ship, is to give the man an order on some clothing manufacturer to go and get these goods; and we have this for a positive fact, that large commissions pass between the person who supplies the goods and the master of the ship. It is obvious that the seaman must necessarily be prejudiced to the extent of the commission that is given; in other words, he is not getting full value for his money. The general principle is this: the seaman is a worker in the same sense as any other worker, and when he has earned money he should have the right under the law to demand either the whole or a part of it. I will not go so far as to say that he should get the whole of it. I would not mind if there was a little restriction in the direction of a small proportion of his wages being held in hand by the shipowner. But there is no getting away from the fact that the withholding of the payment to seamen has been the means of enriching somebody very considerably right up till now. Supposing a man deserts, under the present circumstances he leaves nearly the whole of his wages behind him. I will go further than that, and say that if a man does desert and he has got a certain portion of his wages, he has only got what is justly due to him; and it is the shipowner's duty, if he can manage it, if he wants to punish that man for desertion, to do so, and he has a very elastic Shipping Act which he can put into operation; he has all the local forces at his command in the shape of law, police, &c., &c., to find the man and punish him. I think the argument which probably will be used, and which I know has been used, that this would be an inducement to desert is not altogether sound. As a matter of fact, the commission in its report refers to that aspect of the question, and this is the way in which they put it: "It appears that the practice in the Australian trade is to pay wages to seamen monthly, and the evidence given shows that desertions are most unusual, and that it is no uncommon thing for men to remain in the service of the same employers for years together. With prospects of permanent employment better men are attracted, thriftier habits are induced, domestic ties encouraged, and, generally speaking, the seaman compares favourably with the man on shore. In Australian-trade and limited-coasting ships, where the time agreement prevails, the alteration in the law will effect no change in the custom." It is shown that both in New Zealand and Australia, where the wages are paid monthly, desertions are practically unknown. It, therefore, cannot be urged, I think, that making periodical payments to the seaman will be conducive to desertions taking place. At any rate, I say, as a practical seaman myself, who has been subjected to the disabilities under which they labour in connection with this matter, that the present system is altogether wrong and untenable, and that the seaman should be treated exactly the same in this respect as any other person, that is that he should get his wages when they are earned. I commend the resolution to the Conference, with the hope that the Board of Trade officials will very carefully and favourably consider the desirability of going even further than they have done in their amending Act of last year, which I was not aware of until it was brought under my notice to-day by Mr. Havelock Wilson. I beg to move the resolution.

MR. HAVELOCK WILSON: I hope my friend Mr. Belcher will not press this resolution. I do not like to be in disagreement with him in any respect whatever, but I would like to say to him that last year in the House of Commons, as you know, Mr. President, we fully discussed the whole of this question—

THE CHAIRMAN: And at private conferences.

MR. HAVELOCK WILSON: And at private conferences between ourselves and the shipowners, and we came to the conclusion that if the seamen had the right to claim all money due to them over £10 that gave them the privilege of having that money remitted on to the United Kingdom, and if a seaman sent it to a friend, and wanted the money, he could always get that friend to transmit it to the next port, so that he would not be without that money if he wanted it. I quite agree with what Mr.

Belcher said as to what did exist, and probably does exist at the present time; that seamen who have been two years on a ship and wanted money for the purpose of buying clothes could not have it, but the captain would say, "I will send you to a tailor; you can go to a certain tailor and have what clothes you want," and as a result the captain got 25 per cent. from the tailor at the expense of the sailors and firemen. That is the reason that we put this clause in the Act to enable the men to have the means of getting money. But I might also call Mr. Belcher's attention to the fact in connection with the new law that comes in force in June next that a seaman now in England has the right to claim an allotment note. He did not have that right before, but now he has it. When he signs on, all he has to say to the superintendent is, "I want an allotment note for my family," and it must be given to him. Before, it was an option, because very often the owners stipulated that they would give an advance note but no allotment. If that man went on a long voyage his family was left without any means of subsistence whatever. But now the new law which is coming into force in June alters that, so that he can have his family provided for. Then under Section 63, whenever there is over £10 due to him, he can have the balance remitted. If he has a friend in England, whether it is a relative or anybody else, he can have the money sent on to him; or if he has a bank, he can have the money sent on there. Should he require any money during the voyage, I do not see that it would be an impossibility for that man to send to a friend and say, "I am bound to a certain port; I want a sum of money; send me on 'so much—£10,' or whatever it was he required. So that although the resolution moved by Mr. Belcher is a very proper one, I think until the new law has come into operation we might suspend judgment on that. Let us see what the new law is going to do for us. It is quite true, as Mr. Belcher has said, that it is very hard lines on a seaman, who may have a large sum of money due to him, who cannot get any part of it when he arrives at a port, and wants it, not for the purpose of going ashore to enjoy himself, but even to provide himself with the necessary outfit—it is very hard lines if he cannot have it, but I think the new Section will practically cover that point, and do what we have been trying to do for many years. Then, on the other hand, I do not think it would be good policy on long voyage ships for a man to be drawing the whole of his money when he wanted it. My experience of dealing with seamen tells me that many of the chaps would end up at the end of the voyage a jolly sight worse off than when they started. I think it is policy to be a little bit on the safe side, and seeing that Section 63 provides for what we require, I think, Mr. Belcher, it would be well if you could see your way clear to allow this new Act to come into operation, and see what it will do for us. I will promise you this, that if it does not work well I will not forget to ask the Imperial Parliament to do a little more.

SIR WILLIAM LYNE: Do I understand that at the present time there is no money payment at all except under very extreme conditions?

MR. HAVELOCK WILSON: I refer you to Section 63.

MR. BELCHER: That is the position at present until that law comes into force.

THE CHAIRMAN: Under the present law he is entitled first of all to make an arrangement before he leaves port that 50 per cent. of his wages shall be paid regularly—I think once a month.

MR. HAVELOCK WILSON: To his relatives?

THE CHAIRMAN: To anybody he names.

SIR WILLIAM LYNE: But not to himself?

THE CHAIRMAN: Not to himself, no, but to a savings bank. Then with regard to Section 63, any balance over £10 he is entitled, on arriving at a port, to demand being remitted to England.

SIR WILLIAM LYNE: What seems to me extraordinary in this regard is why sailors should be treated differently to other men. In every other contract that I know of there is always a provision that a certain percentage either of the wages, or for a certain amount of the work done, generally 75 per cent., is paid to the person. You do not treat the sailors in the same way.

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I cannot see why he should not get something direct, except that it may be they are afraid of his going on the spree. I do not know whether that is the reason. I say that a sensible man would not go on the spree. But at the same time I think it is very hard if a man cannot get something without going through all those byways of sending it to somebody else and getting that somebody else to send it to somebody else at another port. That seems a hardship. I feel that the sailor ought to be able to get something if he wants it, without going through all those channels. I presume that is what Mr. Belcher is aiming at.

MR. BELCHER: Undoubtedly. I think seamen should be treated exactly the same as any other workers.

SIR WILLIAM LYNE: I will say that he is not quite in the same position, and if there is any dread that serious trouble may be caused you may reduce the amount of the proportion that may be paid, but that a man should go a long voyage and be unable to get anything at all when he gets to another port is, I think, a species of slavery; he is not a free man.

MR. MILLS: I must say I am very much in sympathy with this motion, although I think it goes too far. If it were altered in the direction that he should be paid not less than half his wages then due in any port he desired it would meet the case. It is an unreasonable thing that a seaman's wages should be kept back for two or three years, and even this provision in the new Act only permits him to send it to relatives. He may be a man without a relative, and may want a few pounds to spend on clothes or other things, and he cannot get it. We see more of it in the colonies, perhaps, than you do here. In some ships their lives are made so uncomfortable that they eventually clear out and leave their wages behind them; and we have heard of a case, in the evidence before the Commission, where the master boasted that for three years he had paid no wages at all. At any rate, during those three years the men had received little or no wages. I do not suppose there are very many numerous cases of that kind, but such should not be possible.

MR. NORMAN HILL: We think such cases should not be possible. Surely the law of any country must be in a very peculiar condition which could enable a man to make such a boast as that without being put in gaol.

MR. MILLS: The men get tired of it, and sometimes they quarrel among themselves, and they go and leave their wages behind them.

MR. NORMAN HILL: Under the new Act they can only be affected to the extent of £10.

MR. MILLS: No; a man can only get money for the purpose of remitting it to his relatives or to the Savings Bank, but he wants to spend it on the spot.

MR. NORMAN HILL: A dishonest master, such as the one you have instanced, cannot under the new Act rob a man to a greater extent than £10.

MR. MILLS: He can.

MR. NORMAN HILL: No. A man can have any money at any port above £10.

MR. MILLS: He can send remittances, which he does not want. He wants to spend the money on the spot.

MR. NORMAN HILL: The question is how much can the dishonest man rob him of. If the man chooses to say before he clears off, "Give me facilities to remit £20," or whatever it is owing to him over £10, and the master has to do it.

MR. MILLS: The men are not always guided by reason.

MR. NORMAN HILL: We are considering extreme cases. The practice in the Australian trade and the New Zealand trade has been quoted. It is the practice here in our coasting trade to pay the men weekly, and it works very well.

MR. BELCHER: That is only in the case of what are known as weekly vessels.

MR. NORMAN HILL: That is in our coasting trade—in the home trade. Now when you come to over-sea trade you have the position that the man is in one port

and his dependents are in another. The point was most carefully considered last autumn; we debated it in every way; we were most anxious to do what was fair and right by the seamen; we were most anxious not to increase their difficulties, and our difficulties, in ports, such as San Francisco, for instance, where we know the men are reckless and are robbed; and we devised the best scheme, with the help of Mr. Havelock Wilson, to meet that kind of case. It seems to me that it would be most unfortunate to make any general recommendation that a man, when he is out of this country, away from his dependents, should be entitled to draw his wages as he pleases. Of course, on the well-managed ships a man gets his necessary pocket-money as a matter of course; it is never refused him on well-managed ships.

MR. MILLS: Oh, yes.

HON. W. M. HUGHES: He is not entitled to it, but they give it to him.

MR. NORMAN HILL: Now we have strengthened that to provide against the badly managed ships, and the dishonestly managed ships, so that the dishonesty is limited now to the extent of £10. I should have said it was a very extreme case in which it was worth any captain's while to drive the men off the ship in a foreign port for the sake of stealing £10 from him when he knows that to find a substitute for that man will almost certainly cost him more than £10.

SIR WILLIAM LYNE: Do you not think a man should have some right?

MR. NORMAN HILL: We are giving him full rights except as to £10.

MR. HAVELOCK WILSON: I would like to ask Mr. Norman Hill one question.

MR. NORMAN HILL: May I add one other point. Last autumn we went one step further, and said that any money left in the possession of the ship by the men who had left no longer goes to the shipowner; it goes to the Government; and under penalties we are bound to remit to the Government all those forfeited wages. That is under the Act of last Session.

HON. W. M. HUGHES: Under the last Act?

MR. NORMAN HILL: Yes. There is no possibility of our making any profit out of it. Whether we are right or wrong in taking a fatherly interest in the way the men spend their money, all I can say is, that we have had the help of Mr. Havelock Wilson in devising the scheme, and I understand he is anxious that the scheme should be tested before we go to any new departure.

MR. HAVELOCK WILSON: I would like to ask this. I can quite see what Sir William Lyne has said, and I agree there is a good deal of hardship in it. If a ship is in Sydney and a man has £20 due to him, and wants some money to purchase clothes, before he can get that £20 he has got to send it home to somebody in England, and get that person to send it out, and that is a hardship. Would the shipowners be prepared to recognise that a seaman should receive, say, £10 of his wages, by a note in Sydney, so that he could go to the Seaman's Union in Sydney and hand that note over to them, and say, "I have £10 due; you might pay me that £10, and collect it from the owners." Would the owners in England be prepared to honour that note if it was cashed by the Seamen's Union in America, or Australia, or New Zealand, or anywhere else? Then the men would have the money at once to spend if they wanted it. Would the shipowners be prepared to do that?

MR. NORMAN HILL: As it stands now, we are bound by the Act of Parliament to give him facilities to remit.

MR. HAVELOCK WILSON: It would be remitted. That amount would be remitted by the Seamen's Union to England for the owners to pay. Would the shipowners honour that note if it was transmitted by the Seamen's Union? I think that is a reasonable proposition. It would not be paid until after the ship had left.

MR. NORMAN HILL: By the same mail by which we remit the money the seaman could also remit the

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order to the Savings Bank, I know nothing to stop that.

MR. HAVELOCK WILSON: I mean, if the man got an order which would not be payable until the ship left that port, of course, he could not draw it. That order has to be sent to England for collection. Suppose the Seamen's Union in Australia, New Zealand, or America said, "Very well; that note is all right" (or he could go and see the captain to see that it was all right), and then the men went to sea in the ship, having got the money in the meantime, and the Seamen's Union sent that note on to England for the owners to honour, would the English shipowners honour that note and transmit the money? Because that would be one way out of the difficulty?

MR. NORMAN HILL: There can be no question about it. We should have to send £20 to the Savings Bank. The same mail which takes the remittance to that bank could, if the seaman pleases, take his cheque on that Bank.

MR. HAVELOCK WILSON: I only want an expression from the owners to that effect, because I can conceive it possible for it to be done if the owners would honour it.

MR. NORMAN HILL: It would be for the Bank to honour, not for us.

MR. HAVELOCK WILSON: Not necessarily.

MR. FERNIE: If the Sailors' Union will honour a man's cheque in Sydney, the Bank would have to pay; it would have nothing to do with the shipowner. I would like to say one word. It seems to me, as far as Australia is concerned, there is no practical difficulty with regard to this. We find that the crews there invariably get a considerable portion of their pay, and, furthermore, there have been very many cases where there have been some complaints against the captain, and in such cases the crew have applied to the local courts, and in every case they have had an order from the court to have the Articles rescinded, and the captain has been obliged to pay their wages.

MR. BELCHER: That is only in gross cases of breach of contract, and the man has to prove it right up to the hilt before that can be done.

MR. FERNIE: Our view is, that these decisions are always in favour of the man.

HON. W. M. HUGHES: In supporting this, I would like to say that the Royal Commission gave this considerable attention, and took a great deal of evidence, particularly in Newcastle, which I think deals with oversea shipping more largely than any other port in the Commonwealth—I mean there is very little coasting shipping there. We found a condition of things, with regard to crimping in connection with oversea shipping, which was most extraordinary, and even disgraceful.

THE CHAIRMAN: Mr. Belcher read that part.

HON. W. M. HUGHES: I want to say that almost all those persons who were called gave it as their opinion that one method of putting down crimping would be to pay the wages of the men, and that the men deserted principally—not entirely—from the fact that they did not get any wages. We had, not one case, but quite a number, where men who were, perhaps, owed £60 took £5 and went off. Another man who was owed £20 took £2 to get paid off. One man, a boarding-house manager, was asked Question 2007: "The practice of the British in not giving any part of their wages, is that largely responsible for the number of desertions?" and he said "Yes." The American Consul, who gave evidence, said that practically there were no desertions from American ships; and Mr. Lambert, the Master of the Seamen's Home in Melbourne, points out that there is very little desertion from foreign ships, and a great deal from British ships; and upon being asked why, he said it was on account of the accommodation—the wages were lower on foreign ships, but the accommodation was better. He says the wages are lower but the general opinion is that the accommodation is better on foreign ships than on British. Besides this, the sailors on British ships do not get any money until the end of the voyage, and there is consequently no incentive at all for them to stay there. But when, if he deserts and ships on another ship, the pernicious system of advance notes

comes in. A man knows he can have a week's spree and a pound or two out of an advance note. He does not get what he has earned when he goes to sea. He gets what he has not earned when he deserts and ships on another ship. Of course, he is cheated all the time on shore by the people who cash advance notes. When he goes to sea, he has a month or so to work, and in another month's time he gets to a port. They won't give him any money, and he does the same thing again. The system is a pernicious one. A seaman is treated like a child. He should not get a penny until he has earned it, and when he has earned it he should get every penny. There could not be any more desertions than there are now. At the Port of Newcastle, at any rate, I can say that there are absolutely hundreds upon hundreds of desertions every year from British ships and hardly any from foreign ships. Now you know that wants answering. The German and the other foreign ships pay a certain proportion of the wages—the American and the German. I think we ought to do the same. Whether we should pay all or not is a matter of opinion. The Commission recommends two-thirds. I should be quite satisfied with that. Of course, there is no real reason why the seaman should be treated differently from any other workman; and this system of advance notes I disagree with entirely. I think the allotment note might be extended to relations and to relations only, and confined to them. The advance note ought to be abolished, and wages ought to be paid when earned. I feel sure that if they were paid there would be no desertions, or comparatively few. Where sufficient inducement is offered, no doubt a man will always desert. But this applies to all callings. Where sufficient inducement exists everybody would. I suppose a man would even desert a Government if he could get a better billet in another Government. I certainly would emphasise the necessity of an alteration in this matter. I believe it is a hoary tradition which belongs to the time when a seaman was practically a slave, and he is the only workman now who is treated as a slave and a child. He ought to be treated as a free man, and I shall certainly support Mr. Belcher. But whether he should get his full wages or two-thirds of them, as we recommend, is a matter of opinion.

MR. DUNLOP: It seems to me the discussion is all on the part of Australia. The object of the discussion seems to be to try to teach us how we are to do better than we are doing. Now, speaking for tramp ship-owners and sailing vessels, we, the owners of these vessels, feel that the law we in this country have recently passed already goes much too far. In the Australian trade and our own coasting trade there would be no objection to such conditions, because the ships can come and go to and fro back to the same ports, and we can therefore, if a seaman deserts, quite easily replace him. A good deal has been made of the difference between land employment and sea employment. Well, to me the difference is very obvious. If a ship-builder or a house-builder or anyone on land has men leaving from any cause whatever, he can very easily replace them because there are men near. The same thing applies to many coasting boats. But take the long distance vessel, take the steamer going to the west coast of America, say, to a place like San Francisco, where there has been an earthquake and men can earn quite easily £10 a month. I say it is very necessary for us to have some pull on the men. We have no desire to keep the men's money, but we want to keep the men and not allow them to go ashore and leave a valuable ship without a crew. I had a ship the other day in the Northern Pacific; she had to wait four weeks to get a crew, simply because wages were so high on the spot that the men cleared out.

HON. W. M. HUGHES: They do that under present circumstances.

MR. DUNLOP: You have said if they were paid their wages they would not desert. I cannot see how you can use such an argument. I am speaking from practical experience. For example, one of our vessels where the crew had misbehaved on the way out, and they raised a complaint in the San Francisco Court with a view to getting the wages, and the captain said "No"; and it was finally referred to the United States Courts, and the captain was highly commended, and the crew were told they could not get their discharge, and they remained on board and came home.

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What we want is not to make a rule that will encourage desertion. We know every inducement is given to seamen to desert. When we go to San Francisco, we have had to make regulations to keep the crimp from coming on board, but they often get hold of the men when they go ashore and say, "Come along, we will give you a good time," and when a man has been at sea for three months he may yield to the inducements and go and have his good time and desert his employment, and the Board of Trade can tell us men might come home sometimes with a good deal of money, and how little is left when they get ashore at such ports as San Francisco. Why should they not have a good time?

HON. W. M. HUGHES: But they do that now.

MR. DUNLOP: Are the great Imperial shipping interests of this country to be sacrificed that men may have a good time?

HON. W. M. HUGHES: Would you say this is right? A captain in Newcastle gave evidence that he bested every seaman; that he had come in and out of port and never paid one man's wages.

MR. DUNLOP: I do not believe such a statement.

HON. W. M. HUGHES: It was Inspector McVane, I think.

MR. HAVELOCK WILSON: That was a Nova Scotia ship, and they very seldom pay wages on those ships.

MR. BELCHER: There is another point in connection with this matter. Will you allow me to mention another practice that goes on in New Zealand? It is this: A man is anxious to get away from the vessel. The master says, "Yes, I will let you go, but you will get no money," and he takes him along to the shipping office and gives him a clearance in the shape of a discharge. Now I say if the master of a ship has power to let a man go, and can see the possibility of filling that man's place, the man who has earned the money is justly and legally entitled to it, and no man should be permitted to be discharged under those circumstances.

HON. DUGALD THOMSON: But he has not fulfilled his contract.

MR. BELCHER: Take another case—

THE CHAIRMAN: I am sorry. I thought you had just one point to make, but I laid down a rule this morning, and I think under the circumstances it was quite justifiable, that there should be not more than one speech by the same gentleman on the same motion. I did not want to interrupt you until you had made that point. This discussion has been going on now for nearly an hour, and I think every interest has more or less been represented in the course of the discussion and that the thing has been exhausted. I will just say a word, if I may, on behalf of the Government. This is a recommendation to the Board of Trade to legislate; it is nothing to do with the Colonies, with the Commonwealth, or New Zealand, but it is purely a recommendation that we should legislate. That is within the purview of the Conference, I am not making that point at all, because we have accepted one or two recommendations of this character.

HON. W. M. HUGHES: This applies to all ships. It does not say that here, but it is meant to apply to all ships.

THE CHAIRMAN: No; this is a recommendation that we should legislate.

HON. W. M. HUGHES: Yes, but you should apply it to all ships.

THE CHAIRMAN: I take it this is a recommendation to us that we should legislate.

HON. W. M. HUGHES: Yes, but in respect of all ships.

MR. LLEWELLYN SMITH: New Zealand and Australia do not come in.

HON. W. M. HUGHES: You should legislate in respect of British shipping.

MR. LLEWELLYN SMITH: But you legislate with regard to your own shipping.

HON. W. M. HUGHES: Is Mr. Belcher's meaning that you should, in respect of your own ships, pay their full wages?

MR. LLEWELLYN SMITH: Yes.

HON. W. M. HUGHES: That is what I want to know.

THE CHAIRMAN: Now I have two objections to the resolution bearing that interpretation. First of all, we have dealt with this matter last year. I am not going to say that the settlement we arrived at was a final one, or altogether a satisfactory one, but here is something we arrived at last year after a good deal of discussion, and by agreement. This is not a thing that was thrashed out in the House of Commons where the seamen proposed a recommendation of this kind and were voted down. They met in Conference at the Board of Trade. I presided over that Conference, and Mr. Have-lock Wilson represented the seamen, and we had several representatives of the shipping community, and we agreed, and the agreement we arrived at is embodied in our legislation, and it undoubtedly marks an enormous advance upon anything which had previously been the law.

HON. W. M. HUGHES: Which section?

THE CHAIRMAN: Sections 61 and 63. Section 61 goes farther with regard to that than Mr. Hughes would be prepared to go in Australia, but Section 63 does not go quite as far as he does. We have gone further than he would in 61; we have not gone as far as he would in 63. But on the whole it represents an agreement which I thought ought to be tested by practice and experience for some time before we can accept any recommendation for altering it. My opinion is that it will work out all right, and that in the long run it will be found that shipowners will agree to give something to men whom they can trust; that is really what it comes to. There will be a certain discretion vested in the master as to the kind of men he will give his money to. To my mind that is not a bad thing. I do not want to say a word about sailors. Every shipowner and master will admit that there are difficulties when you get sailors on a ship. After they have been some time on the ship—

HON. W. M. HUGHES: They cannot drink in New South Wales and Victoria.

THE CHAIRMAN: It does not all go in drink.

HON. W. M. HUGHES: We have stopped everything else a long time ago.

THE CHAIRMAN: I am sure it does not go in clothing altogether. It is an unsavoury topic, which I think we had better rather imagine than describe.

HON. W. M. HUGHES: The seamen would not call it so.

THE CHAIRMAN: That is one objection with regard to desertions. We have a very serious problem, an Imperial problem, to deal with. There are about 27,000 desertions a year. I am not convinced the shipowners are not partly to blame. I am not sure, but I think, some of the legislation was based on the assumption that shippers and captains were partly to blame, and a good many clauses were inserted in our Imperial Act with a view to stopping what we rather thought was a desire on the part of certain captains to encourage desertions, and in future they will not be able to make any profit out of them. With regard to German desertions, there are two things to be said about them. It is true you may not have the same number of desertions from German ships and French ships, and for two reasons: there is a greater sense of discipline among the German workmen, which is attributable to the fact that they have served two or three years in the Army. That does not merely apply to seamen. The second reason is that, after all, if a German deserts at Newcastle, he deserts among foreigners, men of a different race, men who talk a different language, and men with whom he has nothing in common. A Britisher who deserts there is among his own kith and kin; he is deserting among his own people, and therefore it is so much easier for a Britisher to get away than for a German or a Frenchman. Now, under the circumstances, I trust that the Conference will not think it

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necessary at the present juncture to pass a recommendation of that kind. I hope we may possibly have another Conference at some future time.

SIR WILLIAM LYNE: Perhaps you will come to Australia.

THE CHAIRMAN: Is that to be taken as an invitation?

SIR WILLIAM LYNE: Yes, certainly.

THE CHAIRMAN: Wherever the Conference is held next time, it may be our duty to make recommendations for the alteration of your law.

HON. W. M. HUGHES: You would get a little clearer light on the subject in Australia.

THE CHAIRMAN: I have no doubt. And therefore I trust that the present Conference, at any rate, seeing that our new legislation has not even come into operation, but will on the 1st June, allow us, first of all, to see how the new provisions work, considering they are enormously in advance of past legislation; and I hope Mr. Belcher will not put us to the necessity of dividing, because the Imperial representatives would have to vote against him.

SIR WILLIAM LYNE: Would it not be a good thing to have it on record that the Australian and New Zealand delegation had this opinion? It would do no harm.

THE CHAIRMAN: But the Australian and New Zealand representatives have not that opinion; they have not supported Mr. Belcher's recommendation. They have supported a certain proportion of wages.

SIR WILLIAM LYNE: I think it would be better not to pay all.

THE CHAIRMAN: Mr. Belcher's resolution is for full wages—if the Australian and New Zealand representatives would like to vote for a resolution of that kind. At the present moment we must abide by our own Act until we see how it works, and our opinion is that it will work out satisfactorily.

HON. W. M. HUGHES: What in effect does your Act say?

THE CHAIRMAN: It gives him perfect freedom of contract. If he likes to make a contract before he goes on board for the payment of every penny, very well; the law allows it. But we provide, in the absence and in spite of a contract, that he must have the right to allot at least 50 per cent. of his wages to relatives or to savings banks.

HON. W. M. HUGHES: After the expiry of what period?

THE CHAIRMAN: One month. That is to be paid regularly up to 50 per cent. Then when he lands at any port, he has the right to remit all the money he has earned over £10 home. He has not the right to demand any portion of money for his own pocket. That is the difficulty, no doubt; but he is entitled to all the money over £10 to be remitted home or where he likes.

HON. DUGALD THOMSON: And you allow advance notes?

HON. W. M. HUGHES: That is something; that is a substantial point.

THE CHAIRMAN: It is a very substantial improvement on the law, and I hope Mr. Belcher won't press his motion. If Mr. Belcher presses it, we shall have to put on record some counter-resolution of our own; because I would not like it to appear as if we were assenting altogether to the proposal that the sailor should not have the whole of his wages.

SIR WILLIAM LYNE: Supposing it is not carried. We have come a long way, and I cannot see what objection there can be to the delegations from New Zealand and Australia, even if the other delegations are against them, placing on record their opinion.

THE CHAIRMAN: Nor I.

SIR WILLIAM LYNE: Because it can be used hereafter. You would not be compelled to do anything at all, and it would only be the delegations' vote from

distant parts. And if your Act does not work as well as you think, you have that recommendation as far as we are concerned for future action.

THE CHAIRMAN: Very well, I'll put it to the meeting.

MR. DUNLOP: This is really altogether outside Australia, and it is subject to considerations which they have not the opportunity of discussing as we have, and therefore I think it is hardly fair to us that such a proposition should be put.

SIR WILLIAM LYNE: I am inclined to think Mr. Norman Hill may not object to have on record the opinion of the shipping delegates that they were altogether opposed to it.

THE CHAIRMAN: This is with a view of securing uniformity of legislation, and therefore I could not possibly rule it out of order.

SIR WILLIAM LYNE: I put it this way. You are against it?

THE CHAIRMAN: Yes, we stand by our Act for the present.

SIR WILLIAM LYNE: I will ask Mr. Belcher to make it a proportion.

MR. NORMAN HILL: Is it in place of the provisions of our Act?

SIR WILLIAM LYNE: It is only a statement of our opinion. It will not be carried, because there will be as many on one side as on the other, but there will be a record of it.

THE CHAIRMAN: What proportion do you suggest?

HON. DUGALD THOMSON: Why name the proportion?

MR. BELCHER: Two-thirds.

THE CHAIRMAN: Let us divide at once; I think we have exhausted this now.

MR. NORMAN HILL: If our Act does not work well—

SIR WILLIAM LYNE: It will have no effect at all so far as your Act is concerned. It will not be carried, but it will be on record; that is, we shall have it put on the minutes, because we are not coming over here every week, although you might desire to come out to us every year. But having come so far, I think we should put on record our opinion in reference to this point, and that could be used hereafter if you find your Act does not work as you expect.

MR. NORMAN HILL: Will you refer to our Act in your resolution; don't put a mere negative on us. We have done our best last year, and arrived at a settlement which was satisfactory to our seamen. Don't put it on us that we are standing in the way.

SIR WILLIAM LYNE: I don't put it on you. I merely go for all we can get. I want to put it as a bald opinion from these two delegations that it may hereafter be used, if your Act does not work as well as you think, without our having to come to London again.

THE CHAIRMAN: This is the motion:—

"That it be a recommendation from this Conference to the Board of Trade to suggest that legislation be introduced whereby all seamen be paid two-thirds of their wages due at every port where the crew may desire the wages to be paid."

This is the motion of Mr. Belcher. And then there is an amendment.

MR. NORMAN HILL: I would prefer to move that it is not desirable to deal with this question until the Act of this Session has been tested.

THE CHAIRMAN: This is the amendment:—

"That this Conference approves of the principle embodied in Sections 61, 62, and 63 of the Merchant Shipping Act, 1906, with respect to allotment and payment of seamen's wages, which embodies an agreement arrived at between representatives of British shipowners and seamen."

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THE CHAIRMAN, having put first the amendment and then the resolution, said:—The Imperial representatives have voted for the amendment, the Colonial representatives have voted unanimously, I take it, for Mr. Belcher's resolution.

HON. DUGALD THOMSON: Mr. President, I am certainly in favour, and I have voted in favour, of the amendment. I did so because I think that an arrangement having been come to by the British seamen and the British owners, it is undesirable for us to try and disturb that arrangement; I think we should leave it to British interests to see how it works. With our own legislation, it is another matter.

MR. MILLS: I would like to say one word. Sir Joseph Ward asked me to explain that he had an important appointment which might prevent him from being here. As regards this question, I do not know how he would vote. The New Zealand delegates present have voted for Mr. Belcher's motion, Sir Joseph Ward expressed himself in favour of it as it stood on the paper, but in view of the amendment I do not know whether he might have modified his views. I merely offer that explanation.

THE CHAIRMAN: Mr. Belcher, I think your motion comes next.

MR. BELCHER: My motion is as follows:—

"That it be a recommendation from this Conference to the Board of Trade to ascertain and investigate the various clauses attached by ship-owners to the Articles of Agreement signed by the crews of vessels. This with the view of securing uniformity in this respect, and also establishing the principle of equity as between employer and employed."

This resolution, Mr. President, is in connection with the clauses that are attached to ship's Articles of Agreement at the time the engagement is made with the crew. Now this might also be said to be a subject on which the Colonial delegates have no right to make any suggestion, seeing that it mainly applies to British ships; I may mention that in New Zealand the system that has been adopted recently is this, that no stipulation of any description shall go on a ship's Articles unless it has first of all been agreed to by the seamen and employers, and then receives the sanction of the Marine Department. Some few years ago there used to be quite a number of stipulations on the New Zealand Articles, some of which were found to be prejudicial to the interests of the men, and others which were found to be in conflict with the Merchant Shipping Act. A good deal of friction occurred in connection with this, and what I stated just now with regard to the employers and seamen and the sanction of the Marine Department, that is the arrangement now come to with regard to the clauses. As far as I can understand here in Britain, and so far as my knowledge of the English Articles which I have seen in New Zealand is concerned, it appears to me that the British shipowner can attach any conditions that he chooses on the Articles of Agreement. Whether that is permissible under your law or not, I do not know, but I notice that in some of the clauses which are attached to the Articles—and I have before me a ship's Articles where the thing occurs—I notice there is a clause there which allows the master of the ship to deduct two weeks' wages for an act of misconduct in the shape of being absent without leave. Now if the clauses in the British Merchant Shipping Act and in the New Zealand Merchant Shipping Act are looked at, it will be seen that the penalty that is laid down there for being absent without leave is a forfeiture of two days' pay. My contention is this, that the clause on the Articles here, which reads as follows:—"The said master shall be entitled to deduct from the said crew . . . two weeks' pay," is illegal, and that in all cases where this deduction has been made from the men's wages, that they have practically been mulcted unjustly, for the amount of excess beyond that laid down in the Merchant Shipping Act. The case has recently cropped up in New Zealand, and that is the reason which prompted me to give notice of motion in connection with the matter. The case has cropped up in New Zealand since I left. The master of a British ship endeavoured to deduct 14 days' pay from six of his crew's wages in a port in New Zealand, and the local authorities there ruled that the clause on the Articles being contrary to law it was *ultra vires*

and that they would not allow the master to make the deduction. I want to point out that your ships are constantly coming to New Zealand and our local authorities are continually being asked to adjudicate, and I therefore suggest the desirability of placing as few clauses as possible on your Articles, and having them strictly in accordance with the law, so that there is no conflict. Another aspect of the question is the legal one. In this respect the crew of a vessel are, perhaps, prosecuted by the master of a ship for not doing certain things, and, invariably, when the case comes before what might be termed the Inferior Courts—that is where the matter can be dealt with summarily—the magistrate simply looks at the clauses of the Articles and very often says it is a contract which must be adhered to. Now if that is held in law to be the case, what I want to point out is, that seeing that the crew are the persons who have to abide by that contract, they should have some voice in saying what the nature of the contract should be. Now I do not want to say anything which may appear to be offensive, but I must say that so far as the clauses of English ships' Articles are concerned, it appears to me that the Shipping Federation sit down calmly and deliberately and frame these clauses for the Articles whereby they protect themselves, and impose as many obligations as they possibly can upon the men who are going to form their crew. I do believe, from some of the sets of Articles that I have seen in New Zealand that that is done, if I may say so, with malice aforethought; it is done with the deliberate intention of keeping these men as closely under their subjection as they can possibly keep them. There is no doubt about that judging from the stringency of the clauses that are attached, and this is the unfortunate position the seaman is in. The shipowner has the very best brains the world can provide him with to frame and adjust those clauses for him. They are put on the ship's Articles. There is a crowd of men, many of them illiterate, many of them, unfortunately, in an unfit condition to know what they are signing or anything else; these men are collected together at a shipping office, an Agreement, or alleged Agreement, is read over to them very rapidly in some cases, and I will defy the most intelligent man in this world to understand from a brief reading of those clauses the correct import of what they mean. I therefore say that advantage is taken of the seaman in this respect, that he really does not know what is the nature of the agreement he is signing until he gets into some kind of trouble, and the agreement is taken up before a magistrate for interpretation. To avoid what appears to me an inequitable and unjust advantage which is taken of the seaman, I think there should be some understanding between the shipowner and the men's representatives, and they should come to some conclusion among themselves as to what they think are proper precautions to take with regard to agreements, and those should be submitted to the Board of Trade for their approval or otherwise; and if the Board of Trade approve of them, then let those clauses go on the Articles, and let them be the standard ones which no one can either add to or take away from. In the New Zealand Articles, all that is recited on them is the nature of the voyage. If it is coastal, it is simply the coastal trade, and if it is inter-Colonial, then, of course, the latitudes and longitudes between which they can trade are specified. Then on the other hand, the only clause which is allowed to go on, as is shown on these Articles, is this:—"The New Zealand Arbitration Court awards in respect of seamen for the time being in force shall be deemed to be part of this agreement so far as they apply." Now that is the only clause that is permitted to go on the New Zealand Articles. I do not say you should adopt that, because you haven't an award; but I do say this, nothing should be permitted to go on the Articles which is illegal, nothing which takes an unjust advantage of the men who are bound by that agreement; and it would save, I can assure you, both in New Zealand and I know in a much larger degree in Australia, it would save an immense amount of trouble before the Courts if these agreements were made more simple. I see no reason why a uniform standard and clauses should not be put on agreements. I remember going on board one ship—which, unfortunately, is either at the bottom now or else floating about the Southern Ocean, that is the "Port Stevens" which broke her shaft and was abandoned—I remember going on board to inquire into a dispute as to whether the men were entitled to coastal rates of wages, and I necessarily had to look at her Articles. Well, there was as much printed matter on that ship's Articles as would almost

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fill a page of foolscap, all of which was restrictive in its application; the men could not do this and the men could not do that, and there was a clause at the bottom to this effect, that the ship had to be brought back to Britain and the master had a perfect right, if the vessel called anywhere on the Continent between the Elbe and Brest, the master had the option of getting the crew to discharge the cargo. That, to my mind, is unfair and unjust; there is not the slightest doubt about it, and I would like the Board of Trade officials to get copies of these Articles and examine them for themselves, and then express their opinion as to whether they think the clauses on the Articles are fair or otherwise. The difficulty, as I said before, that we meet with, both in Australia and New Zealand, in trying to get some of these contracts interpreted by the magistrate is very great, and as I said before, there is not, perhaps, sufficient seriousness attached to the thing to take it to the Higher Courts, where we could, perhaps, get the law interpreted in connection with the matter. But the magistrates, as a rule, simply take the clauses on the Articles as a portion of the contract, and they are very often enforced, and what I would like to point out is—whether it was good or bad law, I do not know—that some years ago in Australia, during a somewhat serious industrial trouble that was pending there at the time, the question of the clauses of ship's Articles came up for decision before a full Court—I am not sure whether it was in Sydney or Melbourne, but I think in Sydney—but a full Court on that occasion ruled it was illegal for a shipowner to put any clauses whatever on the Articles except to recite the nature of the voyage that such ship was going to make; whether that was good or bad law, I do not know; at any rate, I throw the suggestion out for what it is worth believing that the men are at a disadvantage, and I throw the suggestion out for the consideration of the Board of Trade officials, and I trust that some decision will be come to whereby the privileges of the men will be as fully considered as those of the shipowners.

MR. HAVELOCK WILSON: I hope my friend Mr. Belcher will not think that I am in opposition to him just for the sake of being in opposition. I had rather be in perfect agreement with him on all points if I could. Anyhow, it is a good thing to see that the representatives of one class can disagree on points, and certainly it is an honest difference of opinion, and, what is more, it is a matter of having to work the thing from a different side. Now I want to say to my friend Mr. Belcher this: I do not want my occupation to be gone. I foresee that if the Board of Trade are going to do all these things for the sailors and firemen there will be absolutely no necessity for a Sailors' and Firemen's Union, and certainly there will be no necessity for the President of that Union, and I am very much concerned about that. Well now, Mr. Belcher has said with truth that there are a good many clauses in the articles of agreement that make the conditions very slavish indeed, but I would like to point out to Mr. Belcher—and we have talked this matter over privately, I might say—that it is immaterial what clauses the shipowners put into the articles of agreement. If they are contrary to the law, they are no good. Take, for instance, the clause of 14 days for every day they are absent without leave. Well, I do not care if they put that in; they can put it 50 days if they like. All that we need to do is that when any of our members are affected by that clause under the new regulations of the Board of Trade, the seamen's representative has the right to go to the ship's offices to represent the man, and he goes in and calls the superintendent's attention to the fact that they are deducting 14 days' pay when the law only allows them to deduct two, and of course in every case it is reduced to the two days' pay. Well now, I do not see what advantage it is to the shipowner to put that in. Then, with reference to the final port of discharge. There has been a controversy in this country on that point, and we are now awaiting the decision of the House of Lords as to what is the final port of discharge, so that the shipowner may not put in any port he likes. Eventually the law will decide which is the final port of discharge. So that, so far as I am concerned, and of course representing the views of the people on this side, we do not make any strong point on this. We certainly think it is foolish on the part of the shipowner to put clauses in the articles of agreement that are not in accordance with the law, because then, if the case comes up, and the seaman discovers that the owners have no power to

enforce that law, it weakens, in my opinion, the position of the shipowner. It certainly must weaken that position if they put in the articles of agreement that a man who is absent without leave is liable to be fined 14 days' pay, and then afterwards the seamen find they cannot be fined anything of the kind—that weakens the position of the shipowner. And it is just the same with almost every other class of agreement. If it is contrary to law it cannot stand, and it is certainly to the advantage of the spirit of the Union to be called in to settle those points. So that the shipowner, when he puts in a clause like that, is helping the Union the whole of the time. I would like to impress that on my friend Mr. Belcher, that the shipowners are rather helping us in that direction, when they put in a lot of clauses that they cannot support. They are advertising the influence of the Union, so that personally I do not object, and I think we are able to take care of ourselves in the Law Courts. We have demonstrated over and over again in this country that when it comes to the Law Courts we can take our stand, and fight a good battle, so that I do not see that much advantage would be gained by us. I am sure my friend will pardon us taking this view.

THE CHAIRMAN: Before the debate goes on, I should like to say just a word about the next meeting. I do not know how late you propose sitting, but I have an appointment at ten minutes past four, and must leave shortly.

HON. DUGALD THOMSON: I think it would be better if we could clear the business on the paper to-night.

THE CHAIRMAN: I am afraid you cannot. There are Sir William Lyne's motions, which will take some time.

HON. DUGALD THOMSON: Sir William Lyne's are simply recommendations—except one—of the Royal Commission, but he has failed in his notices of motion to limit the application as the Royal Commission did.

THE CHAIRMAN: That in itself shows it is a debatable proposition, but I can quite see we had better keep clear of merits if we can. I am sure this will take time.

SIR WILLIAM LYNE: I am quite sure two or three will, unless you are prepared to accept them.

THE CHAIRMAN: We have already debated some of them. I am afraid you are behindhand, Sir William. Let us arrange to resume Monday week, and then you can go on sitting now.

SIR WILLIAM LYNE: Before you do that I want to ask a question. The most important notice of motion that has been given has been given by your delegation, and that is in reference to the treaty rights, and I wanted to ask a question with regard to it. It seems to me the wording is a little bit involved, if I may be allowed to say so, for I cannot quite clearly make out what is intended. Is it intended to ask the Colonial legislators to make a reservation in any of their Merchant Shipping legislation that all treaties that are entered into and exist, or may exist, by the Imperial Government shall have full effect so far as our legislation is concerned?

MR. LLEWELLYN SMITH: No.

SIR WILLIAM LYNE: Or is it that you propose that your treaties shall not clash with our legislation?

MR. LLEWELLYN SMITH: Not quite either, Sir William; the proposal merely is—

HON. W. M. HUGHES: I think if we are going to discuss this at all—this is a big question and you cannot answer—

SIR WILLIAM LYNE: Excuse me, it can be answered, so far as I want, in two minutes. If it is intended to override our legislation I have amendments I am going to make, but I'd like to know that before we come to it, or whether it is intended only to allow us to exempt ourselves from your treaties?



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MR. LLEWELLYN SMITH: It is not intended for either purpose. It is simply a suggestion that there should always be a clause saying: "Nothing in this Act shall be construed in a manner inconsistent with treaty obligations which are binding on the Colonies."

SIR WILLIAM LYNE: That is the very point; that is what I shall oppose.

HON. DUGALD THOMSON: I want to ask a question as to business. Is there to be any limit of time as to the notices put on the business paper, because it seems to me it is like the widow's cruse of oil, it is always growing? When we think we are near the bottom, we find next morning we are only at the top.

HON. W. M. HUGHES: Mr. Thomson wants to get away.

HON. DUGALD THOMSON: I do not want to get away.

HON. W. M. HUGHES: If you do not, what do you want to get away for?

HON. DUGALD THOMSON: I want to get on with the business.

THE CHAIRMAN: I have been thinking the same thing, because they grow every day. But it seems to me in going through the resolutions that it is very likely that the Imperial Government or the Commonwealth Government may find there is something that wants to be cleared up before we part, and that it will be necessary to move a supplemental resolution in order to clear up one or two things.

HON. DUGALD THOMSON: Anything arising out of the business done I would not object to, but anything entirely new—

THE CHAIRMAN: I do not think we ought to have a new matter. Is there any chance of disposing of Mr. Belcher's motion before we go? I suggest you should conclude this, and then we could begin next time with your big motion, Sir William. I do not think it ought to take long.

HON. W. M. HUGHES: There is a lot I want to say on that.

SIR WILLIAM LYNE: It is a technical matter, and I have nothing to say.

THE CHAIRMAN: I do not think it would take more than twenty minutes.

The Chairman then left, and Mr. Llewellyn Smith took the chair.

HON. W. M. HUGHES: I think there is a feeling we should not go on.

Mr. Llewellyn Smith then took the feeling of the meeting, and it was decided to finish the discussion of the motion.

HON. W. M. HUGHES: I wanted to bring the attention of the Board of Trade particularly to some cases which show the necessity for the regulations in connection with articles being either amended or more strictly enforced. Now you say the law is that a man's wages cannot be forfeited beyond a certain amount, that certain things have to be done, and a certain procedure observed. Now the Royal Commission when it was at Fremantle, in Western Australia, had the case of two ships, the "Sultan" and the "Charon," in which it was shown positively that the load line was not marked on the articles; in one case it was shown conclusively that the captain had signed his name first and not last; it was shown in the case of the "Charon" articles that they had not been completed in Singapore, where the crew was shipped, but in Fremantle, after the inquiry was made by us. It frequently happens, so it is said, that the articles are not read over to the crew so that they can understand them, and I do say this from having been present when an agreement was read over that no Englishman could understand, and as most of the men are foreigners, I am sure that they do not know in nine cases out of ten where they are going or what are the conditions of the voyage. Now the intentions of the Act are admirable. The idea is

that no man ought to be shipped or taken to any place unless he has a clear understanding where he is going and the conditions of the voyage. As a matter of fact, the seaman frequently does not know where he is going, and as to the conditions of his contract he knows nothing. There was a clause put in the "Charon's" Articles to this effect, that if one man was found smuggling opium, the whole of the crew was to be fined—a quite illegal thing, and against equity and common sense. That was in the Articles, and what is more it was carried out. These men were Chinese and, of course, they did not know anything about it.

SIR WILLIAM LYNE: What is the gist of what you want to make? I want to know what is at the bottom of it.

HON. W. M. HUGHES: The kernel of it is this, that the regulations in respect of the Articles are very loosely carried out, that clauses are put in the Articles that are illegal, and what is more to the point they are enforced, that in very many cases where the Articles should be read out, they are not read out. When they are read, they are read in such a way that the men do not understand them.

SIR WILLIAM LYNE: Do you want them explained?

HON. W. M. HUGHES: I want the law to be carried out.

SIR WILLIAM LYNE: Then you want some one to carry the law out?

HON. W. M. HUGHES: The shipmaster is supposed to carry it out, but he does not do it, and I am pointing out to the Board of Trade the necessity for the enforcement of the law; I am pointing out that clauses are put in the Articles that are absolutely illegal, and what is more to the point, that they are enforced against the crew, and that it is one thing for the Act to provide that a certain thing shall be done, and quite another to insure that this thing is done.

MR. LLEWELLYN SMITH: I should like Mr. Howell of the Marine Department just to explain to the Conference what is the present state of the law and the practice about that?

MR. WALTER J. HOWELL: The position of this country is exceedingly simple. It is laid down in Section 114 of the Merchant Shipping Act of 1894, and I think the third Sub-section contains the gist of the whole matter:—"The agreement with the crew shall be so framed as to admit of such stipulations, to be adopted at the will of the master and seamen in each case, whether respecting the advance and allotment of wages or otherwise, as are not contrary to law." Now that strikes the keynote of the whole thing. The one object of the Imperial law is to secure freedom of contract.

SIR WILLIAM LYNE: We are against freedom of contract.

MR. WALTER J. HOWELL: Any stipulation in the contract that is not contrary to law is allowed. There you see the final judgment in the whole matter rests with the Courts of the country. I very much agree with a great deal that has been said with regard to the undesirable flexibility of the Articles. Some of them approach the modern bill of lading, and it is hardly possible to explain what all the stipulations mean. At the same time, I do not quite see how we can help it. So long as those stipulations are not contrary to law we cannot keep them out.

MR. BELCHER: The Board of Trade cannot?

MR. WALTER J. HOWELL: Not if they are not contrary to law.

HON. W. M. HUGHES: You could set out in the Regulations what the law would not permit.

MR. WALTER J. HOWELL: Let me take the next step. The Superintendent of the Board of Trade has to look after the crew. He holds office as a sort of interpreter to see that the crew understand what they are doing; and if he has any doubt, it is his duty to point out that he thinks any stipulations are illegal. If he is actually advised not to allow them to go in, or if there has been a decision of the Court on the matter, he does not allow them to be inserted.

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But if there is any doubt about them, they have to go in, and the ultimate appeal must be to a Court. Now that, shortly stated, is exactly what happens. With regard to the cases that have been put before us by Mr. Hughes and Mr. Belcher, I should say that a great many of those stipulations were illegal so far as my experience goes, and they ought to have been contested. If anything is put in the Articles which is contrary to the law, the Courts will not sustain them.

SIR WILLIAM LYNE: Cannot you do it without going to Court?

MR. WALTER J. HOWELL: No. The principle of the law is that the Articles should be elastic to suit different circumstances, and the ultimate appeal as to what is legal or not legal is to the Courts.

HON. DUGALD THOMSON: But the Superintendent points out what he considers illegal.

MR. WALTER J. HOWELL: Very often when a crew comes before the Superintendent to be engaged, some new and altogether unknown clause is proposed to be put in the Articles. If the Superintendent has any doubts he wires up to the Board of Trade or comes to the Board of Trade and says, "What do you advise me to do?" The Board of Trade do the best they can to advise him; but unless it is perfectly clear that it is illegal all the Board of Trade can do is to say, "We cannot say it shall not go in, but we caution the parties that it is open to grave doubts, and that if it is tested, our opinion is they will find that to be the case." As the matter stands, it is simplicity itself.

MR. LLEWELLYN SMITH: I think that makes it clear what the situation is. I do not know whether the shipowners have anything to say on this; we have heard Mr. Belcher and the seamen, and we have heard Mr. Hughes and the Board of Trade.

SIR WILLIAM LYNE: Is that a matter we in Australia can legislate upon?

MR. LLEWELLYN SMITH: For your own ships.

SIR WILLIAM LYNE: We have a provision here which says, "The Agreement shall be framed so as to admit of stipulations (not contrary to law) approved by the Superintendent, being introduced therein at the joint will of the master and seamen."

MR. LLEWELLYN SMITH: That is word for word the same as ours.

SIR WILLIAM LYNE: The troublesome part seems to me to be the going to law. We generally let the Government say what is to be final, and not force them into the law courts.

MR. LLEWELLYN SMITH: We have not quite seen our way to do that, and it seems to me that your law has not either, from what you read.

MR. COX: Supposing anybody disputes that decision, is it not taken to the Courts?

SIR WILLIAM LYNE: That I have not inquired into. In this particular case, I do not know whether it has to go to the Court; but we do not allow so many appeals to the Court as you do.

MR. CUNLIFFE: Not even the Court of Arbitration?

SIR WILLIAM LYNE: We try to settle them without going to the Court. The reason is this, the wealthy shipowners have far greater advantages than the men, and we try to protect the men as far as we can from being driven into the Courts.

MR. LLEWELLYN SMITH: We go rather far in letting our Superintendents warn the crew that so far as we can see certain Articles are illegal; but if they accept them they do it at their peril.

MR. HAVELOCK WILSON: We in this country—I am speaking as representing the British seamen—would rather take the decision of a Court of Law than we would of the Board of Trade.

SIR WILLIAM LYNE: That is not saying much for the Board of Trade.

MR. HAVELOCK WILSON: I am not casting any reflection on the Board of Trade, but I must say that we would far sooner have the interpretation of a Court of Law than we would of the Board of Trade officials. I say that without casting any reflection on the Board of Trade.

MR. LLEWELLYN SMITH: You are perfectly right.

MR. COX: Because the Court of Law gives a binding decision.

MR. DUNLOP: With reference to what Mr. Have-lock Wilson said, in a case such as has been cited, when an improper reduction of wages has been made, would it not be the duty, and would you not be perfectly satisfied, Mr. Howell, if the Shipping Master or Superintendent would take care that only the proper deduction would be made? I take it that this is his duty?

MR. WALTER J. HOWELL: Yes.

MR. DUNLOP: And without any intervention of anybody?

MR. WALTER J. HOWELL: I am not quite sure about that. If it is obviously illegal, the Superintendent is empowered to refuse to put it in.

MR. BELCHER: Do I understand that this clause, which is obviously in my opinion illegal, do I understand that this clause is allowed to go on all these Articles now without any objection being made, I mean this clause which stipulates that two weeks' pay can be deducted for absence without leave?

MR. WALTER J. HOWELL: If illegal, it is absolutely void.

CAPTAIN CHALMERS: The acting superintendent would say it is inoperative.

SIR WILLIAM LYNE: Why doesn't he strike it out?

CAPTAIN CHALMERS: Because there has not been a decision of the Court.

MR. HAVELOCK WILSON: We have never allowed them to stop that two weeks' wages. We do not care whether they put it in or not; we know what the law is, and we do not allow them to stop it.

SIR WILLIAM LYNE: It seems to me, if the Superintendent does his duty there is very little necessity to interfere with it at all, and if I was dealing with the case of a Superintendent, I would make him do his duty or I would dismiss him. We have that power.

MR. COX: And so has the Board of Trade.

MR. WALTER J. HOWELL: That is the position we take. We believe absolutely in freedom of contract within the law. If the law is clear, it is quite obvious that the Superintendent is neglecting his duty if he allows a condition to be inserted which is contrary to the law. On the other hand, if there is a doubt, that is a question to be settled by the Courts and not by the Executive, and that is the whole reason why we support the present state of affairs.

SIR WILLIAM LYNE: You say you are in favour of freedom of contract?

MR. LLEWELLYN SMITH: My difficulty about this motion is, that the debate does not seem to me to have been on it. This is a recommendation to the Board of Trade to ascertain and investigate the various clauses with a view of securing uniformity. The discussion has been on the question of the enforcement of the existing law. I do not know whether there is any amendment to anything.

MR. WALTER J. HOWELL: You cannot get uniformity for all trades.

HON. DUGALD THOMSON: "So far as possible" might be inserted.

MR. LLEWELLYN SMITH: It is rather a simplification we want.

MR. WALTER J. HOWELL: You want to secure uniformity; we want to secure elasticity.

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MR. LLEWELLYN SMITH: If there is no more debate and there is no amendment, I will put the proposition.

MR. NORMAN HILL: Might we ask that if the Board of Trade do investigate and do make recommendations, whether those recommendations will be acted on in Australia and New Zealand?

SIR WILLIAM LYNE: You always ask knotty questions.

MR. NORMAN HILL: Surely it is not unreasonable to ask that.

SIR WILLIAM LYNE: We have our own power to legislate, and if you don't do what we think right, we will legislate for ourselves.

MR. NORMAN HILL: Is it reasonable to put a motion asking the Board to make inquiry when you won't act on it?

SIR WILLIAM LYNE: I did not say we won't.

MR. NORMAN HILL: If it pleases you. If it does not please us, we shall have to submit to it.

SIR WILLIAM LYNE: I think it is a matter for your sailors, and if they submit to it we do not mind. We will look after ourselves.

MR. LLEWELLYN SMITH: You have heard what the representative of the British seamen said, Mr. Belcher; I do not know whether you wish to press your motion.

MR. BELCHER: Supposing the resolution is lost, I should like to have it on record that the matter was taken into consideration.

MR. ANDERSON: The first part of the motion is superfluous, and with regard to the last part it seems to me it is not desirable or applicable.

HON. DUGALD THOMSON: Mr. Belcher has brought forward a motion and stated his views. We have our own legislative powers; isn't that sufficient?

MR. LLEWELLYN SMITH: We are content, of course, with our present system, and both the seamen and the shipowners are content with it, and under the circumstances we naturally cannot accept the motion. You have powers, of course, to do what you like for your own business. Still, I cannot say, and I won't say, this is out of order. The motion is perfectly in order.

SIR WILLIAM LYNE: It seems to me the effect of the motion is this: there is the law and there seems to have been a weakness in the administration. The effect of this motion, I take it, would be simply to direct attention to that one fact that the administration has not carried out that which was intended, and emphasize it so that the administration may be more completely carried out—that seems to be the effect of the motion.

MR. LLEWELLYN SMITH: I think that is the effect of some of the speeches, not the motion.

MR. WALTER J. HOWELL: I cannot admit any weakness in administration. What you propose is that the Board of Trade should act as a Court of Law, and that is impossible.

MR. BELCHER: If the motion is withdrawn, will it appear on the notes as having been discussed?

MR. LLEWELLYN SMITH: Certainly.

MR. BELCHER: Then I will withdraw the motion.

The Conference then adjourned till Monday, April 22nd.

## SEVENTH DAY.

Monday, April 22nd, 1907.

The following were present:—

Right Hon. D. LLOYD GEORGE, M.P., *Chairman.*

*United Kingdom Delegates.*

Mr. H. LLEWELLYN SMITH, C.B.,  
Mr. WALTER J. HOWELL, C.B.,  
Mr. R. ELLIS CUNLIFFE,  
Capt. A. J. G. CHALMERS,  
Mr. H. BERTRAM COX, C.B., of the Colonial Office.

} Of the Board of  
Trade.

Mr. E. PEMBROKE,  
Mr. H. F. FERNIE,  
Mr. R. J. DUNLOP,  
Mr. NORMAN HILL,  
Mr. J. HAVELOCK WILSON, M.P., representing Seamen.

} Shipowners.

*Australian Delegates.*

Hon. Sir W. J. LYNE, K.C.M.G.  
Hon. W. M. HUGHES.

| Hon. DUGALD THOMSON.

Dr. H. N. WOLLASTON, LL.D., I.S.O., of the Australian Commonwealth Department of Trade and Customs, was also in attendance.

*New Zealand Delegates.*

Hon. Sir JOSEPH WARD, K.C.M.G.  
Mr. JAMES MILLS.

| Mr. WILLIAM BELCHER.  
| Mr. A. R. HISLOP.

Dr. FITCHETT, Solicitor-General of New Zealand, was also in attendance.

*Secretaries.*

Mr. J. A. WEBSTER,  
Mr. G. E. BAKER, } Of the Board of Trade.

| Mr. J. HISLOP, Private Secretary to Sir J. Ward.  
| Mr. D. J. QUINN, Private Secretary to Sir W. Lyne.

## REPORT OF PROCEEDINGS OF THE CONFERENCE.

## AGENDA.

## I. Resolutions submitted by Sir William Lyne :—

- (1.) That a scheme of compulsory insurance for seamen is desirable.
- (2.) (a) That the North Atlantic mark should apply to ships leaving Australia, *via* Cape Horn ;  
(b) That it is advisable to have a light load line for ships in ballast.
- (3.) That all seamen be engaged only through a Government Officer—the Superintendent.
- (4.) That advance notes be abolished, and allotment notes restricted to relations only.
- (5.) That imprisonment for desertion be abolished.
- (6.) That the adoption of uniform legislation is desirable, with a view to extend the benefits of the Workmen's Compensation Acts to seamen.
- (7.) That all vessels constructed after a certain date shall be fitted with water-tight compartments.
- (8.) That all sea-going ships carrying more than passengers, or being more than 5,000 tons gross measurement shall be fitted with apparatus for transmitting messages by means of wireless telegraphy.
- (9.) That Third Class Engineers having sea service, on passing a practical examination, be permitted to qualify for higher grade certificates.

## II. Resolutions submitted by the Imperial Delegation (to be substituted for the notice already given) :—

- (1.) That it be recommended to the Australian and New Zealand Governments in any future Merchant Shipping legislation to insert an express provision safeguarding the obligations imposed by any Treaties which are now binding on Australia and New Zealand respectively or to which they may hereafter adhere.
- (2.) That all resolutions adopted by this Conference are understood to be without prejudice to the decision of any legal questions involved.
- (3.) That the obligations imposed by Australian or New Zealand law on shipping registered in the United Kingdom should not be more onerous than those imposed on the shipping of any foreign country.
- (4.) That, with a view to uniformity, it be a suggestion to the Australian and New Zealand ministers that in exercising any powers conferred on them by legislation to make regulations with regard to matters affecting Merchant Shipping they should have regard to the corresponding provisions of the Imperial Merchant Shipping Acts, or regulations made thereunder, so far as circumstances permit, and that at least three months' notice should be given before any such regulations come into force.
- (5.) That it be a recommendation to the Australian and New Zealand Governments that if conditions are imposed by local law on vessels incidentally engaging in the Coasting Trade in the course of an oversea voyage, care should be taken that these conditions should not be such as to handicap these vessels in their trade.

## III. Resolution submitted by Sir Joseph Ward :—

That the Imperial and Colonial Governments concerned be requested to introduce legislation to give effect to the resolutions of the Conference in cases where legislation is necessary.

## SUPPLEMENTARY AGENDA.

## Motion by Mr. Hughes :—

That it be a suggestion to the Board of Trade to take into immediate consideration the necessity of including in the regulations for examination for officers the following subjects directly relating to navigation :—

The practice and theory of plane and spherical trigonometry.  
Geometry.  
Geography, hydrography, and meteorology.  
Naval architecture and the structure of vessels.

The addition of the following subjects to examination on general knowledge :—

The English language—Grammar and composition.  
A knowledge of at least one foreign language.

SIR WILLIAM LYNE : Before we commence, I think you asked Sir Joseph Ward and myself to send in some remarks with reference to the Brussels Conventions.

THE CHAIRMAN : Yes.

SIR WILLIAM LYNE : There is, perhaps, no occasion to read them. I have consulted Mr. Deakin, and I put in this memorandum. (*See Appendix D, p. 176.*)

THE CHAIRMAN : We will go through them first of all, and see whether there is anything we can confer further upon. We will go through them later on.

HON. DUGALD THOMSON : Mr. President, might I ask, on a question of procedure, if it is intended now to cease adding proposals to the Agenda paper, because if so, I am quite willing to conform to that to save time, as I recognise we ought to get this finished with as soon as possible. There are one or two matters I might give notice of.

THE CHAIRMAN : I agree myself, subject to this : there are a good many things that might arise out of the resolutions which have already been carried and which will involve clearing up. Then a suggestion has come from the officials of the Board of Trade that it might be very desirable—perhaps this would not be the time to

discuss it, but I should like the delegates to consider it—there are two minor points where the legal gentlemen who are representing the various interests here might meet to consider some small matters in connection with the Merchant Shipping Act, and the Imperial Shipping Act, and the Colonial Shipping Act. They might confer about these minor points, and then perhaps report to a final meeting of the Conference with regard to them. There are a few things which I feel require adjustment. They are minor points, but, at any rate, they will be subject to the final decision of the Conference.

SIR WILLIAM LYNE : I hope they are not such minor points as you have given notice of in the new Act?

HON. W. M. HUGHES : Will you allow me to make publicly a formal statement as to those resolutions that I submitted to you, and which do not appear. Both of them had relation to the status of officers, and on one of them was submitted suggested emendations of the syllabus for examinations. I cannot repeat them, because they were the suggestions made by the Merchant Service Guild of Australia, and I have no means of finding out what they were.

THE CHAIRMAN : Were they given to me?

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HON. W. M. HUGHES : I gave them to you.

THE CHAIRMAN : I will make a search. Oh! here they are! Captain Chalmers had them. I am so glad, because I feel rather responsible.

HON. W. M. HUGHES : There is another. However, I can repeat that without any trouble, and, if you will allow me, I will get them fixed up for the final session.

THE CHAIRMAN : I am so glad they have been found. We will get copies made and circulated at once, and will treat them as being on the Agenda, seeing that it is my fault—if the Conference will allow me to repair my error in that way.

THE CHAIRMAN : Now, Sir William, will you kindly move your resolution?

SIR WILLIAM LYNE : I do not intend to say very much about most of these resolutions, because I do not want to delay the Conference. The first resolution is:—That a scheme of compulsory insurance for seamen is desirable. In reference to that, I wish to say that the object of this has been given by others as well as by myself, and I think it was considered by the Royal Commission that sat in Sydney. No doubt the dangers to seamen are very exceptional, and we have recognised this principle in our Public Service Law in the Commonwealth, where we have compulsory insurance, and if the individuals do not keep up their premiums or payments, they are deducted from their salaries, and we have also it in another form in New South Wales, where it exists now. That is so far as miners are concerned. The miner contributes I think it is one-third to a fund, the owner of the mines one-third, and I think the government one-third—I am not sure that I am right in the proportion, but I think that is the proportion to meet any accidents that may occur to the men employed. Now, with regard to seamen on ships, there is so far as I know no provision for insurance, and surely there might be some compulsory insurance recognised the same as in recent legislation in Great Britain for servants and employees. Why cannot it extend to seamen as well as to others, especially as their work is perhaps more dangerous than any of those referred to in the cases to which I have alluded? They are exceptional at the present moment, and I think there might be some measures suggested that shipowners bear a proportion, say half, and the other half be borne by the seamen. Of course, I do not expect the Government here would do as we do in New South Wales—bear one-third of the insurance themselves—but I submit this with a view of trying to put the seaman in as good a position as we have placed our public servants and others in New South Wales, and I think in the other States, having regard to the dangers of the work they are engaged in.

MR. FERNIE : Do you mean the employers on shore?

SIR WILLIAM LYNE : Do you mean in the Commonwealth?

MR. FERNIE : Yes.

SIR WILLIAM LYNE : I am not sure the regulations go so far as that, but I put this special provision in reference to public servants.

MR. FERNIE : Should seamen be insured, if others are not?

SIR WILLIAM LYNE : We have that in the States. I do not know whether we have it in regard to the Commonwealth, but I think some of the other States have.

HON. DUGALD THOMSON : As regards miners? Seamen are included in the Workmen's Compensation Act by the British Parliament.

SIR WILLIAM LYNE : I do not wish to delay the Conference, and I have just stated baldly what my reasons are for submitting this. I have just got the Act to show what we do in New South Wales. There I see the mineowner pays 10s. per annum, the Government an equal amount, and the miner 4d. per week.

HON. DUGALD THOMSON : Read the first paragraph on the next page.

SIR WILLIAM LYNE : "In the absence of sufficient evidence your Commissioners do not feel themselves competent to recommend any of these schemes," &c.

HON. DUGALD THOMSON : There is no approval.

THE CHAIRMAN : I think you have to deal with resolutions Nos. 1 and 6 together; you will see they are practically dealing with the same subject.

SIR WILLIAM LYNE : No. 6 says : "That the adoption of uniform legislation is desirable with a view to extend the benefits of the Workmen's Compensation Acts to seamen."

HON. W. M. HUGHES : As a matter of fact, in New South Wales we are rather worse off than you were here before the amending of the Act which included seamen. Our Act hardly at all affects the common law. We have the Employers Liability Act, I think it is called; but practically the doctrine of common employment is not materially affected by the Act.

THE CHAIRMAN : You are a long way behind the old country.

HON. W. M. HUGHES : We are—very, very far; and therefore, no doubt, if we got an up-to-date Workmen's Compensation Act it will be a very good thing for us—I may say that one of our judges framed one many years ago, I should say seven or eight years ago. I do not know what became of it. I fancy the Legislative Council of New South Wales threw it out with contumely.

MR. COX : Under the circumstances I think the resolution should be made: That Australia should adopt a scheme of insurance for seamen.

HON. W. M. HUGHES : What we might say is this: That it is a very desirable thing that the Workmen's Compensation Act, as amended by the Act of 1906, should be adopted in Australia or throughout the Empire.

MR. LLEWELLYN SMITH : We might meet it by Resolution 6, if you tack on the words "as has already been done by the Act of 1906."

MR. NORMAN HILL : I won't agree to that, because I venture to think that the system inaugurated by Sir William Lyne is a far juster one, and is the right one to adopt. The Home Office appointed a Committee in 1904, and on that Committee there were: Sir Kenelm Digby, in the chair; Sir Benjamin Brown, representing employers; Judge Lumley Smith, a Judge who had a great experience; Captain Chalmers, of the Board of Trade; and Mr. Barnes, the Secretary of the Amalgamated Society of Engineers. Now that Committee made very careful inquiry—there was no wicked shipowner on it—but there was the Secretary of the Amalgamated Society of Engineers. That Committee made a report that it would be wiser to deal with seamen by a separate scheme of insurance. They pointed out the difference between sea-service and land-service. They pointed out that at sea a man was on risk during the whole 24 hours; they pointed out there were many occasions in which risks had to be run, not in the interests of employers, but in the interests of humanity and cargo owners, and they were strongly of opinion that there should be a General Insurance Scheme, and they said they thought a case had been made out for State contributions. We supported that report. Unfortunately, it was ignored by the Government, and the seamen were included in the Workmen's Compensation Bill. So far as I know, no reasons were ever given why that report was ignored, and I believe the system Sir William Lyne has advocated is the right one. I think it would be a mistake for Australia to depart from their present established custom and merely extend the Workmen's Compensation Act to seamen. You must remember we here, and you by your Act, have dealt with all cases of partial disablement already under your Merchant Shipping Bill. That is all provided for, and what I would like is that we should agree on a resolution that the Conference approves of the report made in 1904 by the Committee appointed by the Home Secretary in so far as the report advocates, in lieu of the provisions of the Workmen's Compensation Act, the adoption of some system of compulsory insurance which would provide compensation with complete security without imposing an undue burden on the shipowner, and to the cost of which the State could contribute.

SIR WILLIAM LYNE : I do not suppose the State would contribute.

MR. NORMAN HILL : As I understood, it was the system in Australia.

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**SIR WILLIAM LYNE:** That is the system as regards miners.

**MR. NORMAN HILL:** And it was the system which the Home Office here pronounced in favour of.

**SIR JOSEPH WARD:** That matter is one of considerable importance to New Zealand as well, and I should like to say that the proposal of Mr. Norman Hill requires very grave consideration from our standpoint. When that report was made our seamen were all provided for. They had been provided for for many years before under the Workmen's Compensation Act. The clause reads as follows:—"Worker means any person of 'any age or either sex,' &c. (*Reads clause.*)

**THE CHAIRMAN:** What is the date of that?

**SIR JOSEPH WARD:** 1900.

**THE CHAIRMAN:** You extended the Workmen's Compensation Act, did you?

**SIR JOSEPH WARD:** Yes. Now if this proposal, which requires from my standpoint to be very carefully considered, if this proposal that we are to look upon the recommendation made to the Home Government just as though there had not been a Workmen's Compensation Act in New Zealand or Australia, was suggested with a view of taking the place of what we have in our country, I could not agree. We provide for every trouble that might arise. We do not ask our sailors to give a contribution, and the colony itself does not give one-third, neither are we prepared to agree to anything of that kind. It would mean the dislocating of a law that works very well. I would suggest to Sir William Lyne that in the absence of a Workmen's Compensation Act such as we have, it might be desirable for him to get it. But I would suggest it would be far better for them to have their Act on lines similar to ours. If you get into the question of the Government giving one-third—

**SIR WILLIAM LYNE:** I am not proposing the Government giving one-third.

**SIR JOSEPH WARD:** Well, it is suggested that the sailors should give one-third.

**SIR WILLIAM LYNE:** I do not propose that.

**HON. DUGALD THOMSON:** Sir William Lyne quoted a scheme from New South Wales.

**SIR JOSEPH WARD:** On the question of miners, we put them in a different category. In our case, we provide for the temporary disablement of a miner, because we create a fund from which the assistance to the miner is drawn, and then contributions are given by the miner, the men themselves and the Government of the country, and in the event of death, there is a lump sum paid to the widow, but that is quite a different category. I think it would be better for Sir William Lyne if he could see his way to drop No. 1.

**SIR WILLIAM LYNE:** I would put 1 and 2 together.

**MR. BERTRAM COX:** Might I suggest that Sir William should modify his motion to this effect:—"That the Australian Commonwealth Government be recommended to follow the example of Great Britain and New Zealand of extending the benefit of the Workmen's Compensation Act to seamen.

**HON. W. M. HUGHES:** The United Kingdom have no Workmen's Compensation Act at all. You could say "the adoption of."

**MR. NORMAN HILL:** We agreed to extending it last year contrary to the Report of the Home Office, and we think it an unjust law.

**MR. COX:** So far as that is concerned the British Government has adopted it. No doubt the British shipowners did their best to represent their views. It was not adopted by the British Government and not adopted by the New Zealand Government, but it is obvious that Sir William Lyne should adopt something of the kind, and I will accept the suggestion of Mr. Hughes and word it as he suggests.

**HON. W. M. HUGHES:** That is the principle of the Act as amended.

**SIR WILLIAM LYNE:** I want to know more about that before I agree. I find that Act is only for ships registered in Great Britain.

**HON. DUGALD THOMSON:** This is his proposal to extend it.

**SIR WILLIAM LYNE:** I know that, but it does not say one-third shall be paid by the Government.

**SIR JOSEPH WARD:** The whole of the trouble is that your No. 1 conflicts with No. 6. We have No. 6 in operation in New Zealand, and if you put that in operation in your country you would do all you want to do under No. 1.

**HON. DUGALD THOMSON:** As a member of the Commission which decided that it had not sufficient evidence to adopt any scheme, might I point out to Sir William Lyne the difficulty about this compulsory insurance. I know there are tremendous difficulties in connection with compulsory insurance, difficulties that do not apply to miners who are resident in a country and who are, for the most part, citizens of that country. But with ships always changing their crews, men landing, going away, disappearing, foreigners on board those ships, black seamen on those ships, the difficulty of an insurance scheme is very great, and Sir William Lyne would have to put forward a scheme which we could adopt. But there is an insurance provided in the subsequent resolution, that of the Workmen's Compensation Act, and it has been adopted by Great Britain, and I agree with the proposal Mr. Hughes makes that we should indorse the adoption of that scheme, and then we do what Sir William Lyne proposes without committing ourselves to what might be an impossible scheme.

**HON. W. M. HUGHES:** I suggest the following: "That the Australian Commonwealth be recommended to adopt the legislation providing for compensation to 'seamen, now in force in Great Britain and New Zealand.'" I think we should be very well satisfied if we could get that.

**SIR WILLIAM LYNE:** I do not feel disposed to agree to that at present. I think No. 1 does not interfere at all. It simply declares that a scheme of compulsory insurance for seamen is desirable.

**HON. DUGALD THOMSON:** It may not be desirable if it is impossible.

**SIR WILLIAM LYNE:** That is just what I do not want to leave open.

**MR. MILLS:** Does this mean "accident" or "life"?

**SIR WILLIAM LYNE:** Both.

**MR. MILLS:** They are quite a different thing.

**SIR WILLIAM LYNE:** So far as seamen are concerned, I want an insurance scheme to protect the seaman if anything happens to him, more particularly for the sake of his wife and family. That is what I want, and I do not want to have it cut up in this way if it does not carry out what I want.

**HON. W. M. HUGHES:** The Workmen's Compensation Act does do that.

**SIR WILLIAM LYNE:** I do not think it does. So far as accident is concerned, perhaps it does, but not so far as life.

**THE CHAIRMAN:** Well, I will put the amendment:—"That the Australian Commonwealth be recommended to adopt the legislation providing for compensation to 'seamen, now in force in Great Britain and New Zealand.'" That is the amendment. The original proposition as moved by Sir William Lyne is:—"That a scheme of compulsory insurance for seamen is desirable."

**MR. BELCHER:** Before the amendment is put, I would like to say this in connection with this compulsory insurance that, while I recognise Sir William Lyne is actuated by most humane sentiments in suggesting that this scheme should be put into operation, as a practical seaman I see immense difficulties in the way of establishing this scheme. I do not think it could operate properly unless this suggestion was agreed to by the shipowners right throughout the Empire. The difficulties that have

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been pointed out by Mr. Thomson are obvious and are real ones.

HON. W. M. HUGHES: Are you speaking of compulsory insurance?

MR. BELCHER: Yes. What should be done, I think, is this, that the Commonwealth Government could, in any legislation that they liked to pass, include seamen under the Workmen's Compensation for Accidents Act, and if they thought it necessary for local purposes to establish an insurance fund, they would be at perfect liberty to do so. There are certainly a large number of men who are permanently located on the Australian coast who would probably feel disposed to join in any insurance scheme. If they feel disposed to do that, by all means let them do so.

SIR JOSEPH WARD: May I say the reason why I cannot see my way to support No. "1" is this. If we insist upon a system of compulsory insurance, it must impose a burden on the person it provides for. Under our law in New Zealand the Judge who assesses the amount to be received takes into consideration all the benefit he receives, otherwise now if you impose a burden on him and he is killed, his family get a reduction on the amount he is entitled to under our law because he has been compelled to insure a portion under a compulsory scheme, and I would strongly recommend my friend Sir William Lyne not to get into conflict with the provisions of the Workmen's Act, and any proposal for a scheme must inevitably result in contributions coming from recipients, the sailors, and it is better not to do it.

MR. NORMAN HILL: Does not the resolution fall under the category of questions that we have not voted on, but left to be settled by each country for itself. So far, Australia has not been very much disposed to ask our opinion or our assistance in framing her own laws; is not this one of the questions on which we have not voted? It is a question within their own jurisdiction, and in this case we are entirely at one with Sir William Lyne that the best basis is insurance and not workmen's compensation.

HON. DUGALD THOMSON: But do you agree with the insurance of lives in case of death from natural causes?

MR. NORMAN HILL: I think a fair and reasonable insurance scheme would be far juster.

HON. DUGALD THOMSON: Do you mean for death from natural causes?

MR. NORMAN HILL: Yes.

HON. DUGALD THOMSON: Then no ship going to Australia could go to sea unless every man was examined physically to know if he was fit for insurance.

SIR JOSEPH WARD: Do you agree that the Workmen's Compensation Act should remain in full operation at the same time?

MR. NORMAN HILL: Oh, no.

MR. PEMBROKE: But what we want is a contribution from the Government and the seaman.

MR. NORMAN HILL: You are giving a preference to the big ships over the small, which is not a just basis. We are quite agreed that the men are entitled to it, and we are quite willing to support Sir William Lyne.

SIR WILLIAM LYNE: I do not want you to support me to take away any rights they have.

MR. NORMAN HILL: It is a case in which we must each work for ourselves.

HON. W. M. HUGHES: I think myself that when you consider that the Commonwealth Parliament has no power to do anything for any other workmen than for seamen practically—because we have not power to make industrial laws and regulations generally—and when you come to consider that in most States there is no Workmen's Compensation Act at all, that the doctrine of a common employment is in force in New South Wales and in other States, I think that one of the effects of the introduction of such clauses into our Bill as would put a seaman on a level with the workmen of Great Britain would be to stimulate the States to legislate for other workmen, who very much want it. I think it is far and away the best

principle, and while I have nothing to say against compulsory insurance, compulsory insurance, in my opinion and in the opinion of those who signed that, was simply only the best way under certain circumstances. The Workmen's Compensation (British) Act, I think, is an admirable piece of legislation. It seems to cover all reasonable risks, and if we want some other sort of scheme to deal with sickness, that could be done quite differently. There is no method at all by which a seaman now can guard himself against risks. There ought to be one, and as it is a risk arising out of his employment, it ought to be made to fall on the shoulders of the person who profits from his employment.

THE CHAIRMAN: I will now put Mr. Hughes's amendment.

SIR WILLIAM LYNE: Before you do so, I would like to say I do not want these two to conflict, if there is any danger of it. I must say again that I am strongly in favour of a compulsory insurance scheme for seamen, not only against accident, but against loss of life.

HON. DUGALD THOMSON: Death from natural causes?

SIR WILLIAM LYNE: Yes. I think it is just as right to meet one as the other, because it is a very hazardous life.

MR. FERNIE: And the shipowners to pay for that entirely.

SIR WILLIAM LYNE: I think they might be left to devise a scheme. I do not mind if the Government pays part for life insurance; I do not mind at all.

HON. W. M. HUGHES: Of course you do not; but will the people of the Commonwealth mind? Upon whose shoulders does the responsibility properly rest?

SIR WILLIAM LYNE: Well, I do not know that it rests entirely on the shoulders of the shipowner.

HON. W. M. HUGHES: There you are entirely in accord with Mr. Hill.

SIR WILLIAM LYNE: No, I am not. But so far as the shipowner is concerned, he has to bear his share. But I want to be fair, and I want to see the men protected; and I want to devise some means by which the men can be protected, because we know that shipwrecks take place and there is loss of life. It is not only the men themselves, but it is their wives and families. And Mr. Thomson says you would have to see that every man had a doctor's certificate. Well, I suppose if he was going to be insured by an insurance company he would have to have a doctor's certificate.

HON. DUGALD THOMSON: Of course; but you do not provide that every workman shall be insured.

SIR WILLIAM LYNE: If No. 1 and No. 6 are going to conflict, I won't say that I shall not move something before we conclude, but I am quite prepared to let it rest upon No. 6.

THE CHAIRMAN: Then you withdraw No. 1?

SIR WILLIAM LYNE: Yes. It seems to be the wish of the Conference that No. 1 should not be carried.

THE CHAIRMAN: Then will you take it in Mr. Hughes's form?

SIR WILLIAM LYNE: No. I think my own is better.

THE CHAIRMAN: Well, I think the thing has been debated very fully. I therefore put Mr. Hughes's motion as an amendment to No. 6. No. 1 is withdrawn, No. 6 is moved, and Mr. Hughes moves as an amendment: "That the Australian Commonwealth Government should be recommended to adopt the legislation providing for compensation to seamen now in force in Great Britain and New Zealand."

THE CHAIRMAN then put first the amendment and then the original motion, No. 6, to the Conference, and some of the members voted in favour and some against.

HON. DUGALD THOMSON: I did not vote. I want to see an amendment which will accomplish both.

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Could we not say, "as has been done by the amended Act?"

HON. W. M. HUGHES: That would not do it "by the amended Act," because the principal Act is also necessary for us in New South Wales where we have no Act at all. The only point about Sir William Lyne's motion is this—

THE CHAIRMAN: There is no difference, except that we want to make it perfectly clear.

HON. DUGALD THOMSON: You can say "the adoption of legislation is desirable with a view to extend the benefit of the Workmen's Compensation Act to seamen, as has been done in Great Britain and New Zealand."

HON. W. M. HUGHES: The only point I see about that is that a recommendation from this Conference to the Commonwealth Government would carry more weight through the House.

SIR WILLIAM LYNE: I will accept your suggestion Mr. Thomson.

THE CHAIRMAN: But we only want to make it clear. Do I understand Sir William Lyne to say he will accept Mr. Hughes's amendment?

SIR WILLIAM LYNE: No, Mr. Thomson's.

THE CHAIRMAN: Then your resolution will read: "That the adoption of uniform legislation is desirable with a view to extend the benefits of the Workmen's Compensation Acts to seamen, as has been done in Great Britain and New Zealand." I think it is right to both New Zealand and Great Britain, that should be perfectly clear. Very well, that disposes of Workmen's Compensation.

MR. NORMAN HILL: We would like it on record that we believe the recommendations of the Home Office Report affords a much juster basis. The representatives of the British shipowners cannot support the resolution, and they desire to record their approval of the Report made in August 1904 by the Committee appointed by the Home Secretary, which advocated, in lieu of the extension of the provisions of the Workmen's Compensation Act to seamen, the adoption of some system of compulsory insurance for seamen, which shall provide the intended compensation with complete security without imposing an undue burden on the shipowners or seamen, and to the cost of which the State should contribute.

MR. HUGHES: That really does not actually state the case, "with a view to extend the benefits of the Workmen's Compensation Acts to seamen." We have no Compensation Acts in some parts.

THE CHAIRMAN: That is why Mr. Thomson's addition makes it perfectly clear. Now we will take the next resolution, No. 2.

SIR WILLIAM LYNE: The resolution is:—(a) "That the North Atlantic mark should apply to ships leaving Australia, *via* Cape Horn; (b) "That it is advisable to have a light load line for ships in ballast."

HON. W. M. HUGHES: What line would you recommend?

SIR WILLIAM LYNE: Under the Board of Trade, a load line is prescribed for vessels in the North Atlantic trading to Great Britain. The same class of weather is met with around Cape Horn, and therefore I would like to see the mark that is adopted by the regulations of the Board of Trade. This is my proposal, to have that extended to vessels coming *via* Cape Horn.

HON. W. M. HUGHES: Leaving Australia.

SIR WILLIAM LYNE: Yes, or New Zealand.

HON. DUGALD THOMSON: What is the custom in Great Britain now?

HON. W. M. HUGHES: Do they come back *via* the Horn or the Cape?

CAPTAIN CHALMERS: The application of the North Atlantic load line to the Cape Horn route was thoroughly considered by the original Load Line Committee in the

year 1884-1885. It was reviewed in 1898 by a very large Committee presided over by the late Lord St. Helier, and the report of the Committee was that it was quite unnecessary, and for these reasons. The addition for the North Atlantic load line is in the case of steamships 2 inches, and in the case of sailing ships 3 inches. With regard to steamers, the storm area in the neighbourhood of Cape Horn is contracted, and it leaves the distance between any Australian port and the storm area about 5,800 miles. In going those 5,800 miles, the steamer will lighten by the consumption of coal some 2 feet, so it is absolutely unnecessary for her to be lightened 2 inches before leaving Australia. With regard to sailing ships coming from Australia homewards, the Cape Horn route has always been chosen ever since I can remember as the better route, the more favourable route, and the safer because there we get what seamen call the brave west winds of the Southern Ocean—not necessarily gales—but west winds that blow with almost uniform force between the parallels of 55 and 60 South. And the only danger is from drifting icebergs. That is the reason that that route has always been chosen in preference to the Cape of Good Hope—and it is quite my own experience, I have circumnavigated that part five times; once from Fremantle I came back on a sailing ship *via* the Cape of Good Hope, and we wished we had gone the other way. The reason the Cape Horn route has its bad name is from ships outward bound going to ports of the West Coast of America, and there for a radius of about 100 miles you get what we call the "storm area." But even then the danger is confined to losing masts and spars. We have never had a record of any complaint from want of freeboard.

SIR WILLIAM LYNE: You gave as a reason why steamships should not be subject to this provision that they used so much coal. Now, have you any other reason why steamships should be exempted? Because that does not apply to sailing ships, and therefore I do not see the argument has any effect in application to sailing ships.

HON. W. M. HUGHES: Your ship is leaving Australia.

SIR WILLIAM LYNE: There is a provision in the New Zealand Act to allow it to be done.

SIR JOSEPH WARD: If in your Shipping Bill you make the same provision, you meet the same thing. Our Act says: (1) "The owner of every British ship proceeding to sea from a port in the Colony (except ships under 20 tons register employed solely in fishing, pleasure yachts, and ships plying within restricted limits) shall, before the time hereinafter mentioned, have marked upon each of her sides, amidships, or as near thereto as is practicable, in white or yellow, on a dark ground, on in black on a light ground, a circular disc 12 inches in diameter, with a horizontal line 18 inches in length drawn through the centre." (2) "The centre of this disc shall be placed at such level as may be approved by the Minister below the deck-line marked under this Act, and specified in the certificate given thereunder, and shall indicate the maximum load-line in salt water to which it shall be lawful to load the ship." We also make provision that we accept the Board of Trade mark as well, so that if you put in a provision of that character in your Act, you control the whole thing.

CAPTAIN CHALMERS: We think it entirely unnecessary, for Cape Horn vessels which run along between the parallels 55 and 60 are out of the storm area.

SIR WILLIAM LYNE: Why should there be any objection to it?

CAPTAIN CHALMERS: Because you will handicap sailing ships to the extent of 3 inches of loading.

MR. FERNIE: Have you any records to show that there has been any danger or any losses of ships going round Cape Horn, because so far as we can find out there are none.

SIR WILLIAM LYNE: No, I have not.

MR. FERNIE: What is the use of handicapping the trade?

THE CHAIRMAN: Sailing ships have been very hard hit, not merely by steam competition, but by the Workmen's Compensation Act of last year, amongst other things. They have had a bad time, and they are going



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out gradually, and that is a misfortune for the Navy. That is where our sailors are trained. We don't want sailing ships to go out altogether; we don't want to handicap them unless we are bound.

SIR WILLIAM LYNE: You have this provision in the North Atlantic, and I do not think you will find heavier seas there than you will round Cape Horn.

HON. DUGALD THOMSON: Have you ever been there?

SIR WILLIAM LYNE: No, but I have read terrible accounts.

CAPTAIN CHALMERS: The Cape Horn sea is a long regular sea. The North Atlantic is like a boiling porridge pot; you never know where the sea is coming from. You never get a true sea in the Atlantic, and south of Cape Horn there is a long regular sea which seldom or never changes.

SIR WILLIAM LYNE: I saw a person the other day who came from South Africa, and he said it was like a boiling pot sometimes, from the Cape of Good Hope to Australia.

MR. DUNLOP: The whole point is this: you are not going to handicap a trade which is of great benefit to the nation simply out of an imaginary idea? You must show proof before you do a thing of that kind.

SIR WILLIAM LYNE: They have the power to do it in New Zealand. Give us the power; that is all we want.

MR. DUNLOP: You are here to confer with us. I think Mr. Chalmers, as a practical seaman, has given very good reasons why you should not apply it, and therefore we want you to give a good reason why you want it.

HON. DUGALD THOMSON: May I ask New Zealand if they apply the North Atlantic mark to ships going round the Horn?

SIR JOSEPH WARD: If we found a ship lifting this mark up, we should step in and exercise the provisions of our law and detain her. We don't use it for the purposes of restricting our trade. We have the power to protect people by the use of the mark. We accept the Imperial Board of Trade's mark upon ships that come to our country.

HON. W. M. HUGHES: I would like to suggest to Sir William Lyne, if he is going to stand by subsection A of Clause 2, that he should not put it on ships leaving Australia *via* Cape Horn merely. As a matter of fact, very few vessels do leave Australia *via* Cape Horn to trade to any British port. There are ships that run from Newcastle to Valparaiso or Rio de Janeiro, but that is another thing. If you mean it to apply to these, well and good. As a matter of fact, they don't go—Captain Chalmers will tell you how near they go to the Horn. It might apply to these, but it does not apply to the regular trading steamers. The one only comes to Australia *via* the Horn and goes back *via* the Cape. If we are to have a bad weather load line, it ought to apply to vessels trading round Australia as well as those—if there are any—that go round the Horn from Australia. I venture to say this, that you get on occasions, as heavy seas round the Australian coast as you get anywhere. The Commission, however, found it could not fix a season for a winter load line; we could not get evidence to warrant it. You might get heavy seas in the summer or in the spring. Round the south, east, and west you get rough weather at any time of the year, and therefore if we are going to have this mark we ought to have it to apply indifferently to all seasons and all voyages, and it certainly should apply to the coast. The evidence we have with reference to the "Nemesis," a coal-laden boat that went down, was, that she was loaded right to her mark, and it was sought to be shown that if she had had the lower mark she would not have gone down; but we could not get that evidence.

MR. COX: Might I ask Sir William, if he gets the New Zealand provision, will he undertake to follow the New Zealand practice?

SIR WILLIAM LYNE: Oh, no; I do not make any promise of that kind, because I can only promise while I am in office.

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MR. COX: I only asked for yourself.

SIR WILLIAM LYNE: I would be quite prepared to accept the New Zealand provision, and I think we should most likely deal with it in the way they do, that is, have the power to raise or lower the mark if it appears a vessel was too heavily laden. I only want it for safety; I don't want to do anything to injure the trade.

THE CHAIRMAN: Which is the section of the New Zealand Act?

SIR JOSEPH WARD: Section 207.

MR. CUNLIFFE: I should like to point out that under the Imperial Act, Section 440, if a vessel leaves our waters marked according to our law she has to keep that mark the whole time she is out there, and she comes under a penalty, and it must be considered, as it has been considered in New Zealand, that it would be very difficult, if not raising a point of law, if after a vessel has left our port properly equipped according to our law and goes on her voyage, because she happens to touch at a colony she should come under a new condition. The Imperial Act says: "Where a ship proceeds on any voyage from a port in the United Kingdom for which the owner is required to enter the ship outwards, the disc indicating the load line shall be marked before so entering her, or if that is not practicable, as soon afterwards as may be." I want to save that position, at all events, and I have very little doubt New Zealand has borne that in mind in framing their Act.

SIR WILLIAM LYNE: Cannot you trust Australia the same as New Zealand?

HON. DUGALD THOMSON: We have the power.

SIR WILLIAM LYNE: New Zealand has made a special law.

HON. DUGALD THOMSON: We can do the same.

THE CHAIRMAN: May I ask Sir Joseph Ward what is the effect of the New Zealand law upon this proposal with regard to vessels leaving New Zealand by way of Cape Horn?

SIR JOSEPH WARD: We would follow the Board of Trade; there is no doubt about that.

SIR WILLIAM LYNE: Would you if, in your opinion or in the recommendation of your officers, that vessel was going away and it was unsafe?

SIR JOSEPH WARD: We could deal with her under the general provisions.

MR. COX: I understood Sir William Lyne to say he only wanted it for the purposes of safety.

SIR WILLIAM LYNE: I don't want it for any other reason.

THE CHAIRMAN: Your general provisions will protect you.

HON. W. M. HUGHES: What is your proposal?

MR. CUNLIFFE: My point is that if a vessel leaves here and goes to Australia she is under an obligation to keep her mark according to the Imperial Merchant Shipping Act. I think that ought to be borne in mind in considering this. If the mark is altered, she comes under a technical penalty. She is bound to keep her mark, and if we are satisfied here, and after many inquiries we have come to the conclusion that is a safe mark, I would suggest you give that consideration before you legislate.

HON. W. M. HUGHES: If that principle be admitted, and I think it is a sound one since we have accepted the Survey Certificate, you are not going to handicap the Australian shipowner by insisting upon him having a mark that practically puts him 50 or 100 or 500 tons to the bad. You cannot do that.

SIR WILLIAM LYNE: I will put it in another way. Supposing we provide in any Act we are passing, as we will pass one almost immediately we go back, a provision such as New Zealand has, are there any exceptions to be taken to it?

MR. FERNIE: So far as the shipowners are concerned, we should very strongly object.

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MR. LLEWELLYN SMITH: We should like to look at it—it is a page of small print—before we answer.

SIR WILLIAM LYNE: I don't want to waste time; I don't want the discussion to last any longer than is absolutely necessary, but I want to put my position clearly. If we get the powers that they have in New Zealand—if there is any necessity to do it, there must be a great necessity before we would interfere—if we get the same powers I am quite satisfied; I don't want anything more.

SIR JOSEPH WARD: You don't want a resolution for it at all.

MR. BELCHER: I would like to ask this question: what is the official recognised storm area of the Cape Horn locality?

CAPTAIN CHALMERS: A radius of 150 miles, which is about  $2\frac{1}{2}^{\circ}$ .

MR. BELCHER: Well, with regard to the question, I think that the Colonies should have some law whereby they are empowered to interfere where they think it necessary. Now, with regard to the storm area around Cape Horn, I have had a great deal of experience in the water south of New Zealand. What I want to point out is this—that there may be cases of a ship coming to the Colonies, where she has been properly surveyed and perhaps properly marked in accordance with the Board of Trade Regulations in Great Britain, but the vessel on her passage out has, perhaps, shown such bad behaviour through being loaded to that mark, that there may be a general complaint from the whole of the crew, the master included, that the ship is not safe. That may be the case. Sir William Lyne says he knows of a case of that kind happening. I say, under those circumstances, the Colonies should have the right, notwithstanding the fact that the vessel has passed the Board of Trade Regulations, to alter her load-line if they think it necessary in the interests of the safety of the people on board.

SIR JOSEPH WARD: We have that power in New Zealand; we can absolutely alter the load-line.

MR. BELCHER: Another thing that has to be looked at is the disc which is put on the ship. If you notice a properly marked ship, you will see that allowances are made for the Indian winter and the Indian summer; that allows the ship to be submerged a matter of two or three inches below her ordinary normal load-line. And I contend, as a practical man who has had as much experience of the Southern Ocean as a good many, that it is almost a necessity to have the Atlantic load-line mark on vessels going from Australia round Cape Horn.

MR. NORMAN HILL: What, steamers?

MR. BELCHER: I won't go so far as steamers where they are loaded with coal for consumption, but so far as the sailing ship is concerned, who does not lighten herself by coal consumption, I think the North Atlantic load-line should be attached to these vessels going round the Horn, because there is no part in winter that is more bleak, where there are heavier gales of wind, than from Australia down to the Horn. And I contend that there is as much necessity for the preservation of life and property down there as there is across the North Atlantic.

CAPTAIN CHALMERS: There are steady high winds, if you like.

THE CHAIRMAN: Sir Joseph Ward, I have been looking at Section 207, subsection 4, and I see it says: "Ships which have a disc marked in accordance with the requirements of the Imperial Board of Trade shall not require to be remarked under the provisions of this Act."

SIR JOSEPH WARD: For purposes of safety we can cause ships to be detained irrespective of that, on the grounds of safety, and I think no one takes exception to that.

HON. W. M. HUGHES: I should like to ask Captain Chalmers a question, if I might—under Clause 206 of the Bill upon which the Commission sat, page 288 of your Blue-book we say this: "No ship shall be deemed seaworthy under this Act unless she is in a fit state as to condition of hull and equipment, boilers and machinery, stowage of cargo, number and qualifications of crew, including officers, and in every other respect, to counter the ordinary perils of the voyage then entered

"upon." Now, in respect of ships laden with coal—if a lower load-line is wanted on any class of ships, it is on that class of ships—that is the class that is most likely to be over-laden. We could not get evidence upon the point, but we have reason to believe occasionally, although they are not submerged below her proper mark, still that mark is not sufficient, and if they meet heavy weather they are liable to be waterlogged and sink. And we say, under Clause 206, we have power to deal with such ships. Does Captain Chalmers agree with me?

CAPTAIN CHALMERS: I am afraid that is a legal point.

HON. W. M. HUGHES: What does the Board of Trade think?

THE CHAIRMAN: Mr. Cunliffe, will you answer that?

MR. CUNLIFFE: Would you mind repeating it?

HON. W. M. HUGHES: Clause 206 says: "No ship shall be deemed seaworthy under this Act unless she is in a fit state as to condition of hull and equipment, boilers and machinery, stowage of cargo, number and qualifications of crew, including officers, and in every other respect to encounter the ordinary perils of the voyage then entered upon."

SIR JOSEPH WARD: There can be no question if the Government considered the ship unsafe, irrespective of the load-line, they would stop her from going to sea.

HON. W. M. HUGHES: I want to ask whether we have that power under Clause 206?

CAPTAIN CHALMERS: If the vessel is in the same structural condition as she was originally, we absolutely do not interfere with her, but if we find she is not in the same structural condition we withdraw the certificate; we do not detain the ship.

HON. W. M. HUGHES: What we want to get at is this: here is a vessel, the load-line may be perfectly suitable for vessels having ordinary cargo, but say with a special cargo of coal, a dead weight going a bad trip, I think under that section we ought to have power if the ship is old or in any other respect not fitted to encounter the ordinary perils of the voyage, we ought to have power to prevent her going.

THE CHAIRMAN: Yes, if she is in other respects not fitted.

HON. W. M. HUGHES: If she were 20 years old, under Captain Chalmers, we should have to let her go.

MR. FERNIE: Why should she be any worse because she was 20 years old?

HON. W. M. HUGHES: I do not know; but if she were a hundred?

CAPTAIN CHALMERS: The maximum load-line represents the maximum draft to which the ship could be put with any cargo.

THE CHAIRMAN: This is fixing an arbitrary load-line.

HON. W. M. HUGHES: I know it is, but I am not taking an arbitrary line now. I want to ask Mr. Cunliffe whether, under Section 206, that will give us power to deal with special ships?

MR. CUNLIFFE: My impression is that if a ship has left the United Kingdom and is marked as she is required to be marked by the United Kingdom regulations or law, that if you detain her you have no right to do it. If you have safety behind your back, or some other grounds—well, the probability is there would be at once an appeal to a Court of Survey, and the matter would be taken up as to whether you were entitled to or not. We cannot prevent you from stopping her, but the thing would be fought out.

HON. W. M. HUGHES: My idea is that you would never stop her for that alone, assuming the ship to be in first-class condition. But this particular ship I have in my mind is not fitted to take this particular cargo.

THE CHAIRMAN: Because she is not in a fit structural condition?

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HON. W. M. HUGHES : Yes. Then I think we could deal with nearly all the cases for which legislation should be provided. And if you have a North Atlantic line for ships going via the Horn, at any rate you want it all round Australia as well, because on occasions we have some very bad weather indeed.

MR. DUNLOP : Mr. Hughes says, if a vessel were in a certain structural condition she might not be able to. Now they must not interfere with a load-line which has been arranged in this country. What they have to do is to put her into a structural condition; you must not touch the load-line.

HON. W. M. HUGHES : I am not talking now of a particular kind of ship; I am speaking of all ships.

MR. DUNLOP : If her disc and mark have been placed by the Board of Trade, they have taken all these matters into consideration. But if something has altered that structure after the time of her leaving the United Kingdom, then you can insist upon her being put back into that condition, but you must not touch her load-line.

HON. W. M. HUGHES : I mean if they are in a condition to demand the other mark.

MR. CUNLIFFE : Surely we ought to be unanimous in our load-line and in our disc. It ought to be a matter to be settled.

SIR WILLIAM LYNE : But you make a different load-line for a different part. We say it is bad enough to have that special load-line you make.

MR. FERNIE : All the figures are against you; you cannot show that there have been accidents around Cape Horn.

SIR WILLIAM LYNE : I know perfectly well there have.

MR. FERNIE : You have a fixed idea in your mind—

SIR WILLIAM LYNE : I know perfectly well Cape Horn is one of the worst places in the world.

HON. DUGALD THOMSON : Might I point out that this resolution proposes only to deal with vessels leaving Australia. Any assent by the British authorities would inferentially mean not only vessels leaving Australia, but vessels going round the Horn from this side or coming from San Francisco or anywhere else. That is, of course, a very important thing for the British ship. I quite agree with Captain Chalmers. I have had some experience of the Horn. I have been in a ship on her beam ends with her cargo shifted. That ship suffered that damage going from this side, and afterwards she had to abandon her effort to get round and make for the Falkland Islands. But she came through all right in her manned condition when going in the opposite direction. It is vessels going from this side that encounter the greatest difficulties and dangers; there is no great danger from the other side.

MR. PEMBROKE : Was that going out?

HON. DUGALD THOMSON : Yes; it is a different thing altogether the other way.

MR. PEMBROKE : I have had sailing ships going to New Zealand for twenty-five years. We went by the Cape of Good Hope and home by Cape Horn, and the only trouble we had was with icebergs.

HON. DUGALD THOMSON : I want to point out, if this is adopted by the members of the Conference, inferentially it will mean the adoption of the Atlantic mark for all ships going round the Horn.

THE CHAIRMAN : In the face of the unanimous reports of our Commissions of experts who have been sitting on it, we could not possibly agree to it.

SIR WILLIAM LYNE : Why object to the provisions that are in the New Zealand Act?

THE CHAIRMAN : I understand they were subject to a certain despatch that was sent out there.

SIR WILLIAM LYNE : You are referring to the despatch with reference to their remaining until this Conference?

THE CHAIRMAN : No; I think another despatch which would suggest that some of the provisions are

*ultra vires*. For instance, I am told 209 would be limited to cases to which Clause 440 of the Imperial Act does not apply.

SIR WILLIAM LYNE : We are delaying a good deal, and if there is anything the authorities can bring forward, would it not be better for them to bring it forward?

THE CHAIRMAN : I think so.

MR. DUNLOP : I want to say one word. There is the point of view of the underwriters that it is the cheapest voyage round the world.

CAPTAIN CHALMERS : I cannot trace a single record of a disaster coming home that way.

SIR WILLIAM LYNE : I am prepared to accept the provisions of the New Zealand Act without specifying the North Atlantic mark. And if this is given it won't be abused, as it is not abused in New Zealand.

THE CHAIRMAN : Here is the despatch. May I read it? It is the despatch of Mr. Lyttelton to the Government of New Zealand, 6th March, 1905: "Referring to your telegram of 13th February, His Majesty's Government much regret delay in assenting to Shipping and Seamen's Bill, which has arisen from apparent conflict of some of its provisions with Merchant Shipping Act, 1894. After full consideration, I have decided to advise His Majesty to assent, and Order will accordingly be submitted to the King in Council at first opportunity. Your Ministers are, of course, aware that any provisions in Bill conflicting with Merchant Shipping Act, 1894, are void and inoperative under Colonial Laws Validity Act, 1865, and that any provisions purporting to regulate conduct of ships, and persons on ships, not registered in New Zealand when these ships are outside the limits of the Colony must be equally inoperative. I shall address you shortly by despatch on the subject of Merchant Shipping legislation."

SIR WILLIAM LYNE : That means if the law does not stop it. It is there. I am prepared to take it on the same understanding.

THE CHAIRMAN : It is suggested that we should discuss it at this Conference, and we have discussed it.

SIR WILLIAM LYNE : What is going to be the general result? All I want to do is, I want to have it understood, and I should like to have it on record, and we can put it on record, and a clause can be drafted later on by the officials, perhaps, to make it similar to the New Zealand Act.

THE CHAIRMAN : Well, Sir William, that of course would involve a recognition on the part of the Imperial Government that where there was a conflict between the New Zealand provisions and ours, we accepted the New Zealand interpretation.

SIR WILLIAM LYNE : We cannot upset your law. If the law is good—

THE CHAIRMAN : No, I don't want the Executive to be bound over, because it is the Executive who will put the law into motion.

HON. W. M. HUGHES : We cannot possibly accept anything less than New Zealand has; we cannot go back and say, "Yes, we are prepared to accept this suggestion, but the New Zealand people have a right to do something else." We cannot do that.

THE CHAIRMAN : No; but we accept the interpretation placed by New Zealand upon their law.

HON. W. M. HUGHES : What they say is, they accept the Imperial disc.

THE CHAIRMAN : They made the exception that if they think a ship is unsafe on general grounds, they say they must interfere. We do not challenge that. If Australia is prepared to accept that interpretation of the law, by all means we do not challenge it. But the Imperial disc is paramount so far as we are concerned; but if on general grounds they say she is unsafe, we never challenge that right.

HON. W. M. HUGHES : The interpretation of any section of any Act does not depend upon what the Crown law officers say. A shipowner might take a case into Court, and of course it would be the Court's interpretation of the law that would decide the matter, and no

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evidence would be received as to what we think here or what they thought in Parliament. And therefore if we say we are prepared to accept what New Zealand has, and if those words mean more or less than they think, that is a question for the Courts. But we cannot have less than their words. I would not be prepared to accept them with that qualification.

**THE CHAIRMAN** : When the Colonial Secretary wired the King's assent to that Bill, he made the conditions perfectly clear. I have read the despatch. We cannot possibly recede from that position.

**HON. W. M. HUGHES** : I did not ask you to. But you cannot ask us to take a position inferior to New Zealand in this matter.

**THE CHAIRMAN** : We are quite satisfied with the New Zealand position.

**SIR JOSEPH WARD** : There can be no doubt about this, that if Australia adopted a law similar to ours, whatever that law means would be settled by a Superior Tribunal. That is, I think, all you can expect. You cannot expect this Conference to give an interpretation of what the law is. In our country the application of the Act has worked admirably. We have had no trouble with it.

**THE CHAIRMAN** : And none with the Merchant Shipping?

**SIR JOSEPH WARD** : No. If we found a ship which we believed to be unsafe, under our Act we would stop it.

**MR. CUNLIFFE** : And you have the clause : "That ships which have the disc marked in accordance with the requirements of the Imperial Board of Trade shall not require to be remarked."

**SIR JOSEPH WARD** : We have that in our Act.

**MR. FERNIE** : There are very few sailing vessels in your trade coming home round Cape Horn.

**HON. DUGALD THOMSON** : Is this the resolution that Sir William Lyne wishes, that the Commonwealth accepts the New Zealand Act as regards the load-line?

**SIR WILLIAM LYNE** : Yes.

**HON. DUGALD THOMSON** : I would go further than that. I would say that there should be uniformity in the shipping laws of Australia and New Zealand. That is something further.

**THE CHAIRMAN** : Will you move that.

**HON. DUGALD THOMSON** : Yes. "That the Commonwealth adopt the provisions of the New Zealand Act with regard to the load line." That is only a matter for the Commonwealth.

**THE CHAIRMAN** : I will put that to the meeting.

**MR. FERNIE** : No; I think we ought to protest against any colony having the right to alter the load-line.

**MR. DUNLOP** : You have made it perfectly clear that the New Zealand law has no power to alter the free-board. Mr. Hughes is saying he wants the same as New Zealand; but New Zealand has no power to alter our free-board.

**THE CHAIRMAN** : I do not know whether we have made it perfectly clear what our position is.

**HON. W. M. HUGHES** : What we are doing now is practically getting the power to repeat in words the terms of that section in the New Zealand Act.

**MR. CUNLIFFE** : I want to point out this, that one of the provisions of the New Zealand Act, 209, did not have following it the proviso : "That ships which have the disc marked in accordance with the requirements of the Imperial Board of Trade shall not require to be marked under the provisions of this Act." I understand that that sub-section which I have just read is accepted by New Zealand in their interpretation. Therefore, when you come to formulate your Act on the basis of the New Zealand Act, see that that exception covers the whole of your legislation, and do not put it half-way

through like New Zealand has done, because it leaves a certain amount of ambiguity.

**HON. W. M. HUGHES** : I object altogether to that. You are seeking to tie us down. I do not know which section comes first.

**MR. CUNLIFFE** : 207. In the New Zealand Act you will find the exception.

**HON. W. M. HUGHES** : And which is the other section?

**MR. CUNLIFFE** : 209 does not have it repeated.

**THE CHAIRMAN** : It seems to me it is perfectly clear. I cannot interpret it as a lawyer would.

**MR. CUNLIFFE** : I said there was an ambiguity.

**THE CHAIRMAN** : I think it is perfectly clear, and Dr. Fitchett agrees that the New Zealand Government has not claimed the right to alter the Imperial disc. If that is the case, I do not see why the Australian Colonies should not do exactly the same.

**SIR WILLIAM LYNE** : I want to put myself in the same position.

**HON. W. M. HUGHES** : That does not do so. The mere fact of Dr. Fitchett saying that, does not alter the fact that at law these words mean what a Court of Law may say they mean.

**THE CHAIRMAN** : Let us proceed now; I think we have made the position clear. Let us proceed to (b) : "That it is advisable to have a light load-line for ships in ballast."

**SIR WILLIAM LYNE** : In reference to (b), I do not know of any cases where there is any direct provision or definite provision, but I do know that some of the most dangerous voyages that are made by ships are by sailing ships in light ballast. I have had an experience myself, and I think it is very dangerous. Now there is a provision in the New Zealand Act in reference to that question also. That, I think, covers it.

**SIR JOSEPH WARD** : No, we have nothing bearing upon light load-line.

**SIR WILLIAM LYNE** : I am not going to keep the Conference long with regard to this matter. I think it must be patent to everyone who has been to sea that it is not advisable that a ship shall go to sea without sufficient ballast, especially on a long voyage, and such things do happen. We have had a good many casualties with ships in ballast. Now I want to see whether the Commission will agree that these ships shall have a light load-line in ballast or whether it is to be left with the respective Governments to see when a ship is seaworthy or when she is not. Now I do not know what the Imperial Government Act does. The question is this—a ship is going to Australia in ballast from here or anywhere, she has a load-line, and it is the other way about, she does not carry enough.

**MR. NORMAN HILL** : We should detain her if she was unseaworthy.

**SIR WILLIAM LYNE** : Do you give her a certain minimum?

**MR. NORMAN HILL** : No.

**SIR WILLIAM LYNE** : Now, supposing that ship goes to Australia, what power have we?

**MR. NORMAN HILL** : If we go to an Australian port, and she is unseaworthy, you could detain her.

**SIR WILLIAM LYNE** : I want to know if we have some light load-line?

**HON. DUGALD THOMSON** : It is very difficult. Some ships can travel without ballast.

**SIR WILLIAM LYNE** : They should not.

**HON. W. M. HUGHES** : Have you no regulations about ballast load-line?

**THE CHAIRMAN** : I will ask Mr. Howell to answer that.

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MR. WALTER J. HOWELL: If the Conference will allow me, I may say that this subject is by no means new in this country; it has been under the consideration of successive Governments and Parliaments for at least 10 years. In 1878 a private member of the House of Lords called attention to the alleged insufficient ballasting of ships, and the Board of Trade got together what evidence they could and argued against that resolution, and it was withdrawn. In 1898, 1901, and 1902, Bills were introduced into the House of Lords, and on each occasion they were withdrawn. But when the latter Bill was withdrawn, the Government promised that the whole matter should be referred to a Committee, and a strong Committee of the House of Lords, under the chairmanship of Lord Spencer, was appointed to go into the matter. That was in 1902, and it began its sittings in February, 1903; and after hearing a large number of witnesses, reported in May of the same year. The report was presented to Parliament, and copies are, of course, available for members of this Conference. I will read one or two short extracts from it. The first is this—

HON. W. M. HUGHES: What report is that?

THE CHAIRMAN: It is a report from the Select Committee of the House of Lords to inquire into the question of the light load-line. They went into the matter very fully, and a large number of witnesses were called, and Mr. Howell is now going to read one or two extracts from that report.

MR. WALTER J. HOWELL: "Although for various reasons the practice of sending ships to sea in ballast seems to be increasing, the Committee find from the evidence which they have received, and from the Board of Trade statistics, that there has been no serious loss of life on ships in ballast, as compared with such loss in the case of vessels with full cargoes, and that accidents to the machinery in such ships are decreasing." Further on they say: "The Committee are informed by Mr. Howell, C.B., an Assistant Secretary of the Board of Trade, on the authority of statistics produced, that of the total tonnage which cleared at the various ports in the United Kingdom in 1902, 32½ per cent. was in ballast, as against 67½ per cent. with cargo; and that whereas of the vessels totally lost in the 17 years ending on the 30th June, 1901, 17 per cent., as against 83 per cent., were in ballast; of the tonnage totally lost, 13 per cent., as against 87 per cent., was in ballast; and of the seamen lost, 10 per cent., as against 90 per cent., were lost from ships in ballast. The average annual number of seamen lost from all kinds of merchant vessels belonging to the United Kingdom in the 17 years ending on the 30th June, 1902, was 988, and the average number of lives lost from vessels in ballast was 99. During the last year there has been a decided diminution in the number of lives lost from vessels in ballast, and only three vessels in ballast have been missing during the last two winters. It cannot, therefore, be said to be proved that vessels in large numbers are unseaworthy because wanting in ballast. While such vessels are undoubtedly difficult to manage in rough weather, the number of accidents seems to be smaller in proportion than to ships in cargo." After making several other comments and recommendations, the Committee went on to say, in paragraph 13 of their report: "The Committee are, therefore, unable to recommend the adoption of a light load-line, because, in their opinion, there has been no loss of life, such as was proved to exist when the deep load-line became law, sufficient to justify legislation of this restrictive character, which would of necessity press hardly upon shipowners." In the concluding paragraphs of their report, the Committee observe: "The Committee have received important evidence from Mr. W. J. Howell, C.B., an Assistant Secretary of the Board of Trade and Chief of the Marine Department, and find that the Board, whilst strongly opposed to any fresh legislation at the present time, believing that the evil of underballasting is being done away with, yet consider that it is possible to make further improvements in the ballasting of ships. The Committee, therefore, confidently rely upon the Board of Trade to use the powers already conferred upon them by Parliament to prevent the improper or insufficient ballasting of ships. It will be the duty of the Board to apply at once to Parliament if at any future date they consider any extension of their powers necessary in the public interest." Now, in accordance with the recommendations of the Committee, the Board of Trade issued instructions to their detaining officer and surveyors as to their power to detain ships if

unsafe by reason of insufficient, improper, or improperly secured ballast. At the same time, warnings and cautionary letters were issued broadcast to all concerned, urging the necessity for the exercise of great care to secure proper ballasting. A paper showing exactly what was done was presented to Parliament in July, 1903. I am glad to be able to add, in conclusion, that nothing has happened since 1903 that would justify the Board of Trade in applying to Parliament for further powers. The fact is, that the statistics of loss of life on ships in ballast have been even less serious in recent years than in those reviewed by the House of Lords Committee. I find that the total number of seamen lost from vessels in ballast during the period from June, 1901, to the present date has been 321, as compared with 773 in the six previous years, and of these deaths only 87 occurred in steamers in the latter period, as compared with 197 in the former. I will only add that, in my opinion, these facts show the wisdom of the course adopted in this country with regard to the matter referred to in the resolution before us. With full powers of prevention and punishment in their hands, His Majesty's Government has felt, as the Committee of the House of Lords felt, "that it would be unwise to put any further legislative restrictions upon British ships which could not equally be applied to foreign vessels, unless it could be proved that such restrictions were absolutely necessary for the safeguarding of human life." I think I have told the Committee enough to show that this subject has had great attention paid to it in this country, and although it is being still carefully watched, there can be no doubt that loss of life has been decreasing and a remedy is being found.

SIR WILLIAM LYNE: I understand you have been very careful or more careful than you were before, which has caused a decrease of loss of life in certain periods. That is in consequence of that report. I suppose, first, by careful inspection, and, secondly, by not allowing those ships to go to sea unless they were seaworthy.

MR. WALTER J. HOWELL: I think the improvement can be attributed to many causes. Stronger propeller shafts is one cause, and then another is the increased care of shipowners themselves to issue instructions to secure proper ballast, and the third is, of course, the increased vigilance of the Board of Trade.

SIR WILLIAM LYNE: That seems to me to have something to do with the increased strength of the propeller shaft.

MR. WALTER J. HOWELL: With regard to the propeller shaft, it will be interesting if I tell you what the Committee of the House of Lords said under the circumstances. The Committee attribute this decrease in accidents to the machinery in steamers very largely to the action taken by Lloyds' Register, on the recommendation of a Special Committee which sat some three years ago, to devise means to prevent the large number of breakages to screw shafts which were alleged to be due to the underballasting of ships. On the advice of this Committee, Lloyds' altered their rules with regard to the size and strength of propeller shafts. The results of this policy seem to have been most satisfactory, judging from the large decrease in the number of accidents to propellers and shafts since 1899." I think it is only fair to mention that, although that has been a cause, but there have been other causes.

HON. W. M. HUGHES: I would like to ask this, whether in effect the regulations or inspection that the Board of Trade makes of vessels in ballast—how the officials determine whether a vessel is or is not fit to go to sea, whether this does not, in effect, amount to a light load-line?

MR. WALTER J. HOWELL: Every ship has to be considered on its merits by experts.

HON. W. M. HUGHES: As a matter of fact, don't those experts look at the depth to which the hull is submerged? Doesn't that amount practically to a light load-line?

MR. WALTER J. HOWELL: Not to marking a light load-line.

HON. W. M. HUGHES: But marking is not the point at all. It is submerged to a point the expert considers sufficient.

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**CAPTAIN CHALMERS:** According to the duration of the voyage or the nature of the voyage.

**HON. W. M. HUGHES:** I would like to say that a light load-line by itself would be no protection at all, because you might shove the vessel down to that with a deck cargo, and over it would go with the first squall. If you insisted upon a light load-line without saying where the load was to be put, certainly men would put it in the most convenient place. A ship too light would be submerged to the required line or point with a deck cargo or ballast and might go over.

**MR. WALTER J. HOWELL:** With regard to what you say, I will read another paragraph. "The Committee would also point out that a light load-line, although it might prevent the insufficient loading of a ship, would be no real protection against improper loading."

**HON. W. M. HUGHES:** You must put your cargo in the bottom and trim the ship.

**MR. FERNIE:** In some ships you would not be able to do that. They have such a peculiar construction you would have to put some of the cargo above the water-line.

**THE CHAIRMAN:** This seems to be the position: you have considered the matter very carefully in Australia, and after hearing a good deal of evidence you evidently could not come to a conclusion and referred it to the Merchant Shipping Conference. We have considered the matter over here very carefully, and had a great many witnesses and decided against it. We decided the best method of meeting the difficulty was by more rigid administration. Well, under those circumstances, I suggest to Sir William Lyne it is hardly a case for a load-line.

**SIR WILLIAM LYNE:** I do not intend to press that. It seems to me you have a very strong report—a report, I think, I should like to have a copy of. We have still the power to deal with any ship that attempts to leave our shores too light in ballast; we have that power, and there seems to be such an objection to marking a light load line in ballast that it does seem, as Mr. Hughes just now said, you simply put ballast down at the top instead of at the bottom. I do not propose to press it; I think it has been a very good discussion, so that I will not go further with it.

**HON. W. M. HUGHES:** I was just going to suggest that we should amend it to make it read "Advisable that a ship in ballast should be subject to inspection."

**SIR WILLIAM LYNE:** I have withdrawn it for the reason that we have the power.

**THE CHAIRMAN:** Now No. 3:—"That all seamen be engaged only through a Government officer—the Superintendent."

**HON. DUGALD THOMSON:** Might I suggest to Sir William that both 3 and 4 are matters entirely within our own hands.

**THE CHAIRMAN:** No. 4 I have ruled out of order, because we have already discussed and passed resolutions on it.

**SIR WILLIAM LYNE:** In moving No. 3, there is some difference of opinion, I know. Now under your Merchant Shipping Act seamen can be engaged by any person in regular employment of the shipowner, by any superintendent, that is what your Act provides. And I was asked the question by Mr. Mills the other day.

**THE CHAIRMAN:** No; all foreign-going ships. You would have to engage your seamen through a superintendent.

**HON. W. M. HUGHES:** Since it only affects us—

**SIR WILLIAM LYNE:** One moment. Those very methods are enforced here, so that I am advised—

**THE CHAIRMAN:** That is a very different matter. That is the licensing to supply seamen. You have to engage seamen for foreign trade through a superintendent. That is not the case for the home trade.

**SIR WILLIAM LYNE:** This is the point I wanted to get at. Mr. Mills asked me the other day what would happen in the case of a person who was employed by the shipowner or by a member of his crew—that, I understand, can be done in New Zealand?

**MR. MILLS:** May I read the New Zealand Act? It says:—"No person other than a superintendent or a person licensed under the last section, or the owner or some person in his constant and exclusive employ, shall supply or engage a seaman to be entered on board any ship."

**SIR WILLIAM LYNE:** That is done without being licensed to do it. What I want to say about this is this. You, Mr. President, said it was done through a superintendent. We know our Act proposes it a little different to that, and we propose to license, and I certainly do not intend in the Act to allow the master or anyone connected with the ship to engage without they are licensed to engage, for this reason—we have in some of our ports, especially in Newcastle, the officers of the ships that do the damage and give the opportunity to do it, and we propose to license, at any rate in the case Mr. Mills put.

**HON. W. M. HUGHES:** License generally. The Commission recommends nobody should be licensed.

**SIR WILLIAM LYNE:** I know that.

**HON. W. M. HUGHES:** That is entirely a misapprehension of the position.

**THE CHAIRMAN:** That is a very different thing from the engaging by a superintendent.

**SIR WILLIAM LYNE:** Engaging before a superintendent. Who appoints that superintendent?

**THE CHAIRMAN:** The Board of Trade. At least, since last year the Board of Trade; formerly it used to be the Local Marine Board.

**SIR WILLIAM LYNE:** Don't you allow any man to be engaged except through the certificate of your superintendent?

**THE CHAIRMAN:** No.

**SIR WILLIAM LYNE:** That is the point, because an objection is raised, and it has been pointed out that cannot be done. What we are proposing is to deal with this matter.

**HON. W. M. HUGHES:** What you say is not the point at all.

**SIR WILLIAM LYNE:** We are proposing this: the Minister may grant a license to any person for engaging seamen.

**HON. W. M. HUGHES:** That is your new Bill.

**SIR WILLIAM LYNE:** Yes. That is so far as I am concerned and so far as the Government is concerned. They are not going to allow the present system which is carried on in some of our ports to continue. That is to say, we are going to have someone whom we can trust to deal with this matter, and not allow the crimping that takes place at the present time.

**THE CHAIRMAN:** But we have absolutely nothing to do with that. We have absolutely nothing to do with any regulations you may make with regard to seamen engaged in Australia. We have our own regulations here, and if it will be of any use at all to you to make clear what our position is, we can supply you with a memorandum. But I do not see why it should come before us to be discussed. You are inviting us to discuss your domestic affairs.

**HON. W. M. HUGHES:** We do not believe in what Sir William Lyne has said, either.

**THE CHAIRMAN:** It is not really a matter for us to discuss at all.

**SIR WILLIAM LYNE:** I do not agree with you, for this reason: We are going to put this thing in an Act, and we are going to vary what you are doing, and the object of this Conference is to try and act unanimously if we can.

**THE CHAIRMAN:** No, pardon me, so far as sailors engaged in Australia are concerned, we have nothing to do with that. We have nothing to do with regard to your method in engaging seamen.

**SIR WILLIAM LYNE:** I know that; but I think it is very much better for you to know what we are going to do in this regard now instead of hereafter.

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MR. MILLS : Sir William wants to make the way clear for his Act.

THE CHAIRMAN : These things do not interfere with us. I think it is very desirable that we should arrive at an understanding, but with regard to any machinery which you may set up to protect men engaged in the Commonwealth, that is entirely a matter for yourselves, and I do not see how we can interfere.

HON. W. M. HUGHES : I should like to say that Clause 3, as put forward by Sir William Lyne, is not at all conclusive or satisfactory in any shape or form to me, and therefore I would not have it. It is ineffective.

THE CHAIRMAN : That is why I do not think we ought to engage in the discussion. Now No. 5 :—“That imprisonment for desertion be abolished.” I wish Mr. Havelock Wilson was here, because he represents the sailors, and he is strongly in favour of imprisonment for desertion. And therefore I think, perhaps, Sir William had better open, and then we will adjourn.

SIR WILLIAM LYNE : So far as this resolution is concerned, I do not think you have any provision for imprisonment for desertion.

THE CHAIRMAN : Last year we reinstated it in another form. We found we could not very well get on without it, because some sailors when engaged go on board ship, and after having been engaged or paid something in advance, they sometimes get drunk or get into bad company, and the ship might be detained for hours or a day or two.

HON. W. M. HUGHES : We propose to abolish the advance note. They won't get that, and then there will not be so much inducement to take drink.

THE CHAIRMAN : It is a very serious matter here, and Mr. Havelock Wilson agreed in a case of that kind they ought to be punished. It was moved by Mr. Havelock Wilson, who is the sailors' representative here, “That where a seaman has been lawfully engaged and has received an advance note . . . 21 days.” That includes the element of fraud; it is where he has received money and then does not turn up.

HON. W. M. HUGHES : That is obtaining money under false pretences.

SIR WILLIAM LYNE : All I stated, Mr. President, is that your law does not provide any imprisonment for desertion. Of course, if you bring in the element of fraud, it is quite a different thing, and I do not propose in any way to allow any person to get off without imprisonment if there is any fraud. But what you did in England, surely you don't object to our doing, that is abolishing imprisonment for desertion.

MR. LLEWELLYN SMITH : Would you extend the abolition to desertion from foreign ships? Would you imprison at the instance of the Consul?

SIR WILLIAM LYNE : I do not know how far the law would take it. I object altogether to imprisonment for desertion in the way it has been done. We had a case not very long ago in Australia, and it was a very serious one. Sometimes, very often, the fault is altogether with the master in causing the man to desert; in fact, I think in nine cases out of ten it is with the master.

MR. LLEWELLYN SMITH : I think you, in your Bill, retain imprisonment for desertion from foreign ships.

HON. W. M. HUGHES : If we apply it to British ships, we should certainly apply it to foreign ships.

MR. NORMAN HILL : In Section 176 of the Commonwealth Bill, they take very wide powers to restore deserters to foreign ships, not foreign-going ships.

THE CHAIRMAN : That is very unfair to the British.

SIR WILLIAM LYNE : I should not relieve foreign ships and place them in a better position than British ships.

HON. W. M. HUGHES : Will you let me point out that on page 16 of your Blue-book the Commission recommends that : “Imprisonment for desertion to be abolished in respect of :—(1) All desertions in Australia from any vessels. (2a) Desertions abroad from ships registered

“in the Commonwealth. (2b) Desertions abroad from ships continuously trading to any port in the Commonwealth and whose final port of discharge of crew is in the Commonwealth.” That would be covered by their contract. Men under Articles drawn out in the Commonwealth are subject to Commonwealth law.

MR. COX : Might I ask one question. Supposing a man deserts from a ship under a foreign flag in an Australian port, would Australia give the assistance of the police to recover the deserter?

HON. W. M. HUGHES : We hand him over. I am almost inclined to think that international courtesy would make us do that.

MR. COX : I only raised the question because there are certain treaties by which we are bound to do that.

HON. W. M. HUGHES : I don't think there is any intention to interfere with the present practice in that respect. We merely say we don't allow our jails to be used, but if you want the man we will hand him over to you.

HON. DUGALD THOMSON : The recommendation of the Commission says :—“In cases of desertion in Commonwealth ports from ships other than those mentioned in 2a and 2b deserters should be placed aboard such vessels upon request by competent authority—that means in respect of cases of desertion from ships not registered in the Commonwealth or not continuously trading to any port in the Commonwealth, and whose final port of discharge of crew is in the Commonwealth.”

HON. W. M. HUGHES : I think that covers the point raised.

SIR WILLIAM LYNE : We are making this proposition for desertion, forfeiture of all accrued wages and emoluments and all the effects he leaves on board; and in the case of foreign ships, for desertion we propose 12 weeks' imprisonment for the first offence and six months for subsequent desertion.

MR. COX : For ships under a foreign flag?

SIR WILLIAM LYNE : Yes.

MR. COX : You would punish the foreign deserter, but not the British.

SIR WILLIAM LYNE : So far as I am concerned, British ships will get all the advantages the foreign do. This is the draft Bill; but I won't do anything that will give a foreign ship an advantage over a British ship. The Minister may order any seaman sentenced under any part of this Act to be put on board the ship.

HON. W. M. HUGHES : Does that apply to all ships?

SIR WILLIAM LYNE : No; only foreign ships.

MR. ANDERSON : On the homeward voyage the balance of account is against the seaman.

SIR WILLIAM LYNE : That is your argument in favour of imprisonment.

MR. ANDERSON : No, I am not arguing in favour of imprisonment. I am arguing for something in favour of inducing the man to keep to his bargain. I am not vindictive.

SIR WILLIAM LYNE : No, I don't suppose you are. But the proposal we have made is simply to forfeit all his wages and his effects.

MR. NORMAN HILL : He won't have any under those circumstances. And when you consider the question of the abolition of all imprisonment for desertion I think it is necessary you should consider the necessity for relieving the shipowner of all penalties for leaving the deserter behind.

SIR WILLIAM LYNE : We have some very drastic lines with regard to that.

MR. NORMAN HILL : But if you encourage the men to desert by freeing them from all effective punishment, and then fine us, because they have deserted, it would be a little bit hard.

SIR WILLIAM LYNE : You have a very nice simple way of putting a very drastic position; there is no doubt about that. If we did that, it would be a very extreme course to take, because we have laws that are very con-

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crete, I may say, with regard to leaving men behind, especially such men as we don't want.

HON. W. M. HUGHES : We point this out on page 17 of your blue book : "And the law should be further amended so that any seaman may, by giving due notice, quit his ship without incurring criminal or civil liability. If he does not give notice your Commissioners consider the case will be met by the forfeiture of all or any part of the wages, at the discretion of the court, then due to him together with the liability to be sued for such damages as his employer may have suffered through his action." If he gets another job, supposing he leaves you, you could sue him.

MR. NORMAN HILL : Suppose he leaves us and steps on shore you fine us ?

HON. W. M. HUGHES : You can sue him.

MR. NORMAN HILL : You are telling the man that he is entitled to break his contract whenever he pleases, and if he does break his contract and remains ashore, and you consider him undesirable we are fined £100.

HON. W. M. HUGHES : Oh, well, if you persist—you are really between the devil and the deep-sea there. Supposing a coloured man comes off a ship, we should certainly fine the master or owner or agent £100 for letting him come ashore, and then hand him over.

MR. NORMAN HILL : You'd catch him and carry him on board.

THE CHAIRMAN : But they have to pay their £100 and lose their man.

HON. W. M. HUGHES : No. We would give you the man back. In all cases where you pay the £100 we deliver the man.

THE CHAIRMAN : You only deliver the goods to the foreigner.

HON. DUGALD THOMSON : Sir William Lyne has proposed they should be delivered, and the Commissioners' Report suggests they shall be delivered.

MR. COX : Does it recommend that if they do not deliver, the fine is remitted ?

HON. DUGALD THOMSON : There is only a fine in exceptional cases.

MR. NORMAN HILL : We are under obligations to keep our men on board under these very heavy penalties, and it is important nothing should be done to weaken the obligation on the part of the men. So if they are going to say to the men, "You may break your contract whenever you please, and if there is anything due to you, you lose it"—

THE CHAIRMAN : They don't quite say so now. What they say now is, "We won't allow you to break your contract. We will catch you if we can and put you on board."

MR. NORMAN HILL : Which is a very different position. But they have weakened our position in dealing with the men very greatly. That man is no longer guilty of a criminal offence. They have told the man, "You may break your contract, and we won't punish you." But at the same time they must relieve us from all penalties for leaving him on shore.

THE CHAIRMAN : We say, in case of desertion in Commonwealth ports from ships other than our own, or those ships whose final port of discharge is in the Commonwealth, we hand them over by request of the competent authority which in one case would be the Consul and in another case the captain of the ship.

HON. DUGALD THOMSON : I quite agree shipowners can very properly urge that if those with whom they have a contract are allowed to break it whenever they choose, that they, as shipowners, should be allowed to break their contract whenever they choose. Well, that would not be agreed to. I don't suppose you would let shipowners discharge men all over the world in places where they could not get employment, and in that case there is inequality. Of course, this is complicated by the other fact that in Great Britain there is no punishment by imprisonment for desertion unaccompanied by fraud, and of course it is therefore rather difficult to say that in Australia they shall be imprisoned.

MR. DUNLOP : The position is a little different because it would be a mere case of keeping the man in prison and putting him on board the ship when he is about to sail.

THE CHAIRMAN : Mr. Norman Hill has moved this not as an amendment, but to add after the words "that imprisonment for desertion be abolished," add the words "in the country in which the seaman is engaged except in the case of a seaman who, after negotiating his advance note, wilfully or through misconduct fails to join his ship or deserts before the note is payable. And that in the case of a deserter the shipowner be relieved from all responsibility for his repatriation, and that no penalty be imposed on the shipowner by the State in which the deserter is left for leaving such deserter behind."

SIR WILLIAM LYNE : We could not have that.

SIR JOSEPH WARD : That might mean that if an alien, who was on board a ship, deserted and got into our country, he would have the right to remain there. Now, as a matter of fact, if an alien comes to our country we won't allow him to land, and we impose upon the shipowner that he does not land passengers of that kind. If you put that latter portion in, clearly we might have the introduction of aliens brought about in the other way. We don't want to imprison aliens. We don't want them in New Zealand at all.

MR. NORMAN HILL : If you have them and keep them till they are ready—

SIR WILLIAM LYNE : Supposing your ship came to Australia and one of your crew deserted, and he was an undesirable, you are liable.

MR. DUNLOP : What you are saying is to encourage them to desert.

SIR WILLIAM LYNE : We don't want to keep them; we want to help you.

HON. W. M. HUGHES : I will move as an amendment on the bare motion, "That in cases of desertion in Commonwealth ports from ships other than those registered in Australia, or ships whose final port of discharge of the crew is in the Commonwealth, that the deserters shall be placed on board such vessel upon request by competent authorities." That is what we recommend in the Commission, and that seems to place shipowners in a fair position; that is to say, if the men get off, if the owners request, they can be put back on the ship.

THE CHAIRMAN : I think we will adjourn for lunch, and if Mr. Hughes will put that in, we can consider that and the shipowner's amendment after lunch.

(The Conference adjourned for lunch.)

## AFTERNOON SESSION.

THE CHAIRMAN : Well now, this is Mr. Hughes's proposal, to add after Sir William Lyne's resolution "That imprisonment for desertion be abolished" the words "provided that in respect to desertion from ships other than those (a) registered in the Commonwealth, (b) whose final port of discharge is in the Commonwealth, deserters shall be placed on board such vessels by request of the competent authority, in the case of a foreign vessel the Consul of that country, and in the case of a British ship the captain." That is Mr. Hughes's proposal. Now, Mr. Norman Hill wants to add this : "That you should imprison in Australia, in cases where provided for elsewhere, that is where there has been an Advance Note, and he wilfully, or through misconduct, fails to join his ship." That is a case of fraud. And the second point he wants to add is : "That in the case of a deserter, the shipowner be relieved from all responsibility for his repatriation, and that no penalty be imposed on the shipowner by the State in which the deserter is left, for leaving such deserter behind."

HON. W. M. HUGHES : Well, as to the first, the case of fraud, that will not apply to any ship that is in Australia other than in the case of those seamen who have shipped in Australia. The case of fraud that Mr. Hill has in his mind is where a man engages to come on a ship, receives an amount of money in consideration of his so promising, and then fails to fulfil his contract. That



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cannot apply in Australia except in regard to ships registered in Australia—we propose to abolish Advance Notes—it cannot apply to any British ship except in cases where the seaman has been engaged in Australia. With regard to the second part, if that refers to a foreign seaman that our Immigration Acts may apply, I feel sure the Parliament would not repeal or amend the law in that particular. But I must say to Mr. Hill, the law has never been enforced in regard to any other than coloured seamen, the law is never enforced at all. I will first put the question to Dr. Wollaston. (To Dr. Wollaston): Is the law ever sought to be enforced in reference to foreign seamen, other than coloured aliens who leave their ships? I mean to say, do they ever seek to impose a fine of £100?

DR. WOLLASTON: Yes, certainly.

HON. W. M. HUGHES: I have put the question to Dr. Wollaston, but I am quite sure that it is not so enforced.

MR. ANDERSON: Where the deserters became a charge on the State, would the fine not be imposed?

HON. W. M. HUGHES: it only applies to coloured men.

DR. WOLLASTON: It is only put in operation with coloured men.

THE CHAIRMAN: This is the point of Mr. Norman Hill, and I agree this meets your amendment. But take the case where you fail to find the deserter. Supposing you fail to capture you deserter and to put him on board. In that case Mr. Norman Hill says you ought not to fine them because they cannot capture him.

HON. W. M. HUGHES: That is his point. Very well, on that point first of all I say that it is confined exclusively to coloured seamen, and therefore it does not apply to a case of white deserters. And so far as it applies to coloured men we could not possibly allow the onus to be shifted. We must have somebody who is responsible for the influx of coloured persons. We apply the test to all coloured people. If, then, they could go aboard a ship and desert there might be connivance, therefore we cannot agree to the suggestion. Mr. Hill will see our position. It won't affect his white seamen, and it won't affect this particular question of desertion as such.

THE CHAIRMAN: I think the best plan is to have this resolution separately.

HON. W. M. HUGHES: I would like to point out this to Mr. Hill. That although we may abolish imprisonment for desertion, that does not at all affect the proviso in the Immigration Restriction Act that these people who are in Australia—I do not know whether I am making myself clear—

THE CHAIRMAN: Supposing first of all we get this out of the way, and then we will deal with the question of repatriation afterwards. You do not object to the first part of Mr. Norman Hill's amendment?

HON. W. M. HUGHES: Well, if he will specify what he means by fraud.

THE CHAIRMAN: He does.

HON. W. M. HUGHES: That is to say, the taking of the Advance Note. That he does already.

THE CHAIRMAN: Then I will put your resolution.

(The Chairman then put the resolution to the meeting and declared it carried.)

THE CHAIRMAN: Now, Mr. Norman Hill, do you want to raise this specifically?

MR. NORMAN HILL: If you please. By contract we have taken every precaution we can think of to secure the man standing by the ship until it returns. Now, sir, they are weakening our hold over that man. They do not want him; we want to keep him. They are weakening our hold. They should not fine us; they should fine their own Executive for failing to capture him.

HON. DUGALD THOMSON: What I want to point out is this, that you are afraid the abolition of imprisonment will weaken your hold on that man and you will incur a liability because he is at large in Australia. The hold is not weakened as regards the penalty of imprisonment. He is still subject to imprisonment, and to a longer imprisonment than would be impossible under the desertion punishment. He is to be imprisoned and held

till he is repatriated, and he is still liable for that imprisonment, an imprisonment that is more likely to be enforced in Australia than imprisonment for desertion, and therefore that liability for the man himself is not relieved, and it is a greater liability than for desertion.

MR. NORMAN HILL: Where is the equity of punishing us? A man who has done what he is not entitled to do deserves to be punished, but because he deserts we are punished.

HON. W. M. HUGHES: That could not apply to a coloured seaman, because he could not desert for higher wages. He could not get employment in Australia. The moment he comes there he is an outlander and can be apprehended.

THE CHAIRMAN: Then Mr. Thomson points out they are liable to imprisonment.

HON. W. M. HUGHES: He would be imprisoned, of course, under the Alien Law.

MR. NORMAN HILL: But surely it is extremely hard to hold us responsible for his desertion. It was hard enough when it was a criminal offence for the man to desert and we could appeal to the law, but now you are saying to everybody that they may break their contract with the shipowner whenever they please. It is not a criminal offence, and the imaginary penalty of losing what is not due to him is nothing. But still they are holding us liable for the desertion. Surely there is no equity in that?

HON. W. M. HUGHES: It can only apply to your coloured people, and we cannot amend the Immigration Restriction Act in this particular, because if we did we should never see the end of it.

HON. DUGALD THOMSON: You have a safeguard as regards the imprisonment, because it is there in a stronger sense than with an ordinary deserter. On the other hand, if the authorities were asked to relax as regards crews the provisions of the Immigration Restriction Act, excluding these coloured aliens, the answer at once would be, "but there is an opening created for the introduction of 'coloured aliens, because they have only to come down 'here as crew and walk ashore and the shipowners won't 'mind, and they obtain entrance to the State.'"

MR. NORMAN HILL: Will you deal with it in this way: leave the law with regard to coloured seamen as it is now, and leave him liable to imprisonment.

HON. DUGALD THOMSON: We could not make that distinction. The Board of Trade would not wish to.

MR. ANDERSON: If you put a deserter on board a ship, has the owner of the ship legal powers to detain that deserter until he is ready to sail?

THE CHAIRMAN: That is proposed by this resolution.

MR. NORMAN HILL: He can go on leaving the ship as often as he like, and it depends on them whether he is caught.

HON. W. M. HUGHES: In my amendment you get the fullest possible protection that you can have. When you want them put on board your ship the machinery of the law of Australia is at your service. We do what we can to get them and put them on your ship; that is all you want.

THE CHAIRMAN: As a matter of fact, I think Mr. Norman Hill is raising a new point, not strictly relevant to the motion which is before the Conference. But it is a point. What he says is this: "We cannot prevent these 'men running away; they are injuring us, we would 'rather keep them on board, and you are punishing us 'for a thing which is an injury to us and which we would 'stop if we could.'" But I agree with Mr. Dugald Thomson that you are going as far as you possibly can in the way of putting the man back, and you punish him under the Aliens Act if you catch him. But there is something to be said from the shipowners' point of view.

HON. W. M. HUGHES: The same thing applies to quarantine. A man suffering from some contagious or infectious disease may get on a ship, and for 14 days the whole ship's company is guaranteed. In this particular case you know what you are doing; if a man gets off, you know what will happen.

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**SIR JOSEPH WARD :** Our law is clear. If a man were to run away, as indicated here, he would come under our Aliens Act. We cannot have an infraction of that, because it opens the door very widely. Under the Aliens Act, perhaps only a percentage of them could land under normal conditions. If they were caught we should send them out of the country at the expense of the ship they had run away from.

**MR. NORMAN HILL :** The first part of the resolution declares to all those alien seamen whether coloured or of whatever nationality, that whenever you please you may break your contract with the shipowner, and there is no risk of getting sent to jail for doing it. Now, so far as I know, all over the world it is a criminal offence if he breaks his contract, except in his home port.

**SIR JOSEPH WARD :** Not in our country.

**MR. DUNLOP :** It is everywhere treated as a criminal offence for a seaman to leave his ship in a foreign port.

**MR. NORMAN HILL :** In this country it is not an offence, but abroad if a seaman leaves his ship at any foreign port it is treated as a criminal offence.

**SIR JOSEPH WARD :** Why is it not treated as a criminal offence in England?

**MR. DUNLOP :** Because we can get another man here to take his place.

**MR. HAVELOCK WILSON :** It is a criminal offence in England now for a man to desert his ship. Supposing a man has made a voyage and arrives at a port in the United Kingdom, and the ship is not going to pay off and he deserts, it is a criminal offence now.

**MR. NORMAN HILL :** It is a criminal offence, but the punishment is not imprisonment.

**MR. HAVELOCK WILSON :** We have a case which is going to be tried at Barry to-day, where the crew left the ship at Tilbury. She was proceeding to Antwerp, and the men had a dispute with the master, and now they are being prosecuted at Barry for desertion.

**MR. NORMAN HILL :** They forfeit their wages.

**MR. HAVELOCK WILSON :** And imprisonment. The imprisonment means before the ship starts on a voyage, but not during the progress of the voyage.

**MR. CUNLIFFE :** You don't get imprisoned in this country. You get prosecuted for desertion, and you are liable to forfeit certain things, but you are not liable to be imprisoned.

**MR. HAVELOCK WILSON :** Well, I will tell you by and by about that when I get a telegram.

**MR. CUNLIFFE :** The man is liable to be prosecuted, and his wages are forfeited.

**MR. HAVELOCK WILSON :** I will tell you more about that after to-day.

**MR. CUNLIFFE :** If he is guilty of absence without leave, he is liable except in the United Kingdom. Have you ever had a man imprisoned in the United Kingdom for the last 20 years?

**MR. HAVELOCK WILSON :** I don't think we have. We knew prosecutions are going on, but I don't remember a case of imprisonment.

**HON. W. M. HUGHES :** I want to take formal exception to your acceptance of Mr. Hill's amendment since it involves an encroachment upon the Immigration Restriction Act, 1901, of the Commonwealth, and the Amending Act of 1905. Practically, these are purely local Acts, and not within the scope of this Conference. It is true they apply to seamen, but only as they apply to every other person. Every person must arrive at Australia on a ship, and it is very unfortunate, of course, that Mr. Norman Hill happens to be connected with the shipping. But we cannot help that. People cannot get to Australia except by a ship, and whether they are one of the crew, or a passenger, and fail to write 50 words in the language—it is the Colonial Office that dictated to us our policy—

**HON. DUGALD THOMSON :** Not the policy, but the legislation.

**HON. W. M. HUGHES :** And the policy.

**MR. COX :** And the form which would enable you to do what you wanted to do without raising the objections of foreign powers.

**THE CHAIRMAN :** I think Mr. Dugald Thomson's answer is fairly complete; you do imprison now. You imprison under the Aliens Immigration Act, and I don't think it substantially matters whether he is imprisoned under the Aliens Immigration Act or any other Act. I don't think it would matter very much to the shipowner; the man is liable to imprisonment now.

**MR. DUNLOP :** Yes, if he does not answer the necessary test.

**HON. W. M. HUGHES :** We deal with every man who does not pass the test. He is a prohibited immigrant.

**MR. NORMAN HILL :** When they ask us to agree to a policy of abolishing imprisonment for desertion, we say: "Are we to consider it merely as we consider it here in this country, or are we to consider it having regard to the fact that we are fined £100 for certain kinds of deserters if we leave them ashore?" If you are going to leave that liability on us, we regard desertion as a much more serious offence. It not only puts us to great trouble and expense, but it exposes us to punishment. Now if the Australian Government is asking us to agree that it is wise to abolish imprisonment, surely it is reasonable to ask what is your policy with regard to these fines? Our answer is different, according to the answer they give us. Otherwise must not we leave it as a point which they must settle for themselves, because both to abolish imprisonment for desertion and leave us with these fines we say is unjust.

**HON. W. M. HUGHES :** Mr. Hill is asking us to do something in addition to that which we have already promised to do, which is very unreasonable. At the present time, the law is, if any one deserts from a ship, and is found on shore, and is a prohibited immigrant within the meaning of this Act, he is taken and put on board the ship, you are fined for letting him come ashore, and you have to take him home. Now nothing that this Conference can do can alter that law. We say you are in no worse position after this Conference than before it in respect to that matter, because we say we will put on board your ship anybody you ask us to put on board. You are no worse off with regard to this class of deserters than before, and in addition we will put on board your ship any deserter other than a prohibited immigrant, therefore you are in a better position.

**MR. ANDERSON :** We say if you abolish imprisonment for desertion *pro tanto*.

**HON. W. M. HUGHES :** We do not imprison coloured deserters now. We won't have them in the country. We put them on the ship, and you must take them to the place you brought them from. We won't imprison them.

**MR. ANDERSON :** What would be the position of a white deserter if he became a charge on the State?

**HON. W. M. HUGHES :** I do not know what would be the position. I am assuming you do not bring people on your ships as a crew who will be a charge on the State. What do you want to do a thing like that for? If you like to bring people with one lung and one arm and one eye on your ship—

**MR. ANDERSON :** A man when he gets on shore may be unable or unwilling to work.

**HON. W. M. HUGHES :** The only time the Seamen's Union sought to enforce that, to get deserters declared a charge upon the State, they utterly failed to do it, and I do not think it has ever been done since the law has been in force.

**SIR JOSEPH WARD :** Our position is perfectly clear. Here is our law on the point:—"Every seaman or apprentice who commits any of the following offences is liable to be punished summarily as follows: (a) If he deserts from his ship he shall be liable to one month's imprisonment, or to forfeit all or any part of the wages which he has then earned; and the master or shipowner shall not be accountable for any effects which such deserting seaman leaves on board, but shall as far as possible deliver them up to the

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"superintendent or collector of customs at the place of desertion or at the first port of arrival. (b) If he fails without reasonable cause to join his ship, or to proceed to sea in his ship, or is absent without leave at any time within 24 hours of the ship's sailing from a port, either at the commencement or during the progress of a voyage, or is absent at any time without leave and without sufficient excuse from his ship or from his duty, he commits the offence of absence without leave, and is liable to forfeit out of his wages a sum not exceeding two days' pay or any expenses properly incurred in hiring a substitute, and is also liable to 14 days' imprisonment: Providing that any dispute arising as to the liability to or amount of such deduction may, with the consent of both parties, be decided by the superintendent." Now that is quite clear. The shipowner under that is not liable to this suggested penalty of £100. Where I desire to see a line of demarcation drawn is that the difference between the case of a man who deserts and is punishable under our law, and a man who under the Aliens Restriction Act, and who was upon a ship's articles as an alien, if he deserts, we want to get it clear that the onus of that man going out of the country falls back on the shipowner just as though he had brought him down as an alien passenger, and we want to ensure that we have the right not of putting him in jail, but of seeing that he is expatriated at the expense of the shipowner. I think that position ought to be kept clear, otherwise we get into very serious trouble. That is our law under the Aliens Restriction Act. We don't want to get the two things mixed, and I think there must be some way of meeting the question of desertion in a reasonable manner.

MR. DUNLOP: We ship our men here, and if they desert they come under the law of fraud. But when we take our men to your country, if they desert they may leave us without a seaman. What has been said as to your wishing to impose Colonial rates of wages has rather a sinister effect; it almost looks as if you wanted to encourage our men to desert.

HON. W. M. HUGHES: How is that?

MR. DUNLOP: If you are going to do away with imprisonment for desertion the men will desert, and then we shall have to pay your Colonial wages.

HON. W. M. HUGHES: We engage to put them back on your ship; what more do you want?

MR. DUNLOP: I want to ask a question about that. How are you going to put them back on our ship? Suppose the vessel is lying alongside the wharf, and is not going to sail for a week or two, does it mean that we are to keep them prisoners instead of your keeping them prisoners. Are we going to make prisons of our ships?

HON. W. M. HUGHES: What you suggest is that we keep them for you; that we should pay for them and look after them. That is absurd.

MR. HAVELOCK WILSON: Would not the expense of the imprisonment be on the shipowner, if they were kept on shore?

MR. DUNLOP: That is a matter of appeal.

THE CHAIRMAN: I don't think the Commonwealth proposals, with regard to foreign seamen, . . . r. Hughes, are the same as regard to British seamen.

HON. W. M. HUGHES: British and foreign.

THE CHAIRMAN: That is a great advance upon the Bill introduced some time ago. Under that Bill it was proposed that foreign seamen should be forcibly placed on board the foreign ship; but with regard to British seamen, no step of that kind was taken. This seems to me to represent a very substantial advance upon anything we have seen before.

SIR WILLIAM LYNE: I don't think our Parliament will agree to that. I don't think they will agree to the Government undertaking to put these men on board. I will take a case. A very short time before I left there was trouble—

HON. W. M. HUGHES: Here is your own clause.

SIR WILLIAM LYNE: There was a case which happened not long ago where they could not get through.

The men all left. What are the Government going to do in regard to a case like that?

THE CHAIRMAN: You undertook to do that with regard to foreign seamen.

SIR WILLIAM LYNE: That is a very different question. I am not quite sure we could do. I do not want to rush into any recommendation unless I feel fairly sure the House will accept it, and I don't think they will.

HON. DUGALD THOMSON: You proposed it in your own Bill.

SIR WILLIAM LYNE: Now, in the first place, what is desertion?

HON. W. M. HUGHES: It is in your own Bill.

SIR WILLIAM LYNE: Will you, please, be quiet. I never heard anyone talk so much in my life. I certainly hesitate before I agree to placing men on board a ship which they desert. I don't say altogether; but I cannot see, so far as we are concerned, that the foreign ship is quite in the same position as our own ship. It is true it has been suggested the foreigners should be placed on their ship, and it has been stated by the shipowners that that places the foreign ship in a better position than the British ship. Now, I want to know whether that is so. It places the shipowner, probably, in a better position—that is, the foreign shipowner in a better position—so far as keeping his men is concerned, but does it place him at any great disability in comparison with our foreign ship. We had better look at this from a practical standpoint. How is the Government to make itself responsible to find out where these men are, to catch them, probably to keep them in prison for a week, or keep them on board the ship and make a prison of that? That would not be a very desirable thing. Either they would have to put them in chains or else lock them up when they are in a harbour like ours, which is one of the best in the world, or where a ship is alongside the wharf. I do not see how the shipowner could keep them on board, and if the Government are not going to put them in prison, I do not see how the Government can deal with them.

MR. DUNLOP: That is why we do not want to abolish imprisonment.

SIR WILLIAM LYNE: I think we are fairly determined to do so.

MR. ANDERSON: If the Government are powerless to capture, how can a private shipowner do it?

SIR WILLIAM LYNE: The Government has in the past lent the assistance of their police to capture these men, and they have detained them until they have had an opportunity of handing them over to the shipowner.

THE CHAIRMAN: But, Sir William, in your own Bill you propose with regard to foreign seamen to capture them and put them in prison.

SIR WILLIAM LYNE: I admit that is so. But I won't do anything to place the foreign shipowner in a better position than the British shipowner, and I want to see my way clear that I can deal with that in a way that is equitable to the British shipowner, and I do not quite see how it is possible in either case to do it without imprisonment.

HON. DUGALD THOMSON: Have we not passed that resolution?

THE CHAIRMAN: Yes; strictly speaking, the discussion is out of order, but Sir William Lyne happened to be absent.

SIR WILLIAM LYNE: Which resolution?

THE CHAIRMAN: This is the resolution: "Provided that in respect to desertion from ships other than those (a) registered in the Commonwealth, or (b) whose final port of discharge of the crew is in the Commonwealth, deserters shall be placed on board such vessels upon request by competent authority."

SIR WILLIAM LYNE: I did not know that had been passed, and I should have objected to it if I had been here.

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THE CHAIRMAN: And then there is Mr. Norman Hill's addition.

SIR WILLIAM LYNE: All I will ask is this, if that question is decided so far as my resolution is concerned, that I have the right, if I wish—I want to analyse the amendment; I don't like it at the first glance, and I want to analyse it, and all I shall say is, I should like to have permission, if I see any objection, to refer to it again.

THE CHAIRMAN: Now we are considering Mr. Norman Hill's proposition: "That in the case of a deserter the shipowner shall be relieved from all responsibility for his repatriation, and that no penalty be imposed on the shipowner by the State in which the deserter is left for leaving such deserter behind."

SIR WILLIAM LYNE: Isn't that part and parcel of the other resolution?

THE CHAIRMAN: Not quite, and for this reason. Mr. Norman Hill says, if you are going to abolish imprisonment for desertion, it is rather hard on the shipowner that he should be punished, not for an offence that he has committed, but for an offence which he has done his very best to prevent. We have separated it, because it raised the Immigration Restriction Act.

HON. W. M. HUGHES: I ask you to declare that irrelevant and out of order, for the reason that it deals with a matter that this Conference is not competent to decide. So far as imprisonment is concerned, we shall always imprison those persons until we can hand them over to the shipowner, and we shall compel the shipowner to take them away at once, and we shall fine him in addition.

THE CHAIRMAN: Mr. Norman Hill says it is unfair. I can hardly rule it out of order. I have ruled many things out of order which have been discussed. I have not objected to discussion, because, unfortunately, we are under the terms of the despatch sent out by Mr. Lyttelton, with regard to uniformity of legislation for the Colonies and the Mother Country, and I could hardly rule out of order a discussion on our own laws, because it is a very wide invitation.

HON. W. M. HUGHES: Would you allow me to point out that the proposal does not make any alteration with regard to the position of the shipowner, because it is proposed under the clauses as passed now that we shall apprehend these people and we shall deliver them to the shipowner.

HON. DUGALD THOMSON: I can quite see a shipowner's difficulty in this, and I can also see the difficulty of interfering with another Act of the Commonwealth Parliament, that is, the Immigration Restriction Act, and leaving a loophole by which that Act could be evaded. I can quite see that difficulty without entering into the merits of the Act one way or another. But I can see also that relief could be given as regards those not coming under Section 3 of the Immigration Restriction Act, which refers to prohibited immigrants.

SIR JOSEPH WARD: If Mr. Norman Hill will add "That this resolution shall not refer to penalties and fines imposed under the Aliens Restriction Act," I think the matter will be all right.

THE CHAIRMAN: Unfortunately, Mr. Norman Hill wants it to refer. I think the only thing is that the shipowners should put on record this proposal of their own. It is quite clear.

HON. DUGALD THOMSON: They would get relief to that extent in the other case.

THE CHAIRMAN: I think they have a case for consideration, and if I may put it to the Commonwealth and New Zealand representatives, it does seem to be rather hard that they should be punished when they are not responsible, and when they have done their very best to prevent the offence.

HON. DUGALD THOMSON: Yes, they would be relieved by such an addition excluding those shut out by the Immigration Restriction Act; they would be relieved to a considerable extent by not being liable.

THE CHAIRMAN: Would the Commonwealth representatives agree to that?

HON. DUGALD THOMSON: That is excepting those excluded by the Immigration Restriction Act. You might say that in the case of other seamen, who might desert and become a charge on the State and who were not excluded by the Immigration Restriction Act, that they should not be liable.

HON. W. M. HUGHES: The Immigration Restriction Act excludes everybody upon whom a penalty could be imposed.

SIR WILLIAM LYNE: They tell me the first portion of Mr. Norman Hill's addition to No. 5 has not been submitted.

THE CHAIRMAN: The first certainly has. It has been added to with regard to cases of fraud.

MR. CUNLIFFE: I think, if I might suggest it, this question is a matter which the colonies and the Mother Country might very well consider legislation on, because they overlap each other to a certain extent, and the colonies have not their legislation in line with ours. At present, we have no definition of desertion. Forty-eight hours' absence is desertion in the colonies. If that is desertion and the shipowner can show that it is desertion, he might be relieved from the cost of repatriation. You have to prove it as a fact that a man intended to desert, otherwise he is simply left behind.

SIR WILLIAM LYNE: I quite agree with that. The question of what is desertion is a very important one.

MR. CUNLIFFE: It is, and I am glad to hear you say so, because I do think it ought to be considered before you define it.

SIR WILLIAM LYNE: I do not know about the Courts, but if you make a hard and fast rule, you may place a seaman at a very great disadvantage. Supposing a man goes on shore when a ship is likely to be stopping, and for some reason during his absence she leaves, according to the New Zealand practice he is likely to be charged as a deserter.

MR. CUNLIFFE: "Desertion means the absence of a seaman or apprentice from his ship without leave for a period of 48 hours without lawful cause or excuse, or any unlawful departure from his ship with the intention of not returning thereto." That is in the definition Clause of the New Zealand Act.

SIR WILLIAM LYNE: I do not at all agree that 48 hours should be fixed as an absolute rule. I think it may do great injustice.

MR. DUNLOP: Forty-eight hours provided he intends to desert.

MR. CUNLIFFE: At the same time, it crystallizes into 48 hours if he is not able to show he did not mean to.

HON. W. M. HUGHES: Would you let me read the definition here, in the new Bill? It means "the absence of a seaman or apprentice," &c.

MR. CUNLIFFE: Forty-eight hours makes it sufficient.

HON. W. M. HUGHES: Sir William does not agree with that.

MR. CUNLIFFE: I don't either.

HON. W. M. HUGHES: But that is in his Bill. I don't agree with it either.

THE CHAIRMAN: I don't think we can carry it any further than that. The shipowners will move this resolution and put it on the record:—"That in the case of a deserter the shipowner be relieved from all responsibility for his repatriation, and that no penalty be imposed on the shipowner by the State in which the deserter is left for leaving such deserter behind." I understand the Commonwealth and New Zealand representatives do not see their way to accept it, but it is moved by the shipowners. Very well, now we will go on to No. 7.

SIR WILLIAM LYNE: How does it stand?

THE CHAIRMAN: It stands in this way, that the only resolution that is carried is your resolution with Mr. Hughes's addition. Now No. 7.

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SIR WILLIAM LYNE: "That all vessels constructed after a certain date shall be fitted with water-tight compartments." I do not know whether it is necessary to fix a date. Perhaps it would be, but I mention it in that way because I do not want it to apply to ships already built; only to new ships.

HON. DUGALD THOMSON: What is included in vessels?

SIR WILLIAM LYNE: What is the proper term to use?

HON. DUGALD THOMSON: How far are you going? Steamers or sailing ships?

SIR WILLIAM LYNE: Only apply it to sea-going vessels.

HON. DUGALD THOMSON: You want it more particularly with ferries.

SIR WILLIAM LYNE: Ferries, decidedly. We have our ferries running in Sydney Harbour. Make it apply to passenger ships.

HON. W. M. HUGHES: Why not say all vessels?

THE CHAIRMAN: This is the coasting trade.

SIR WILLIAM LYNE: So far as we are concerned, it is the coasting trade or any ship in our waters.

THE CHAIRMAN: We cannot interfere with the coasting trade, so far as I can see.

HON. DUGALD THOMSON: The recommendation from which this is drawn applied only to boats in our own waters, especially ferry steamers; then we don't need to come to this Conference.

SIR WILLIAM LYNE: Not if it is held that we have that power.

HON. W. M. HUGHES: We have obviously the power over our own ships.

THE CHAIRMAN: I should not have thought it necessary.

SIR WILLIAM LYNE: I don't want to delay this Conference. If we have that power, it is no use coming here.

THE CHAIRMAN: Have you anything to say about that, Mr. Norman Hill.

MR. NORMAN HILL: No; if it is confined to the Colonial registered vessels and coastal trade.

HON. DUGALD THOMSON: Might I point out to Sir William Lyne that in the report from which these resolutions are drawn it only refers to ferry steamers; it recommends that no further licenses should be issued to ferry boats unless provided with a sound hull and equipment, first-class machinery, and an up-to-date system of water-tight compartments.

SIR WILLIAM LYNE: I want this to extend to ships that go to our coast. It goes further than the resolution we have already passed.

MR. FERNIE: As a matter of fact, I don't think you would find any ocean-going boat without it.

SIR WILLIAM LYNE: We have control of our own licensed ships or boats, and we ought to have control of ships trading on our coast whilst there; and if we can do it, I want this resolution to apply to ocean-going steamers which engage in the coasting trade. Look at resolution No. 9, you will find there it is defined what trading is.

THE CHAIRMAN: I should not have thought it necessary.

SIR JOSEPH WARD: I think the New Zealand law meets the whole thing. It applies to iron steam ships: "Every steamship built of iron (except ships used solely as steam-tugs) shall be divided by substantial transverse water-tight partitions, so that the fore part of the ship shall be separated from the engine-room by one of such partitions, and so that the after part of such ship shall be separated from the engine-room by another of such partitions; and every such ship shall also have a water-tight collision bulkhead fitted at a proper

"distance from the bow or stem to render the same effective."

SIR WILLIAM LYNE: Does that apply to ships that come to your coast and trade on your coast?

SIR JOSEPH WARD: It applies to everything.

SIR WILLIAM LYNE: If that applies to ocean-going ships that come and become traders under resolution No. 9 that we have passed, I don't want to say any more.

SIR JOSEPH WARD: I think it does.

SIR WILLIAM LYNE: That is the point I want to know.

HON. DUGALD THOMSON: This was the resolution: "That the vessels to which the conditions imposed by the law of Australia or New Zealand are applicable should be (a) vessels registered in the Colony while trading therein, and (b) vessels wherever registered while trading on the coast of the Colony."

THE CHAIRMAN: The only point is this, we have got our regulations with regard to water-tight compartments, and we ask you to extend the same courtesy to us as we extend to foreign powers. Supposing your regulations do not correspond with ours, we ask that you shall accept ours if they do not quite meet yours.

SIR WILLIAM LYNE: No doubt we will.

THE CHAIRMAN: I understand there are five water-tight compartments in every ship.

SIR WILLIAM LYNE: I quite understand in the discussions that have taken place, it is admitted we have power over our locally registered ships to do what we like. But until that resolution No. 9 was passed defining what was trading, it was very indefinite if we had that power at all. Now, under that No. 9, the Conference has agreed that certain ships registered, we will say, in England or anywhere else, that if they do our coastal trade we have power to deal with them. Now I want it clearly understood.

HON. W. M. HUGHES: That was never in doubt.

SIR WILLIAM LYNE: I think it was very much in doubt, and I want this to apply to those ships coming from a distance or registered elsewhere if they cannot come under our conditions of coasting trade, if we find a ship comes and we don't consider that that ship is properly constructed with water-tight compartments, we will give preference to the Board of Trade and what is done here; but there are cases where ships do come, and they are not properly constructed, so far as safety is concerned, with water-tight compartments, and if they come trading on our coast, no matter what class of ship it is, or what country they belong to, if they become our coasting traders, I want it to be clearly understood that we reserve to ourselves the right to legislate to see that they have proper water-tight compartments.

HON. DUGALD THOMSON: But we have already passed a resolution, and it is perfectly clear, which are the vessels to which the conditions imposed by Australia and New Zealand apply. Now, I suppose it is unquestioned that the law of Australia and New Zealand can impose these conditions. It is as stated before, vessels registered in the Colonies and vessels trading on the coast.

SIR WILLIAM LYNE: That resolution was constructed on one that I proposed that did not contain that specific provision (A), and Mr. Hughes moved an amendment to bring in (B), and if he thought it was not necessary to do it under the powers that we already have, why did he bring it in?

HON. DUGALD THOMSON: That is not the question. This resolution covers all you want.

MR. LLEWELLYN SMITH: That resolution defined the classes of ships. Within that limit you can impose the conditions; outside that limit you cannot. That was the intention.

SIR WILLIAM LYNE: But before, we had not the definition of what trading ships were.

MR. LLEWELLYN SMITH: I was in the Chair, and I remember that.

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SIR WILLIAM LYNE: That is the object I had in starting the resolution. Now, I want it to be clearly understood by shipowners that if they come to our coast and trade we have the right to deal with that ship and see she has proper water-tight compartments.

MR. ANDERSON: We have already laid it down that standards as to hull, machinery, boilers, and life-saving appliances, established by the Board of Trade and testified by current certificates, should be accepted for British ships in Australian and New Zealand waters.

SIR WILLIAM LYNE: A ship is not seaworthy if she has not water-tight compartments; that is, she is not safe.

MR. NORMAN HILL: But whether she has four, or five or six compartments is a matter to be judged under our own flag.

THE CHAIRMAN: We would not give a ship a certificate that has not water-tight compartments.

HON. W. M. HUGHES: What Sir William Lyne means is, we say, there should be transverse water-tight compartments, and we really think some of the ships on the coast are not seaworthy.

SIR WILLIAM LYNE: There is no doubt about that.

MR. DUNLOP: Have they ever gone down?

HON. W. M. HUGHES: Sometimes they go right down to the bottom.

MR. ANDERSON: I think this is a very essential point, and I should like to get to the bottom of it. If, as I understand Sir William Lyne, the standard of seaworthiness is not to be established by a Board of Trade certificate, then resolution No. 1 is absolutely valueless.

SIR WILLIAM LYNE: It is clearly understood in resolution No. 1, no matter where she came from, if there was necessity to overhaul they had a right to do it.

MR. COX: May I ask this question? Supposing Australia thinks that 463 water-tight compartments are necessary, and a vessel goes out there with five, would Australia say that ship is not seaworthy because she had not so many water-tight compartments?

HON. W. M. HUGHES: I think she would have the right to say so.

MR. COX: That is very important. It seems to me in that case any ship that goes to Australian waters, no matter how safe she may be deemed to be in this country, may be held to be unseaworthy when she gets to Australia.

SIR WILLIAM LYNE: You assume that we won't regard the Board of Trade certificate at all. We give it the highest record.

MR. COX: That is what I want.

SIR WILLIAM LYNE: And we very seldom interfere with it. I want it to be understood, if any untoward circumstances arise where we think a ship should have more water-tight compartments, or that she is not really safe as a passenger-ship, we reserve to ourselves the right to deal with her; and what I want to emphasize is this, we have passed certain resolutions, defining what a trading ship is, that we have control over, and always having regard, in the first instance, to the Board of Trade certificate, which we hold in the highest esteem, and will not interfere with unless there is some really strong reason for doing so—I want it to be understood we reserve to ourselves, under the right of what trading is, to interfere if those ships have something which appears of a serious character which we ought to deal with. That is all I want to do.

THE CHAIRMAN: I think that is all right.

MR. DUNLOP: There is just this difference between foreign ships and British.

THE CHAIRMAN: I want the Australian Commonwealth to extend to us the same—I won't say indulgence—but the same courtesy as we extend to foreign ships here. I mean, take the German regulations, they are quite on all fours with ours, but substantially they comply with our law. That is all we ask. And we ask you to treat us as we treat foreigners.

SIR WILLIAM LYNE: All we want to do is to be able if occasion arises, which may never arise. We don't want to mislead you.

MR. COX: In an extreme case you would interfere?

SIR WILLIAM LYNE: Yes, and we would not touch it otherwise.

THE CHAIRMAN: Now that is withdrawn.

SIR WILLIAM LYNE: Now I put down No. 8:—  
“That all sea-going ships carrying more than ( ) passengers or being more than 5,000 tons gross measurement shall be fitted with apparatus for transmitting messages by means of wireless telegraphy”—down more for discussion than anything else, because I do not know whether it is practical in all cases; but I want it to be brought before the Conference to obtain an opinion as to how far we can go in having this wireless telegraphy. Now I know that there are various classes—or I do not know what you describe them as—there are various companies or descriptions of wireless telegraphy. There is not only Marconi, but there are a good many other systems, and I do not know whether we have arrived at that stage now when we could compel or request this to be done, because you must use one system right through, I believe, you must use the projector in the shape of the instrument, and you must have the corresponding receiver to be able to work this instrument at all. You cannot take Marconi and apply it to another system.

MR. LLEWELLYN SMITH: If the new Convention comes into force, you will be able to.

SIR WILLIAM LYNE: I made inquiries from Mr. Walker, who is representing Marconi out in Australia, and we are trying experiments now. He has put up, with our consent, one station at Queensland and we have another in Tasmania, and from him I understand you cannot mix up the stations—that is, you cannot mix up one receiver with another projector. So that a ship that is going to use this wireless telegraphy would have to be in connection with a projector of the same class. That is as I understand it, and he has described it very clearly to us in Australia. I do not know whether or not we have got far enough to know which is the best, and which is going to be the one that is to be used. I believe the Admiralty are considering which is the best to use, because their ships will have to be in connection at various points with the same system. There may be some gentleman present who knows more about it than I do; but I have taken a great deal of trouble to find out exactly what the practical effect will be. I have brought this discussion forward for this purpose, that if, shortly, there is one general system adopted, that that general system shall be applied, as far as British ships are concerned, to all passenger ships over the tonnage that I mentioned, or some tonnage to be mentioned. For more than one reason, of course, we know it is a great convenience if you are going a long sea-voyage to be able to know the news of the world as you go along. Going to and from Australia I should very much like to know all the news.

MR. COX: It may be an advantage to address constituents from the steamer.

SIR WILLIAM LYNE: In addition to that, it is useful for the safety of human cargo as well as the ship. I saw an instance the other day. Several ships had their shafts broken, and one was drifting about for a long time, and only then was found by accident. I have been told by some of the shipowners that they are trying to obviate that in their own way by putting better shafts and twin screws and turbines with three screws. They are effecting it to some extent, but I think there should be a system adopted before long by which all these vessels should have wireless telegraphy. Now I have just started this expression of opinion, and unless the Conference will agree to it I am not going to debate it. I think it should be brought before the public. All things require to have a start, and that is the reason I brought it forward.

SIR JOSEPH WARD: May I say my sympathies are entirely with Sir William Lyne in this matter. I have for some years been taking a very considerable interest in this wonderful development of telegraphing through the air without a wire. I am anxious,

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first, to see which system is going to be the best before we have it applied in our own country, and very much for the same reason that Australia gives. We are partners in the State-owned Pacific Cable, and we believe, or, at all events, I believe, from the New Zealand standpoint that our system of wireless telegraphy when we adopt it ought to be used very largely for the purpose of protection of life on board ship, and for the purpose of communicating with our outlying lighthouses. In the meantime, we have not arrived definitely at what is the best thing to do. We have the full authority of Parliament to purchase or hire a system of general use in our country; and, while I sympathise with the motion of Sir William Lyne, I think as an expression of opinion it would be the right thing to do. But this resolution goes a little bit further than that. I think that if Sir William were to say that "as soon as a uniform system can be arrived at, to be approved by the Board of Trade as representing the different outlying portions of the British Empire," so that we might have the same class of instrument on board all ships. If we express a desire that there should be a uniformity of system in our different countries to enable one to communicate with the other, then I think we shall be doing the right thing.

THE CHAIRMAN: What would it mean from the point of view of expense?

SIR WILLIAM LYNE: It is not a very expensive thing.

SIR JOSEPH WARD: A good set of instruments for ship use costs, I understand, about £700.

THE CHAIRMAN: It depends on the royalties.

SIR JOSEPH WARD: And the length you want it to carry messages. We had a three or four hundred mile set of Marconi instruments when I crossed the Atlantic to America last July. We sent messages to other ships, and they passed them on to the mainland, and it was most satisfactorily done. However, I think it is the proper thing to do.

HON. DUGALD THOMSON: Wouldn't a provision of this sort meet the case: "That the desirability of the provision on board ship, especially those carrying passengers, of an apparatus for transmitting messages by means of wireless telegraphy should be taken into consideration by the Board of Trade and the Australian and New Zealand Governments." I may say that Australia has not, and I don't think New Zealand has, any means of receiving messages.

SIR JOSEPH WARD: I will suggest Sir William adds, "As soon as a uniform system is approved by the Board of Trade."

HON. DUGALD THOMSON: Then we have this—"of over 5,000 tons gross." We have nothing to go on.

MR. PEMBROKE: I think it is desirable that we should have a uniform system.

MR. ANDERSON: Don't you think it is a mistake to force the pace in the matter? It can safely be left to competition.

SIR WILLIAM LYNE: I think it is a good thing to get an expression of the feeling of this Conference.

MR. DUNLOP: I think you have an exaggerated idea of the value of this so far as life is concerned. A ship was lost the other day, but she had all these appliances on board. I think, from a life-saving point of view, the advantage is very small.

SIR JOSEPH WARD: There was a case occurred the other day where, as a result of being able to communicate by means of wireless telegraphy, the ship was saved. Its value is undeniable, and if the words I have suggested were added there would be no objection to it.

MR. PEMBROKE: At present it is only used for the amusement of passengers.

MR. MILLS: Speaking as a shipowner, I should say there is no doubt that this motion of Sir William Lyne is in the right direction, but I think it is rather premature to attempt to lay down any law. Shipowners will all adopt the appliance as soon as ever it is commercially possible, but meanwhile it is not ripe yet. To pass that resolution to bring it in force at once would place us entirely in the hands of one particular maker, and that

would be very undesirable. I have seen a good deal of the use of wireless telegraphy on the Atlantic steamers, and so far as I have observed it is merely an amusement for passengers—Americans especially—who want to know how a favourite dog is getting on, and various other little domestic matters. But at present it is not of much practical use. I think Mr. Thompson's suggestion is the best.

HON. W. M. HUGHES: There should be uniformity.

MR. LLEWELLYN SMITH: What do you mean by uniformity?

HON. W. M. HUGHES: I mean the same system is installed on all ships.

MR. LLEWELLYN SMITH: The line on which people have been advancing is to make all systems interchangeable rather than uniform.

THE CHAIRMAN: Well, this has been moved by Mr. Dugald Thomson. It is substantially the result of what has transpired: "That the desirability of the provision on board ships carrying passengers of an apparatus for transmitting messages by means of wireless telegraphy should be taken into consideration by the Board of Trade and the Australian and New Zealand Governments."

HON. W. M. HUGHES: I think we should recommend that adoption of the same or an interchangeable system seems very desirable.

THE CHAIRMAN: We have a Convention on that subject. It is under consideration now.

MR. COX: There was a Congress in Berlin. (*The resolution was then agreed to.*)

THE CHAIRMAN: Now No. 9.

SIR WILLIAM LYNE: The resolution is: "That third class engineers having sea-service, on passing a practical examination, be permitted to qualify for higher grade certificates." I was approached by engineers in Australia before I left with reference to this matter, and it was considered in those cases where third-class engineers have had the necessary experience and have had full technical knowledge they should not be debarred from proceeding to the higher grade because they have not complied with the technical requirements of the regulations. That was what was laid before me by engineers in Australia before I left. The technical regulations require them to go through a certain grade. We have provisions at the present time, and I do not know whether you have.

THE CHAIRMAN: We have no third-class, as I understand.

HON. DUGALD THOMSON: That resolution of the report really applies to Australian waters only.

HON. W. M. HUGHES: We have nothing to do with that.

MR. MILLS: Don't the provisions of the New Zealand Act meet the case?

SIR WILLIAM LYNE: That's the very point. There are also provisions in some of the State Acts in Victoria that a man must go to sea for a certain time during that period.

MR. MILLS: Not for a third engineer.

HON. DUGALD THOMSON: The difference is this, that providing he could get his second engineer's certificate, he must have been on watch.

SIR WILLIAM LYNE: Yes.

HON. W. M. HUGHES: Perhaps I might be permitted to explain just what the injustice is. Under our Local Act, a third-class engineer can never become a second-class engineer. By the law of the country he is limited, and by the Board of Trade amended regulations, particularly, he is restricted to employment upon a certain horsepower ship, and within a certain radius. A second-class engineer, on the other hand, must have been an engineer on the watch for a certain length of time before he can present himself for examination. Very well; you see a third-class engineer can never do that, because by our law

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he is prevented from going on a ship with a sufficient horse-power to qualify him for attending the examination for the second-class.

**THE CHAIRMAN** : This is a purely local matter, and I do not see what on earth we have to do with it.

**HON. W. M. HUGHES** : The only point is this, it is local, and yet it is general in so far as this, that your regulations have placed our men in a very much worse position than formerly. Formerly they could get from one grade to the other providing they had the skill. Now no skill in the world will pull them through.

**MR. PEMBROKE** : Send them over here.

**HON. W. M. HUGHES** . If you will give me a list of how many you want and what you will pay them, I will send them.

**MR. HISLOP** : There is no difficulty in New Zealand. In the engineering company of which Mr. Mills is the managing director, they have no certificate at all. As they get on they are allowed to sit for their examinations. They start as third engineers, put in twelve months, and then pass to second, and there is no difficulty about it.

**THE CHAIRMAN** : All that is required is that the Commonwealth should alter its law to conform to yours.

**HON. W. M. HUGHES** : I should like the Board of Trade to take this into consideration. They have made their alterations in the regulations, but they should not make it apply to those persons who will be prejudiced by the change, but allow all those who have held third-class prior to the amended regulations of 1902 to come up under the old regulations, and then a great deal of trouble would be avoided.

**THE CHAIRMAN** : We might consider that.

**MR. HISLOP** : I should like to say, for the information of Mr. Hughes, we are under a little bit of disadvantage in New Zealand on account of the 66 h.p. for the second-class and 99 h.p. for the first-class. Captain Chalmers says, if New Zealand will represent the matter to the Board of Trade under special conditions, the 66 h.p. will not be insisted upon. Our examiners stick closely to the letter of the law. Captain Chalmers tells me, where it is shown an engineer is competent to pass, they will waive that. I was proposing to ask Sir Joseph Ward to make the representation to the Board of Trade.

**HON. W. M. HUGHES** : Perhaps Captain Chalmers will supply me with the information, officially?

**CAPTAIN CHALMERS** : I said if a case were presented to us where special merits justified an exception, we would waive the rule, but I am bound to say very few cases come where special merits do enable us to do so. You give a third-class certificate to a man who has never been to sea, absolutely had no sea-service, and you put him in the position of a watch-keeping officer, and then after he has served twelve months in a vessel under 66 h.p., you want him to be a second-class engineer. We say that is wrong, and for this reason : under 66 h.p. the qualifications are very small for second-class certificates, and the moment you give him a second-class certificate you make him eligible to go as second engineer on the biggest boat in the world. We say that should not be. A man who has been on a 50 h.p. boat is absolutely unfit to have charge of one of 4,000 h.p.

**HON. W. M. HUGHES** : I would be very glad if you would supply me with a formal statement with regard to that.

**SIR JOSEPH WARD** : I would be only too glad to consider sending to the Board of Trade cases where special merits warrant their being sent, and I hope any case we submit will be recognised.

**SIR WILLIAM LYNE** : Mr. President, you have asked us to accept as far as we possibly can anything you do. Now, supposing you pass legislation which will leave an inequality such as will prevent our man, as described by Mr. Hughes, from rising from third-class engineer, will the Board of Trade here recognise what we do?

**CAPTAIN CHALMERS** : We could not recognise your second-class certificate. If a second-class engineer came with your certificate which allowed him before he had had twelve months' experience—

**SIR WILLIAM LYNE** : We do not ask that. Our resolution says "third-class engineers having sea-service."

**CAPTAIN CHALMERS** : Well, but sea-service in the necessary power boat.

**SIR WILLIAM LYNE** : Our coasting men know more about the sea than those who have gone through the position you have described, because we have a great sea-service along our coast, and those men are in a very unfortunate position at the present time, and I want to be able to relieve them.

**THE CHAIRMAN** : Safety of life comes in here.

**SIR WILLIAM LYNE** : We always look after that first.

**HON. W. M. HUGHES** : I may say this, that these men are very competent and are employed in long voyages on non-passenger ships. All we want is practically for you to allow those to qualify who were in possession of those third-class certificates and were just going up for examination when your new regulations stopped them.

**MR. HISLOP** : There was about two years' notice of these new regulations.

**THE CHAIRMAN** : We will see what can be done to meet the case.

**SIR WILLIAM LYNE** : Will that be allowed to be considered later on?

**THE CHAIRMAN** : Captain Chalmers will consider it, and we will tell the Conference later on what answer we give. Before we come to the resolution for the Imperial delegation I think we might settle when we shall adjourn to. I am told Friday is the only day.

**MR. COX** : Friday morning. The Colonial Conference sits on Friday afternoon.

**THE CHAIRMAN** : I think we might dispose of the rest of the business in a day.

**MR. MILLS** : I propose, with a view to shorten the proceedings, that no one be allowed to speak more than once on a given motion.

**MR. BELCHER** : I should like to give notice of motion :—"That this Conference recognise that the Merchant Shipping and Seamen's Act of Great Britain and the various self-governing colonies be amended so as to "exclude from seamen's certificates of discharge any "reference to the character or ability of the person to "whom such form of discharge is issued; all discharges "to be a record of service only. That certificates of competency be issued to all persons employed on board ship "for the respective grades occupied; the production of "such certificate to any shipping officer to be sufficient "guarantee of the man's competency and his right to ship "in the capacity set forth on the certificate."

**THE CHAIRMAN** : That is raising an absolutely new issue, and I think we have ruled since the last meeting that there should be no new motions.

**MR. HAVELOCK WILSON** : I would suggest that Mr. Belcher be allowed to put it on record upon the understanding that he cannot discuss it.

**HON. DUGALD THOMSON** : I am holding back a number of my motions for that reason.

**MR. HAVELOCK WILSON** : May I just say a word in respect to that notice of motion of Mr. Belcher's? I think it is a very important question, because it affects the whole of the Empire.

**THE CHAIRMAN** : If it was so important, notice of motion ought to have been given at least a week ago.

(The Conference was adjourned till Monday, 29th April.)



## EIGHTH DAY.

Monday, 29th April, 1907.

The following were present :—

Right Hon. D. LLOYD GEORGE, M.P., *Chairman.*

*United Kingdom Delegates.*

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| Mr. H. LLEWELLYN SMITH, C.B. }<br>Mr. WALTER J. HOWELL, C.B. } Of the Board of<br>Mr. R. ELLIS CUNLIFFE,        } Trade.<br>Captain A. J. G. CHALMERS,    }<br>Mr. H. BERTRAM COX, C.B. of the Colonial Office. | } | Mr. E. PEMBROKE,<br>Mr. K. ANDERSON,<br>Mr. H. F. FERNIE,<br>Mr. ROBERT J. DUNLOP,<br>Mr. NORMAN HILL,<br>Mr. J. HAVELOCK WILSON, M.P., Seamen. |
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*Australian Delegates.*

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| Hon. Sir W. J. LYNE, K.C.M.G.<br>Hon. W. M. HUGHES. |  | Hon. DUGALD THOMSON. |
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Dr. H. N. WOLLASTON, LL.D., I.S.O., of the Australian Commonwealth Department of Trade and Customs, was also in attendance.

*New Zealand Delegates.*

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| Hon. Sir JOSEPH WARD, K.C.M.G.<br>Mr. JAMES MILLS. |  | Mr. WILLIAM BELCHER.<br>Mr. A. R. HISLOP. |
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Dr. FITCHETT, Solicitor-General of New Zealand, was also in attendance.

*Secretaries.*

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| Mr. J. A. WEBSTER, } Of the Board of Trade<br>Mr. G. E. BAKER.    } |  | Mr. J. HISLOP, Private Secretary to Sir J. Ward.<br>Mr. D. J. QUINN, Private Secretary to Sir W. Lyne. |
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### AGENDA.

I. Resolutions submitted by the Imperial Delegation :—

- (1.) That it be recommended to the Australian and New Zealand Governments in any future Merchant Shipping legislation to insert an express provision safeguarding the obligations imposed by any Treaties which are now binding on Australian and New Zealand respectively or to which they may hereafter adhere.
- (2.) That all resolutions adopted by this Conference are understood to be without prejudice to the decision of any legal questions involved.
- (3.) That the obligations imposed by Australian or New Zealand law on shipping registered in the United Kingdom should not be more onerous than those imposed on the shipping of any foreign country.
- (4.) That, with a view to uniformity, it be a suggestion to the Australian and New Zealand ministers that in exercising any powers conferred on them by legislation to make regulations with regard to matters affecting Merchant Shipping they should have regard to the corresponding provisions of the Imperial Merchant Shipping Acts, or regulations made thereunder, so far as circumstances permit; and that at least three months' notice should be given before any such regulations come into force.
- (5.) That it be a recommendation to the Australian and New Zealand Governments that if conditions are imposed by local law on vessels incidentally engaged in the Coasting Trade in the course of an oversea voyage, care should be taken that these conditions should not be such as to handicap these vessels in their trade.

II. Resolution submitted by Sir Joseph Ward :—

That the Imperial and Colonial Governments concerned be requested to introduce legislation to give effect to the resolutions of the Conference in cases where legislation is necessary.

III. Resolutions submitted by Mr. Hughes :—

- (1.) That it be a suggestion to the Board of Trade to take into immediate consideration the necessity of including in the regulations for examination for officers the following subjects directly relating to navigation :—
  - The practice and theory of plane and spherical trigonometry.
  - Geometry.
  - Geography, hydrography, and meteorology.
  - Naval architecture and the structure of vessels.
 The addition of the following subjects to examination on general knowledge :—
  - The English language—Grammar and composition.
  - A knowledge of at least one foreign language.
- (2.) That it be a recommendation to the Board of Trade that all vessels should be sufficiently staffed with officers to enable the principle of four hours on watch and eight off being rigidly adhered to. In vessels of small tonnage the regulations should provide that the master should keep a sea-watch of eight hours out of every twenty-four.

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SIR WILLIAM LYNE: Mr. President, I suppose Sir Joseph Ward will be here presently, but I am going to move an amendment to the first resolution, and also to some of the others—the fourth and the last.

THE CHAIRMAN: Have you a copy of your amendment, Sir William.

SIR WILLIAM LYNE: Yes, I am going to propose striking out all the words "obligations imposed by any Treaties which are now binding on Australia and New Zealand respectively, or to which they may hereafter adhere," and inserting other words so that it will read: "That it be recommended to the Australian and New Zealand Governments in any future merchant shipping legislation to insert an express provision safeguarding the possibility of any interference by any Treaty rights, unless those rights have been expressly concurred in by the Colonies."

MR. COX: That is the position now.

SIR WILLIAM LYNE: What position does the resolution take up?

THE CHAIRMAN: I think we cannot get on with that before Sir Joseph Ward comes; but perhaps we might get on with Mr. Hughes's resolutions.

HON. W. M. HUGHES: Would you let me make a prefatory remark in reference to a matter which calls for some notice?

THE CHAIRMAN: What I am suggesting now is—Sir Joseph Ward is not here, and therefore it is rather awkward to deal with the resolution affecting the treaties regarding New Zealand in his absence—so I was going to suggest you should move your resolution now.

HON. W. M. HUGHES: The resolution is: "That it be a suggestion to the Board of Trade to take into immediate consideration the necessity of including in the regulations for examination for officers the following subjects directly relating to navigation: The practice and theory of plain and spherical trigonometry, geometry, geography and meteorology, naval architecture, and the structure of vessels. The addition of the following subjects to examination on general knowledge. The English language, grammar and composition, a knowledge of at least one foreign language." Well, Mr. President, these resolutions have been suggested to me by the Merchant Service Guild of Australia, and they have for their object the raising of the status of officers, and incidentally by raising the standard of examinations, and including English grammar and composition, making that essential, to confine it as far as possible to persons who speak the English language fluently. Practically, of course, the tendency will be to confine it purely to British subjects. Well, now, as far as that phase of it is concerned, I most emphatically declare that it is a most necessary reform. Your own legislation recently passed has done something in that direction. The expression of opinion now made in all directions is to the effect that it is a very desirable thing that British ships should be manned by British officers and British seamen. I understand that the examination in other respects to which officers have to submit themselves to obtain certificates is not at all difficult. It ought to be made more difficult for the purpose of insuring a good class of man coming up and a good class of man being employed. Of course, I know very well that nothing that here can be said or done will really affect the position until some increase in the remuneration to officers is made. I suppose everybody here knows the conditions under which officers work; but when you come to consider that a man gives five years of his time practically for nothing, that he spends a good deal of money in addition to that, and that he may, if he is fortunate, then get £5 a month or five guineas, or if he is taken on a mail steamer he will get, after he has been perhaps sixteen years at sea, and holds an extra master's certificate, £6 a month—I realise however that we cannot do anything here to remedy this state of things, but we may do something by amending the syllabus, to insure that those who have certificates are quite competent men, because there is no sort of doubt at all, that the low rate of remuneration does tend to exclude a very large number of desirable men, and to divert them to other channels of employment, and that therefore there is a very great danger of men getting certificates who are not so competent as they should be. I move this resolution standing in my name, and I should like to hear from Captain Chalmers, who knows this from the stand-

point of an expert, whether he has any objection to urge against it.

CAPTAIN CHALMERS: The view of the department has always been that as this is a compulsory certificate by statute, the examination should be confined as far as possible to securing that the man is fit to fulfil the duties of a master in the Merchant Service, the duties being to navigate ships to and fro safely and to do the ship's business. The consequence is, the standard has been designedly kept at a minimum and raised from time to time so as not to shut out those men who, being otherwise good seamen, came in with a very small education and worked their way up to the quarter deck. But with regard to the first subject you mention, the practice and theory of plane and spherical trigonometry, that, however desirable it may be from an educational point of view, unnecessary for a man navigating a ship. The difficult problems in nautical astronomy and navigation can be worked out and are worked out, with absolute precision by means of tables of logarithms which have been produced from the first principles of spherical trigonometry, and therefore, when a man takes an observation at sea he does not require to construct his problem; he only requires an intimate knowledge of the formulæ and the mathematical tables with which he has to deal, and he is able to work out every problem to within a mile of a correct solution. So that if you add these subjects, you will absolutely bar all those men who have had an elementary education, and who have come in through the fore-castle, because after a man gets to about 20 or 21, you cannot teach him satisfactorily spherical trigonometry; you must begin with a lad of 12 or 13. The point is the problems are all satisfactorily worked out and with absolute precision by means of calculation. With regard to geometry, that has mostly to do with land surveying. That is a matter not at all required for a shipmaster, and we have never had it submitted to us before.

HON. W. M. HUGHES: What do you mean by geometry?

CAPTAIN CHALMERS: Land measurement. Do you mean Euclid, Mr. Hughes?

HON. W. M. HUGHES: No, I do not.

CAPTAIN CHALMERS: You mean geometry pure and simple.

HON. W. M. HUGHES: Why is it not needed?

CAPTAIN CHALMERS: Because a shipmaster does not require to go ashore and survey. Geometry is all very well for a surveyor or a man to go out to Africa and fix the position of different places by means of triangulation, but a shipmaster does his work by nautical astronomy.

HON. W. M. HUGHES: I have not sufficient technical knowledge to know whether geometry is required; however, geography is.

CAPTAIN CHALMERS: You don't say whether you mean political or physical geography or commercial.

HON. W. M. HUGHES: I mean that kind of geography which it is desirable for him to know.

CAPTAIN CHALMERS: That is physical geography. That is sufficiently tested.

HON. W. M. HUGHES: We do not want our ships manned by politicians.

CAPTAIN CHALMERS: The shipmasters' knowledge of physical geography is sufficiently tested by the *viva voce* examination. We question him with regard to winds and currents.

HON. W. M. HUGHES: I suppose that does include a knowledge of climatic conditions and currents and all that sort of thing?

CAPTAIN CHALMERS: Oh, yes. Hydrography is a special subject which has to do with the plotting out of the configuration of land and sea with soundings and drawing a chart from it. Cartography is one of the branches of it, but as every shipmaster is compelled to use Admiralty charts, it would be useless to make him compile a chart for himself.

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HON. W. M. HUGHES: I see; the things he is not called upon to do are rather formidable.

CAPTAIN CHALMERS: The results have proved not. We are carrying our Mercantile Marine on in 20,760 bottoms or thereabout, each commanded by a master, and the result in losses is so small that we never hope to get a better result. Then his knowledge of meteorology is sufficiently tested in this way: that we examine in the theory, construction, and use of the barometer and thermometer, both aneroid and mercury column. He has to explain how a thermometer is constructed, and the theory upon which it is constructed, and the barometer also; he has to tell what the various indications forecast. If it ceases to fall suddenly, and begins to rise, he has to tell you what that means.

HON. W. M. HUGHES: If he knows how a barometer is constructed, that won't help him. The man that makes it needs that. Meteorology, as far as I understand it, means an acquaintance with some of those facts that enable a man to foretell changes of weather.

CAPTAIN CHALMERS: Those facts cannot be determined without the observation of the barometer and thermometer. Then he is examined in the use and practice of observation of both the thermometer and barometer.

HON. W. M. HUGHES: Is he examined in deductions from these observations?

CAPTAIN CHALMERS: Yes. Naval architecture, we put that in our first-class examination—an intimate knowledge—but every candidate from the second mate up has to show sufficient knowledge of the construction of a ship, to be able to describe how the vessel is divided into compartments, the position of the ballast tanks, and everything connected with them. He has to have an intimate knowledge with the bottom of the ship; the upper decks we do not trouble about till it comes to first-class extra. The English language, grammar and composition are sufficiently tested by means of a dictation paper which lasts a quarter of an hour.

HON. W. M. HUGHES: What is that?

CAPTAIN CHALMERS: A dictation paper.

HON. W. M. HUGHES: Lasts how long?

CAPTAIN CHALMERS: 15 minutes; and he has to write definitions and explanations of all the various astronomical terms, a great many of which the average layman has never heard of.

HON. W. M. HUGHES: In a quarter of an hour?

CAPTAIN CHALMERS: No. The composition and grammar are tested by means of him having to write definitions and explanations of all the various geographical and astronomical terms which are in use, such as equinoctial, solstice, horizontal parallax—all these terms which the average layman knows nothing about. His spelling has to be correct, and his grammar has to be correct, so we consider that fairly tests his knowledge of English grammar and composition. With regard to the foreign language, we think that is not required.

MR. HAVELOCK WILSON: Not while they carry crews of about seven or eight different nationalities who cannot speak English?

CAPTAIN CHALMERS: As a matter of fact, the master of a big foreign ship does as a rule speak more than one language.

MR. HAVELOCK WILSON: He ought to speak a dozen.

MR. FERNIE: But under the new Act the sailors will have to understand the English language.

THE CHAIRMAN: We are remedying that.

MR. DUNLOP: Might I say one word in answer to Mr. Hughes's remark regarding the lad who goes to sea? I should say those remarks exactly apply to most lads on land, because anyone who has a son, after he has finished school must know that it costs him a great deal after he has finished his apprenticeship on land. If then he gets £30 or £40 a year on land, he does very well; whereas there is no employment in which he is less dependent upon paternal care than at sea. When he has finished his

apprenticeship he gets, to take Mr. Hughes's own figures, five guineas a month; he is housed and fed. Can you tell me of any lad who, after four years' apprenticeship on land, gets a payment proportionate to that? I think there is no life for a young man that gives him a better chance of capitalising than going to sea in the marine service, where he needs to spend so little; he is entirely kept and fed.

THE CHAIRMAN: Mr. Hughes, are you fairly satisfied with Captain Chalmers's answer?

HON. W. M. HUGHES: I put my resolution forward, and Captain Chalmers seems to consider that the present examination is sufficient. I do not agree with him; but as I am not in a position to discuss the matter with that technical knowledge necessary, I can do no more than let it stand there. If you like, I will move my next resolution.

THE CHAIRMAN: That is a different point altogether. Now I think we can get back to Resolution 1.

HON. W. M. HUGHES: It was on that I wanted to say a word. The agenda says, "Resolutions submitted by 'the Imperial Delegation.'" Now, there are no resolutions submitted by the Imperial Delegation, because there is no Imperial Delegation. There is a delegation representing the British Government; there is a delegation representing the Commonwealth Government of Australia; and there is a delegation representing the New Zealand Government; but an Imperial Delegation would be a delegation representing the whole Empire; and therefore while it is immaterial, still I do not know why this word "Imperial" gets in. Why not say British Delegation?

THE CHAIRMAN: British Delegation.

MR. COX: Why not Board of Trade representatives?

MR. LLEWELLYN SMITH: It need not appear on the notes, anyhow.

HON. W. M. HUGHES: I have nothing to do with that.

MR. LLEWELLYN SMITH: Mr. President, Resolution 1 won't need more than a word or two from me. There is no question, of course, among us as to the sanctity and binding force of treaties. The object of submitting any resolution bearing on this subject—

HON. W. M. HUGHES: What did you say, no doubt about the binding force of treaties?

MR. LLEWELLYN SMITH: I mean if a treaty is binding, it has to be observed.

HON. W. M. HUGHES: Binding upon whom?

MR. LLEWELLYN SMITH: Well, if it is binding on the Australian Commonwealth, for example.

HON. W. M. HUGHES: What, a treaty entered into by you?

MR. LLEWELLYN SMITH: I say if a treaty is binding upon the Australian Commonwealth, there is no doubt it has to be observed; it goes without saying.

HON. W. M. HUGHES: Don't say it goes without saying; there would be a lot to be said about that.

MR. COX: Not if Australia has adhered to it.

HON. W. M. HUGHES: Certainly; it is binding if it expressly mentions us, or if we agree.

MR. COX: That is all that is meant.

MR. LLEWELLYN SMITH: The only criticism that I could conceive that might be made upon this resolution is that it might be suggested that it was for the Home Government, when a Bill came for the Crown to assent, to detect if there was any conflict with any treaty, and to disallow it if that was discovered. But this is a very cumbrous, sometimes rather an irritating way of carrying on business. It involves a great delay, and if Bills carried provisions within them which safeguard treaty obligations in terms, it would often avoid delay which might postpone or prevent the bringing into force of a great number of very valuable provisions. If you take a great Bill like a Navigation Bill with several hundred clauses, there might lurk in one of those clauses, or possibly not in a clause at all, but in regulations that might be made under that

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Act, the possibility of some conflict. It is a very difficult thing for any Government to advise disallowance for such a thing as that, and we merely suggest that the way might be smoothed if there were provisions in the Bill safeguarding treaty rights. Sir William Lyne suggested words safeguarding the possibility of any interference by any treaty rights unless those treaties had been expressly concurred in by the Colonies. Mr. Bertram Cox represents the department which deals with those things, and he will deal with that, but it is an understood thing that no treaties are made or will be made—commercial and navigating treaties—purporting to apply to self-governing Colonies without their voluntary adherence to them.

SIR WILLIAM LYNE: This will have a far more reaching effect than it has now. We have already a dispute with the Imperial Government on this very point, and if this is carried—

MR. COX: What is that?

SIR WILLIAM LYNE: That is with regard to the British preference. That is the very thing that is being disputed now, and if you pass this, it certainly weakens our position. We hold that there are no treaty rights that should interfere with that.

MR. COX: May I say what the position of things is at the present moment. A rule has been laid down for some years that when any treaty is made between Great Britain and a foreign power, a clause is put in to the effect that this treaty shall not bind any Colony in any way whatever unless that Colony separately adheres to it; and that when the Colony has separately adhered to it, it may independently terminate it if it thinks fit by giving twelve months' notice.

HON. W. M. HUGHES: Is that put in.

MR. COX: That is a clause we now put into every treaty, and helps us a great deal. These negotiations have to be carried on with great rapidity, and there is not time to consult, and if you do it takes a long time, and therefore it would help a Colony.

SIR WILLIAM LYNE: A telegram is pretty rapid.

MR. COX: But if you are engaged on a commercial treaty it takes more than a few hours; it takes a few months. Now I do not see how any Colony in the world can object to the provision that no Colony need come in unless she likes, or that she can go out when she likes. If the law and the treaty conflict, it is the law that prevails. You may have a treaty which the law won't allow you to enforce; consequently, in times past when we have sent out a treaty to which Australia has adhered, we have called their attention to this fact: Saying in effect that His Majesty's Government would ask your Ministers to consider whether the law of the Colony allows this treaty to be carried into effect with a view of amending the law, if it does not it is understood that if a person willingly contracts to do anything, he ought not to put it out of his powers to carry that into effect. Therefore, it does not seem to me that any difficulty is raised by putting a provision in the law which has been put in in Newfoundland and New Zealand, to the effect that this Act shall be so constructed as not to infringe any treaty rights.

SIR WILLIAM LYNE: Is that in the New Zealand Act?

MR. COX: I am not certain about New Zealand; I am pretty certain about Newfoundland, because I had to consider the Newfoundland Act with regard to Fisheries. The French and Americans have treaty rights in Newfoundland, and therefore they put in that the Act shall not interfere with treaty rights. That saves the situation; it saves a foreign power, when they ask to be given their treaty rights, from somebody getting up and saying the law does not allow it.

SIR WILLIAM LYNE: The law does not allow what?

MR. COX: Does not allow the treaty to be carried into effect. If you bind yourself by a treaty and the law of your country does not allow that treaty to be carried out, it is the law that prevails, not the treaty.

SIR WILLIAM LYNE: I do not quite clearly see the position. You at the present time exercise rights; we protest against that. If you put it into a Bill, how does that

alter the position at all, except it is a kind of tacit agreement by us as to the right of your interfering.

MR. COX: We do not wish to interfere at all. Supposing Australia has willingly agreed to a treaty; supposing Australia has done that, and the law of Australia does not permit Australia to fulfil its obligations under the treaty, is Australia prepared to alter its law?

SIR WILLIAM LYNE: There is no necessity.

MR. COX: These alterations cannot alter the law.

SIR WILLIAM LYNE: In future we won't be bound by any law we have not concurred in. It goes a long way further than that.

HON. W. M. HUGHES: What Mr. Cox says does not go further than that.

SIR WILLIAM LYNE: I beg your pardon, it goes a great deal further. It will come up to-morrow or the next day; it will come up on this very point.

MR. COX: I don't mind if it does. I want to be allowed to explain what this resolution means. What I say is, that it has been laid down by the Courts in this country, and there is not the slightest doubt in my mind the Australian Judges would follow the same rule because it is common sense.

SIR JOSEPH WARD: To meet Sir William Lyne I think you want to alter it slightly. Say, "That it be recommended to the Australian and New Zealand Governments that in any future Merchants Shipping legislation to insert an express provision safeguarding the obligations imposed by any treaties to which they have adhered," and stop there.

MR. COX: Quite so; that is all we want.

SIR WILLIAM LYNE: I do not see the necessity for it.

SIR JOSEPH WARD: The point, I take it, is this, if, as Mr. Bertram Cox has said, in all future treaties there is to be a clause saying that this treaty shall not bind in any way whatever unless that Colony separately adhered to it, well and good; but if there are now treaties in existence to which we have adhered, it is only right that the continuous adherence should be provided for.

SIR WILLIAM LYNE: I don't want any resolution to be passed which would have the effect of interfering with our position regarding treaties of the past.

SIR JOSEPH WARD: This does not.

THE CHAIRMAN: Surely, if you have adhered to them—it is only a provision which we are putting into our own Patent Bill which we are passing through the House of Commons, that nothing shall interfere with any treaty obligations. That is really all we want.

MR. COX: I am quite prepared to alter it.

SIR WILLIAM LYNE: What is the difference between that and mine. I propose to strike out certain words and put in others, so that it would read: "An express provision safeguarding the Colonies from the possibility of any interference by any treaty rights unless those rights have been expressly concurred in."

MR. COX: Sir Joseph Ward's puts the resolution in the same way. May I point out that I think Sir William Lyne is unduly suspicious on this point. There were two treaties when Canada was giving this country a preference, there were two treaties with Germany and Belgium which stood in the way, and the British Government at once denounced those treaties. You cannot say this country stood in the way, and you cannot say, having regard to that provision, that this country does not recognise the right of every Colony to come into a treaty when it likes and go out when it likes. You must give them perfect freedom to come in and go out when they like, and what we do when we negotiate a treaty is this, we send out and say, "Here is this treaty, do you want to come in?" Some Colonies say "Yes," a great many say "No."

HON. W. M. HUGHES: Can you give us that clause.

MR. COX: I can give you a copy. It was a clause for which I am myself in some degree responsible for pressing on the Foreign Office, because it saves everybody's rights.

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and saves a lot of time and trouble. You can come in at any time, and go out at any time. You have an opportunity of trying it, and if you don't like it you can go out. But it keeps the Colonies and Great Britain entirely separate.

SIR WILLIAM LYNE: I don't think so. I really cannot agree with Mr. Cox on that.

HON. W. M. HUGHES: What do you apprehend is the danger?

SIR WILLIAM LYNE: The danger so far as this is concerned is, it will have a moral, if not a legal, effect upon past treaties with which this is going to interfere.

HON. W. M. HUGHES: There is only one way a treaty can be accepted by Australia, and that is after discussion of the terms of the treaty by the Parliament of that country. Very well, if the Parliament of the country having discussed the terms of the treaty in the same way that they discuss anything else, affirm it is a desirable thing to come in, they can come in, and if they do not like it, they can go out after 12 months by giving notice. I don't see that it is any difference from any other legislation, except that it can be repealed by just a formal notice.

MR. COX: You ask the Foreign Office to give notice, and in 12 months it is all over.

HON. DUGALD THOMSON: One point Sir William Lyne does not seem to see in this matter is that it is only a request, where Australia has adhered to a treaty, that there should be a provision in their Act of Parliament enabling that adherence to be carried into effect, which cannot now be done if any of their laws are adverse to that treaty.

SIR JOSEPH WARD: I am quite clear in my opinion upon this point. I prefer to see the resolution carried, because it distinctly states that a colony is not to be bound to any treaty to which it has not adhered, and I think it is very important we should carry it.

SIR WILLIAM LYNE: We have passed a resolution already, that the Colonies are not to be bound by any treaty they do not agree to; then what is the necessity for this at all?

MR. COX: It is what we may call a rider.

SIR JOSEPH WARD: We do not do any harm by saying we do not object to those treaties. We have the right by our legislation to legislate out of those treaties.

SIR WILLIAM LYNE: I am absolutely opposed to it, and I will ask to press my amendment because it is going to interfere with the very thing we are fighting with the British Government for. Here is the Act, and the British Government have informed us that it is an infringement of the treaty, and we say it is not; and we are going to make our representations to the British Government. I find it does interfere with Morocco. Well, I think Morocco should not stand in the way of our legislation.

HON. DUGALD THOMSON: You were against the very point you are sticking for.

HON. W. M. HUGHES: It says, "to which they may hereafter adhere." It does not apply to every treaty.

SIR WILLIAM LYNE: I say we have every provision for putting into our law, according to a resolution already passed, the provisions under which we are going to make an arrangement with the Imperial Government, and why load that with anything more at the present time? I think this goes a great deal further, and I must be allowed to give my opinion.

HON. W. M. HUGHES: You ought to give a good reason. I must be allowed to have my opinion, too.

SIR WILLIAM LYNE: You are quite welcome to have it.

THE CHAIRMAN: I think we can accept Sir Joseph Ward's suggestion.

SIR WILLIAM LYNE: But I have given notice of an amendment. I feel very strongly on this matter. It is the same as Sir Joseph Ward's.

SIR JOSEPH WARD: May I say Sir William Lyne's view would be quite right in my opinion—

HON. W. M. HUGHES: Say in which they have concurred, which is practically the same.

SIR JOSEPH WARD: It is the same as mine.

MR. COX: It is the usual phrase "adhered."

SIR WILLIAM LYNE: New Zealand is in our position.

HON. DUGALD THOMSON: It does not affect the dispute.

SIR JOSEPH WARD: I want to say that upon one point referred to by Sir William Lyne in reference to the former resolutions, he would be right if those resolutions suggested that legislation should be introduced to give effect to the resolutions, but nothing of the kind has been suggested, so that that point referred to by Sir William Lyne and its application to this does not, in my opinion, hold.

SIR WILLIAM LYNE: What right has this Conference to say we are going to put any resolution into effect?

SIR JOSEPH WARD: I think we ought to put this resolution on the Statute Book for the reason I have given. We are adhering to some of the treaties, and we want to have an express provision safeguarding any treaties to which we have adhered. If we wanted to object we should have done so by special despatch. We have not objected. So I conclude we want them in operation, otherwise we would have rejected them. Now we cannot do any harm by saying that so long as it is treaties to which we have adhered. If we put that in, we cannot do the slightest harm, and it is not going to affect the matter one way or the other. It won't do Sir William Lyne either good or harm in that respect. But I want to be sure that we are not going to be asked to give effect to treaties we have not adhered to.

MR. COX: Certainly not.

THE CHAIRMAN: The form of your resolution will make it clear. I will put it in the form amended by Sir Joseph Ward.

SIR WILLIAM LYNE: I object to that. I ask to have my resolution put.

THE CHAIRMAN: If you don't mind, I have to put the resolution first of all. I will read the resolution as it is proposed to the meeting, and then I will read the amendment.

SIR WILLIAM LYNE: My amendment. I submitted it as soon as I came in.

THE CHAIRMAN: You moved it as an amendment.

SIR JOSEPH WARD: I move it as an amendment.

THE CHAIRMAN: I will read the resolution of the British Delegation:—"That it be recommended to the Australian and New Zealand Governments in any future Merchant Shipping legislation to insert an express provision safeguarding the obligations imposed by any treaties to which they have adhered." To that Sir William Lyne has moved an amendment.

SIR WILLIAM LYNE: I moved the original resolution before that was submitted. I don't know why I am to be cut out in this way. I moved an amendment on your resolution first, and if Sir Joseph Ward is going to bring in an amendment he should come after me. I moved the original, and you are putting Sir Joseph Ward's first.

THE CHAIRMAN: We have accepted his amendment.

SIR WILLIAM LYNE: That does not matter.

THE CHAIRMAN: Very well, I will put your amendment. Your amendment is this, to leave out all the words after "safeguarding the" to the end in order to insert the words "possibility of any interference by any treaty rights unless those rights have been expressly concurred in by the Colonies."

HON. W. M. HUGHES: I want to strike out all the words after the word "treaties" and insert the words "in which they may concur."

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THE CHAIRMAN: That will come afterwards. I now put Sir William Lyne's amendment.

(The Chairman then put the amendment to the meeting, but it was not carried.)

THE CHAIRMAN: Now I put our resolution in the form suggested by Sir Joseph Ward, and Mr. Hughes moves an amendment to leave out the words "to which they have adhered" and insert the words "in which they may concur."

HON. W. M. HUGHES: Mine was exactly the same except that I have used Sir William Lyne's words "that they may concur." You might bring in legislation dealing with immigration, you might make a treaty for that; the treaty might be in conflict with the law, and Sir Joseph Ward's resolution would not help you because it was not something to which you had adhered at the time it was passed. It would be a treaty to which you adhered subsequently.

THE CHAIRMAN: You say, "in which they may subsequently concur"?

HON. W. M. HUGHES: No, in which they may concur. The "may" will cover past or future or present.

MR. LLEWELLYN SMITH: I don't think it will.

THE CHAIRMAN: Wouldn't it answer your purpose if you added "or in which they may subsequently concur"?

HON. W. M. HUGHES: Ah, no. Obligations imposed by any treaties other than those in which they have expressly concurred, are obligations which I do not wish to recognise at all further than they are now recognised by us. I don't want to accept any fresh obligations.

SIR JOSEPH WARD: Might I suggest upon this point that we want to bear in mind the fact that in future treaties there is a clause goes in which makes them not binding upon the Colonies unless the Colonies agree. That is very important. Very well, if we have all adhered to any treaties that exist now, that resolution to which they have adhered must be quite right. Now if you add the words "or may concur," then you meet what you want. We are guaranteed in the future, and you get exactly what you want.

HON. W. M. HUGHES: You say, "to which they have adhered" or may concur."

HON. DUGALD THOMSON: I think it is perfectly effective without those words at all. It says, "in any future legislation."

HON. W. M. HUGHES: Very well.

HON. DUGALD THOMSON: I don't see that it is wrong as it stands; it says, "in any future legislation there shall be an express provision inserted safeguarding the obligations imposed by the treaties to which they have adhered." It is all a matter for the future.

MR. NORMAN HILL: Don't you cover all points by leaving out the word "have" and saying "to which they adhere"?

THE CHAIRMAN: I think Mr. Hughes's suggestion covers it, "or in which they may concur."

HON. W. M. HUGHES: The words "adhere" and "concur" do not mean precisely the same thing.

MR. COX: The technical term that is always used in diplomacy is "adhere."

HON. W. M. HUGHES: Concur used in this sense really postulates Parliamentary sanction, and postulates express Parliamentary sanction. I want to put in "express Parliamentary sanction," so that there can be no mere Executive sanction. It is conceivable that the Executive might assent without consulting the Parliament, but it is not desirable. For my part I would never assent to anything that might—

MR. COX: That is really for your Government, whether they take it into Parliament or not.

HON. W. M. HUGHES: Quite so.

THE CHAIRMAN: I think it covers everything you want. "Adhere," as Mr. Bertram Cox says, is a diplomatic word. That implies you are treated as a party to the treaty.

MR. PEMBROKE: I think the original word covers the thing.

HON. W. M. HUGHES: Although it is not elegant English to say "in which they have concurred or may subsequently concur." At the same time, it is unmistakable. "Concur" does mean something different to "adhere" in a Parliamentary sense. "Concur" applies to a case where some matter has been laid before a number of persons—they concur.

MR. CUNLIFFE: If you adhere you can call your officials over the coals. It seems to me the proper word. Once adhere, and you are bound by the treaty.

HON. W. M. HUGHES: After all, it is only a matter of words. But I prefer the word "concur." I move the omission of all the words after the word "treaty" with the view of inserting the following words: "in which they have concurred or may subsequently concur." That will govern all kinds of treaties, and will govern the case which is a very likely case to occur, where a treaty might involve an alteration of the Immigration Act or the Commerce Act.

THE CHAIRMAN: Personally, I think it is better to stick to the words which are diplomatic words—"adhere" or "accede."

HON. W. M. HUGHES: For the reasons I have stated, I prefer my own words.

THE CHAIRMAN: Very well, I put Mr. Hughes's amendment.

(The Chairman then put the amendment, but it was not carried.)

SIR WILLIAM LYNE: How is that going to be taken.

HON. DUGALD THOMSON: Surely we can agree on a word.

SIR WILLIAM LYNE: There are some of the New Zealand delegates voting for it. I want to know how the vote is going to be taken.

HON. W. M. HUGHES: I press it merely because I know "concur" does convey to the average person a different meaning. And even etomologically it means a particular assent by a body of people, and "adherence" is more particularly appropriate to the high contracting party, the Executive Government.

THE CHAIRMAN: But, of course, it is the explanation you give which makes the thing rather doubtful. For instance, take the Italian Treaty. The Australian Government sends its adhesion to that Treaty. Well, I do not know how the Australian Government did it—whether it brought it before the House of Representatives or not—and it does not matter to us, but do you mean that that is not a concurrence on the part of the Australian Government?

HON. W. M. HUGHES: It is because I wish to insure that treaties shall be treated like any other Bill, that they shall be statute law.

THE CHAIRMAN: Do you mean to say, with regard to the past, you regard them as not binding?

HON. W. M. HUGHES: I do not say that. But I wish to prevent anything binding in the future.

THE CHAIRMAN: Very well, if that is perfectly clear it does not matter to us. I thought you were drawing a distinction between what has been done by the executive.

HON. W. M. HUGHES: I merely say, in the future a treaty shall have the force of law; that it shall not conflict with the law—that it shall be, in fact, the law.

MR. COX: That is what it is in the United States, I understand.

HON. DUGALD THOMSON: Why not use the word "adhere" in one case and "concur" in the other.

HON. W. M. HUGHES: No, because that will cover treaties made prior to this amendment. But I am speaking here of treaties that may be made prior to the introduction of a statute to give them effect in law as well as to those treaties which may subsequently to that time be

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entered into, and which the statute may govern and may make legal. All those treaties which now are binding on Australia cannot be effected by any resolution we pass here; they are binding, and there's an end of it.

HON. DUGALD THOMSON: It is the legislation that may be affected.

HON. W. M. HUGHES: In such a case, if the thing is binding, a proviso would be inserted in the Act as would make them binding at law. I do not think we are opposed to that.

THE CHAIRMAN: I agree with Mr. Dugald Thomson that it is much better we should have a fairly unanimous vote, and not have any dispute about words.

SIR JOSEPH WARD: There is no division among the New Zealand delegates.

MR. BELCHER: I was under the impression that the words "adhere" and "concur" were contained in Mr. Hughes's amendment. I have not the words in front of me, and I really do not know what they are yet.

HON. W. M. HUGHES: The point I make is this, that "adhere" is not the proper term. It is the term used for a nation's agreement to the terms of the treaty which is entered into by the executive. "Concurrence," on the other hand, postulates the thing being laid before the people's representatives and being adopted by them. For that reason, I prefer my word.

HON. DUGALD THOMSON: It does not pledge that.

HON. W. M. HUGHES: It does imply it.

THE CHAIRMAN: Sir Joseph Ward, would you mind the words "in which they have concurred or may subsequently concur"?

SIR JOSEPH WARD: No, I do not.

SIR WILLIAM LYNE: That is the point I don't want.

THE CHAIRMAN: Now I put Mr. Hughes's amendment, and it will read as follows:—"That it be recommended to the Australian and New Zealand Governments in any future Merchant Shipping legislation to insert an express provision safeguarding the obligations imposed by any treaties in which they have concurred or may subsequently concur."—Carried unanimously.

THE CHAIRMAN: Now No. 2:—"That all resolutions adopted by this Conference are understood to be without prejudice to the decision of any legal question involved."

SIR WILLIAM LYNE: I would like to know before I say much about this what is the object of it? The resolutions have no effect whatever, and how can they affect the legal position?

MR. LLEWELLYN SMITH: Throughout all the sittings of this Conference there has been a mutual agreement that we should discuss all questions as practical questions, and not as legal questions. That, I think, has immensely increased the utility of our discussions. But we seem to want some declaration on record that that is so. We have not been discussing as lawyers the question of powers or jurisdiction. We have been discussing practical questions, and at some point or other I think it will be necessary that that should be recorded, and it will be understood that all our decisions are without prejudice to legal questions. Personally, I am not a lawyer. I do not know whether you are a layman or a lawyer, Sir William.

SIR WILLIAM LYNE: I am a layman.

MR. LLEWELLYN SMITH: I do not want to be told that in something we have recommended we have led the various Governments astray. There is nothing in it beyond that.

SIR WILLIAM LYNE: I must say I cannot compass the meaning of this.

MR. LLEWELLYN SMITH: It is very necessary.

SIR JOSEPH WARD: I am opposed to this for this reason. This Conference is not a constituted authority to create a legalising. If there is any legalising of our motions required, that must be done by our Parliaments.

Why you want to introduce this, seeing it is without prejudice, unless they are legal decisions affirming their legality, I do not know. I do not quite understand why it is put.

MR. COX: I confess I have some difficulty about it myself. The law is the law, and nothing you can do here can alter it, and we may go on passing resolutions by the yard, but the law is the law. I don't think it is necessary.

MR. CUNLIFFE: I wish, as representing the Board of Trade from a legal point of view, to say this: That I might have points put to me hereafter, or points may crop up on which I might have to say, however much this resolution is of practical value, from a point of law, I cannot agree to it.

SIR JOSEPH WARD: If we confirm a resolution like this, it is practically saying all the resolutions we have passed at this Conference are not to be put into effect until we have ascertained the legal position. There are some in which no legal consideration is concerned at all.

MR. COX: I think Mr. Cunliffe has made his position perfectly clear. Someone may come to him and take his advice on the question of whether having regard to the resolutions of this Conference he may interpret the law in a particular way. He will say, "I am extremely sorry the resolutions of the Conference have not the force of law, and I must decide this is law, and not what the Conference has said."

HON. W. M. HUGHES: I would like to point out this, that it frequently happens now, and it did happen in the High Court in reference to a matter that was brought before it for judgment, that the debates of the Conference when delegates from the Commonwealth came home to discuss exactly what the Constitution Act meant in certain particulars for instance, what is meant in regard to the appeal to the Privy Council, the Court will look at these debates and these discussions, if there is no other way of coming to a decision, and no doubt they may affect its decisions. Now here is a bald resolution, affirming that nothing that is said here is to have any weight. Now I fancy that while we cannot alter the law, I think that where the law is not in harmony with any of our decisions, our resolutions, that the particular Government, the law of which stands in the way, ought to amend its law if its delegates have assented to that decision and if they make out a good case. That being the position, I think there ought to be a rider to the effect that while everything done here is without prejudice, still the intention of this Conference is to recommend such an alteration of law as will effect uniformity.

MR. PEMBROKE: Is not all this covered by Sir Joseph Ward's resolution.

THE CHAIRMAN: I think we have made our position clear in the matter, and I suggest this might be withdrawn now.—(Agreed.)

THE CHAIRMAN: Now we come to No. 3:—"That the obligations imposed by Australian or New Zealand law on shipping registered in the United Kingdom should not be more onerous than those imposed on the shipping of any foreign country."

SIR WILLIAM LYNE: Now in reference to that, I think it has been stated, and I have stated myself, that I should be opposed, if possible, to putting any restrictions on British ships that are not imposed on foreign ships, but I cannot see why we should have a resolution of this kind passed after what has taken place, and I shall oppose it because we do not know exactly what we may decide to do, and we may possibly give British shipping greater facilities. I should like very much to.

MR. PEMBROKE: This would not prevent you.

SIR WILLIAM LYNE: But I do not think it is a judicious thing to have it exercised in this particular way in the resolution. We are supposed to be left fairly free to deal with matters as it seems best in Australia, and a resolution of this kind, I think, is superfluous. That is the only objection I have to it.

THE CHAIRMAN: You don't object to it.

SIR WILLIAM LYNE: I have already said, so far as I am concerned, I shall prevent, if I can, anything being

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introduced into our legislation which places British shipping in a worse position than foreign shipping. I believe Sir Joseph Ward is of the same opinion, and I think that ought to be quite sufficient. He represents one Government, and I have no doubt those who are with him will agree that should be done. That ought to be enough without putting a resolution on paper. It is because I think it is superfluous and would be ignored.

THE CHAIRMAN: I know. But I am certain if Sir William Lyne knows that it will reassure the shipping community here, he won't object to a resolution of this kind appearing in the report.

SIR WILLIAM LYNE: Supposing Parliament says we are going to do it no matter what I say, then they would go directly opposite to a resolution of this kind. Still I do not think it is wise.

SIR JOSEPH WARD: I will tell you why I am opposed to it. I am for giving British ships preference in every way over foreign ships, and to do all in our power to give them preference. But as a matter of law, we sometimes find it impossible to apply that to a foreign ship in the same way as we can do to a British ship; but we can in other ways handicap a foreign ship greatly in favour of a British ship. If you pass this resolution:—"That the obligations imposed by Australian or New Zealand law on shipping registered in the United Kingdom should not be more onerous than those imposed on the shipping of any foreign country," we get into a position where we cannot expect to procure the King's assent to our legislation because we would get into a position of legislating on a foreign ship, which you know could not be assented to. If you are prepared to put in the words "British Government" so that it will read "That the obligations imposed by the British Government," put the British Government in with us so as to insure when we do deal with a foreign ship they will do the same, then there is uniformity of action and procedure, and uniformity of treatment to the various ships. But you are tying our hands by imposing upon us an obligation that we are not to impose upon foreign ships conditions other than we do upon a British ship. We are strongly in favour of British ships, but if you pass the resolution as it stands you tie our hands.

MR. NORMAN HILL: We attach great importance to these terms. We have heard with very great relief the statements made by Sir Joseph Ward and Sir William Lyne as to their intentions, but we, the British shipowners, have had to sit here to take the punishment that has been given to us. Now, of course, these statements have had a very great effect, but they have not been communicated to the people whom we are representing, and the result of the Conference certainly has not been to commend the wisdom of the representatives of the British shipowners to the British shipowners generally, and if we go away without having had published these very kindly sentiments that have been expressed so clearly and so forcibly, it will increase our difficulty. Therefore, we do trust that Australia and New Zealand will see their way to put in the form of a resolution, the opinions which the British delegates have put down on this notice.

SIR JOSEPH WARD: I will move as an amendment: That the word "British" be inserted before "Australia." We should not be put in a different position to the British Government.

MR. LLEWELLYN SMITH: Would you also add "registered in the United Kingdom, Australia, and New Zealand?" At present we are only asking equality of conditions imposed by your laws on our shipping, not on your shipping.

SIR JOSEPH WARD: I want all British ships.

SIR WILLIAM LYNE: If you pass the resolution, I am afraid it complicates matters. It almost is a direction not to put anything more onerous on the foreign ships.

MR. LLEWELLYN SMITH: That is not intended.

SIR WILLIAM LYNE: It makes for equality. Now this very Act that I was referring to just now, it is held up at the present moment because it provides for an advantage to an English ship against the foreigner. And that is what we want to do so far as we possibly can; we want to give an advantage to the British ship.

THE CHAIRMAN: This is not superfluous at any rate. Sir Joseph Ward contemplates certain cases where he is imposing on British ships that which he would not impose on a foreign ship.

SIR WILLIAM LYNE: I would not, if I had power.

SIR JOSEPH WARD: The same here.

MR. NORMAN HILL: Would it be covered if the resolution read as follows:—"That the obligations imposed by the laws of the United Kingdom, Australia, or New Zealand on shipping registered under their flags should not be more onerous than those imposed on the shipping of any foreign country in the ports of those States."

MR. LLEWELLYN SMITH: That is an enormous extension.

HON. W. M. HUGHES: The position is this. I do not know whether there are any treaty rights, but supposing there are any treaty rights by which any one State is bound to any foreign power, or supposing hereafter it entered into a treaty, say with Germany or America—it is conceivable and Canada contemplates it—suppose then that Australia entered into a treaty with America, and one of the terms of the treaty was "That a ship should be allowed to trade on the Australian coast subject only to the conditions imposed by the United States laws." Then we should have to allow all United Kingdom shipping to come under the same terms. Well, then we should have to allow all other favoured-nation shipping to come in under the same terms. But that simply means we could never enter into a treaty with any country at all. Because that would include nearly every maritime nation in the world.

HON. DUGALD THOMSON: You must if we have assented to that in the first place.

HON. W. M. HUGHES: I am supposing that we enter into a commercial treaty with, say, America or some other country to which Great Britain may not assent, because it would not affect Great Britain—it might be an arrangement as to the Pacific Coast trade, or something of that sort—or the Island we should have to extend those provisions to all other ships, and so our legislation would be null and void.

HON. DUGALD THOMSON: Why should we make a treaty with America that is more advantageous?

HON. W. M. HUGHES: I do not know why we should. I am not saying why we should.

HON. DUGALD THOMSON: Your argument depends on that, that we make a treaty with America which is more advantageous to the ships of America engaged in a particular shipping trade than to British ships that might enter that trade. Surely it is a very reasonable thing that there should be some safeguard against that to the British ships engaged in that trade.

HON. W. M. HUGHES: No doubt; but as a matter of fact, there is a trade between America and Australia, and it is conceivable there would be, with which British shipping could not compete. But, at any rate, this limits our right to make commercial treaties. Personally, I have gone so far as to suggest that there should be a rebate for British ships, of light, harbour, pilot dues, and we are entirely in favour of them not being subject to the coastal restrictions so far as mail steamers are concerned. But at the same time it is a different thing to say you must not do what we think proper in the matter. Once you do that, we can never enter into any treaties with any country at all; we are completely hampered.

THE CHAIRMAN: You know you pass any laws you like; but you must not impose worse conditions upon us than upon the Germans. That is all we ask.

HON. W. M. HUGHES: I know that. But the obligations imposed on shipping registered in the United Kingdom—that does not say coasting trade.

MR. LLEWELLYN SMITH: That is governed by Resolution No. 9.

HON. W. M. HUGHES: I would be willing to say that all ships should be treated alike, whether Colonial, British, or foreign. Practically, that is what our Bill does.



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**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.

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SIR WILLIAM LYNE: Then you create a complication at once, because you cannot do it to British ships, and you shipowners come down and say, "Why don't you put these foreign ships on the same basis as ours"?

THE CHAIRMAN: We have done it. Of course we can do it; you can impose the same obligations on the foreigner as you are imposing on us.

SIR WILLIAM LYNE: It was stated in reference to the load-line and the storm-line that we could not impose it on foreign ships.

THE CHAIRMAN: I have no recollection of that.

MR. WALTER J. HOWELL: I think Sir William Lyne must be thinking of a light load-line.

SIR WILLIAM LYNE: I was not.

THE CHAIRMAN: I have no recollection of that statement being made.

SIR WILLIAM LYNE: It was.

THE CHAIRMAN: By the Imperial Act we have a right to impose a load-line on the foreign ship corresponding to our own.

MR. HAVELOCK WILSON: In British ports.

THE CHAIRMAN: We can pass an Act corresponding to that.

MR. HAVELOCK WILSON: I may tell Sir William, the British shipowners will support him because they have advocated that in the House.

SIR WILLIAM LYNE: The only question is the power.

THE CHAIRMAN: I understand from Sir Joseph Ward that he accepts in principle Resolution 3, only he wants to make it perfectly clear, that we extend the same, I won't say courtesy, but the same conditions to Australian and New Zealand shipping as we invite them to extend to us. I think we ought to take time to consider a form of words. Could we postpone this till after lunch, and in the meantime try and consider a form of words.

SIR WILLIAM LYNE: I don't object to it, but I think it is only casting a reflection on what has been said.

MR. FERNIE: The British shipowner wants to be reassured on this point, because he will only see the bare resolutions which have been passed in this respect.

SIR WILLIAM LYNE: If it is carried, I wish to put in: "That it is desirable that obligations," and you say "should not." I wish to put in more tentative words.

MR. LLEWELLYN SMITH: Say "It is desirable."

THE CHAIRMAN: Sir William Lyne suggests that we should say, "that it is desirable that the obligations imposed."

SIR JOSEPH WARD: I agree to that.

THE CHAIRMAN: The resolution will then read:—"That it is desirable that the obligations imposed by British, Australian, or New Zealand law on shipping registered in the United Kingdom should not be more onerous than those imposed on the shipping of any foreign country."

MR. LLEWELLYN SMITH: I am afraid if we put in the word "British" it would do you some damage. It might relax a lot of restrictions.

SIR JOSEPH WARD: Might it not do the same in Australia?

MR. LLEWELLYN SMITH: I don't think so.

SIR JOSEPH WARD: Very well, if you say, "That it is desirable that the obligations imposed by Australian or New Zealand law on shipping registered in the United Kingdom should not be more onerous than those imposed on the shipping of any foreign country," I agree.—(The resolution was then carried unanimously.)

THE CHAIRMAN: Now No. 4:—"That, with a view to uniformity, it be a suggestion to the Australian and New Zealand Ministers that in exercising any powers

"conferred on them by legislation to make regulations with regard to matters affecting Merchant Shipping, they should have regard to the corresponding provisions of the Imperial Merchant Shipping Acts or Regulations made thereunder, so far as circumstances permit; and that at least three months' notice should be given before any such regulations come into force.

SIR WILLIAM LYNE: Now, I'd like to know in line 3 where it says, "in exercising any powers conferred on them by legislation," what legislation does that refer to?

MR. LLEWELLYN SMITH: Local, Australian, or New Zealand legislation. There are a number of clauses, Mr. President, in the Australian Bill—I do not know how far they are reproduced in the new Bill—and there are a good many sections in the New Zealand Act which give power to the Minister to make regulations. It is a very necessary power. It is a power given in our Act, but some of our shipowners have been very apprehensive as to the possibility of want of uniformity resulting from those regulations. We have been discussing general principles, arising out of the Act and Bill because we have no regulations before us. This was merely intended to be a suggestion which might be put, perhaps, in better language, that it is desirable that uniformity should be kept in view, so far as differences of circumstances permit. I don't think this goes beyond that. It is not the intention to go beyond. It was a suggestion that the corresponding regulations might be taken into consideration when framing them.

MR. COX: It is merely a matter of language. The same thing can be put in various different ways. If there are three sets of regulations, a shipowner naturally wants to know where he is, but if they are practically the same, he knows where he is, and it is just as easy for him to conform to the one as to the other.

SIR WILLIAM LYNE: I want it to be clearly understood we already have the three months.

HON. W. M. HUGHES: I want to know, is it our ordinary three months' notice, or do we give three months' notice, too?

MR. LLEWELLYN SMITH: I am not quite sure it is not only two months. Our shipowners want to know of the new regulations in time to comply with them, and they will be satisfied with three months.—(The resolution was then agreed to.)

THE CHAIRMAN: No. 5:—"That it be a recommendation to the Australian and New Zealand Governments that if conditions are imposed by local law on vessels incidentally engaging in the coasting trade in the course of an oversea voyage, care should be taken that these conditions should not be such as to handicap these vessels in their trade."

SIR WILLIAM LYNE: Well really, I don't think we ought to agree to that, because we cannot tell. There may be cases where a question may be raised that does handicap, and it may handicap, and we will very likely pass regulations that the ship will be handicapped, and then it comes into a question of opinion, and so far as I am concerned, I do not care.

MR. LLEWELLYN SMITH: I am sorry to hear it. It is a matter that has excited considerable apprehension. We have passed a resolution quite definitely, recognising your power to make these regulations. There is no question of that. The resolution submitted by Mr. Norman Hill which was not accepted, which asked as a matter of expediency that vessels incidentally engaged in the coasting trade should not be deemed to be in the coasting trade, that has gone.

SIR WILLIAM LYNE: What is the interpretation of "incidental"? You create a trouble. And with the word "handicap," you create a trouble.

MR. LLEWELLYN SMITH: This was only a suggestion, while recognising your power to apply local law, that you should try, as far as possible, to see that the provisions should not handicap our ships. I think it was intended to mean in competition with a regular coaster. They will come under local conditions, but local conditions may be such, that while quite tolerable for the regular coaster, they might impose an enormous burden on the oversea ship that is only for a short time in the coasting trade; for example, a structural requirement might, I

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imagine, be not imposing a burden on one, but imposing a very heavy burden on the other.

SIR JOSEPH WARD : I suggest the word "needlessly" be put in.

SIR WILLIAM LYNE : I don't agree with that. We have words here that create no end of trouble. What is "incidentally"? What is "handicap"? Now if it means only as in regard to other coastal trade, we don't mind that a bit, because we want to handicap outside vessels.

MR. PEMBROKE : It is only a recommendation.

SIR WILLIAM LYNE : I don't care how it is. If you incidentally or otherwise join in the coastal trade you are liable to all our laws and conditions. It is any coasting trade which you can prove is coasting trade under the interpretation we placed on it in No. 9. If you put the word "incidental" it is like (1) vessels registered in the Colony, (2) vessels wherever registered, under different conditions. I could not think of accepting a proposition of that kind.

HON. DUGALD THOMSON : I quite agree with Sir William Lyne that there is some difficulty in the vagueness of such a resolution, but possibly it is meant to meet a case of this sort, that if it were attempted—as it was in some legislation in Australia—which was never passed—to make such conditions that British oversea ships would have to pay Australian rates of wages on the whole of their voyage, that would be handicapping their general trade outside of Australia.

SIR WILLIAM LYNE : For my part, I am not going to be curtailed in what we do. In that regard I asked some questions as to what power we had, and I had a very distinct reply that when they came back we should deal with that. I can make no promise so far as I am concerned.

MR. COX : And I can make no promise that that Act won't be disallowed.

SIR WILLIAM LYNE : Very well, we will fight it. I am not going to agree to a handicap beforehand.

MR. COX : Well, so long as we understand where we are.

HON. DUGALD THOMSON : We have not reached the stage of passing anything at all, but if such a thing as that were attempted, as it was attempted at one period of our Parliamentary history, we must not be surprised that the shipping authorities desire to get some expression of view in that connection. Sir Joseph Ward, I think, made the suggestion of putting in the word "needlessly."

SIR WILLIAM LYNE : Then you have to interpret "needlessly."

THE CHAIRMAN : You are your own interpreters.

HON. DUGALD THOMSON : If you are going to interpret these resolutions legally, perhaps not one of them will hold water. They are simply suggestions of the opinion of the Conference. Perhaps, with Sir Joseph Ward's addition, we might meet Sir William Lyne.

SIR WILLIAM LYNE : I want to be left absolutely free. I don't want any words put in which will cause a question as to whether it is needlessly handicapped. We have a bald resolution as it is now, and it is only complicating to my mind the whole question by putting a clause like this in.

HON. DUGALD THOMSON : Put the word "over-sea" in front of "trade."

SIR WILLIAM LYNE : No; supposing our people like to say you shall trade, but you will have to pay our wages all the voyage, what right have you to say they shall not.

HON. DUGALD THOMSON : What is the Conference for? Suppose Great Britain says you shall not impose your law. She could do it.

SIR WILLIAM LYNE : I don't think she is very likely to.

HON. DUGALD THOMSON : Why are we conferring? We are not conferring on those lines at all. What we are conferring on is what is reasonable, what is fair, what is just to the interests of all concerned, and that is how we ought to look at it.

SIR WILLIAM LYNE : I don't think this is considering what is just to Australia.

MR. COX : May I ask Sir William Lyne one question. Does he consider that it is just that Australia should legislate for British ships when they are in Valparaiso?

SIR WILLIAM LYNE : No. But if they come and trade with us, and take away our trade, we have a right to say what conditions we shall place on them.

MR. COX : During the coasting trade, yes. But when she is on the other side of the globe, are you going to say Australian conditions are going to apply?

SIR WILLIAM LYNE : We may or we may not. I don't want to be dictated to.

MR. COX : We don't want to be dictated to. There is perfect freedom of legislation and government all over the world; but we are a nation of 43,000,000, and we object to being legislated for by Australia outside Australia. Where Australia is concerned in her own waters, we bow; but in our own waters and on the high seas, which are the property of all the world, we object to being legislated for by Australia.

SIR WILLIAM LYNE : I do not know that that is the feeling of the ministry if it is of the officials.

HON. W. M. HUGHES : May I make a suggestion. Does this assist a vessel incidentally engaged in the coasting trade in the course of an oversea voyage? Now, so far as the coasting trade is concerned, I quite agree you cannot make any difference between a vessel incidentally or ordinarily or habitually engaged in the coasting trade, so far as they are actually engaged in the coasting trade for a day, or a month, or a year. I propose, therefore, that you should confine your resolution to that part of the trade which is not incidentally coasting trade. For instance, if you say care should be taken that these conditions should impose the minimum handicap upon these vessels in the oversea trade. What I mean to say is, you could impose such conditions upon British ships under Section 5 of our Constitution as you could not impose upon foreign ships. And, no doubt, the British Government would be very loath indeed to limit our powers under Section 5 provided we made reasonable laws, and those that are reasonable to the Government might really handicap the British shipowner very considerably. We don't want to do that; we want to do the very opposite. I don't want to, personally; I want to handicap the foreigner as much as I know how, and I shall never hesitate to declare it and do it. When a vessel is engaged—say in trading—from Adelaide and Newcastle and loads there for Valparaiso; from Adelaide to Newcastle it is coasting; but we don't want to impose such restrictions as will handicap it when it is quoting for freight Valparaiso against foreigners. But we are very jealous of our rights to keep our coasting trade under conditions which we consider decent and proper. Therefore, if we say that care shall be taken that these conditions shall not be such as to handicap vessels in their oversea trade, that will be sufficient.

SIR WILLIAM LYNE : I go further than that. Let me take a case. Take the case where a ship comes along, a P. and O., or an Orient, and they come and do our trade, and they come under the definition of what is trade, our provisions are that they shall pay certain wages. They pay those wages whilst they are doing that trade, and when they get away from the coast and go to Great Britain they average the wages and pay the same amount to the men they employed between Great Britain and Australia, which means a lower wage when they get away from the coast. What effect has our law? They may snap their fingers at us.

HON. W. M. HUGHES : They may, but you can refuse them their license to trade on the coast. A contract is a contract. If a man signs articles for £4 a month out of London for a round trip to Australia and South America, and he trades for four months on the coast of Australia during those four months, he has to be paid Australian rates. Then when he gets off the coast he must still get not less than £4. If the contract in black and white says he is to get £4, it is not a payment of £4 to give him £2 10s.; and if that vessel does not provide in its Articles

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for those added payments that are demanded under our law, then we can refuse to give it its license to trade.

SIR WILLIAM LYNE: If we were to adopt this, I don't think you could.

HON. W. M. HUGHES: Why not? My resolution is this: That these conditions should impose a minimum handicap upon these vessels in their oversea trade. It will be a handicap, but it will be the same handicap on all. What Sir William Lyne has urged is, that it is very obvious a vessel might come from Cardiff to Adelaide with men engaged at £4 a month. We pay £7 on the coast, and as soon as they go off to Valparaiso or Rio they drop the wages to £2 10s. and take it out of the men that way. We won't have that. That is an evasion of our law.

MR. DUNLOP: We should not do that.

MR. NORMAN HILL: Isn't this getting off the point of the resolution? As I understand the Australian delegates, the one point they are anxious about is to put the oversea vessel which engages incidentally in their coasting trade on a business equality with their own vessels. We have dealt with all questions of safety by conceding that the Australian Government can enforce such safety regulations as they think necessary. Now, there is only left the business equality. Now the whole of this resolution, as I understand it, is that when they impose obligations on oversea vessels engaged incidentally in that coasting trade, that vessel should be put on an equality with their vessels engaged in the same trade. But that is all we want. It is very easy, by imposing the same obligations on an oversea vessel, to put her at a most serious disadvantage with a local vessel; and we want to say this, when you are enforcing these obligations, take care that you enforce them in an equitable way, so as to put the two vessels on an equality. Don't put it higher than that. And when you are enforcing these regulations, which have nothing to do with safety, which have merely to do with business, apply business principles and impose equal conditions, and that is all, I think, the resolution points to. If we can alter the wording of the resolution so as to make that clear, we shall be perfectly content, because we have been contending over and over again at this Conference that the object is to secure equality, not to give an undue preference to the Australian coasting boats, but merely to put us all on the same footing.

HON. W. M. HUGHES: Supposing a vessel comes out and home, and is away six months, and she is paying £4 a month to her men—

MR. NORMAN HILL: And paying Suez Canal dues to get there?

HON. W. M. HUGHES: We can't help that; we can't seize the canal. You have to pay £4 a month, but on our coast we won't let you trade unless you pay £7. There is no obligation to come on our coast; you can't complain of that. But if you are going at the end of your voyage to so adjust your wages so that when you get home after six months you won't have paid more than an average of £4 a month, because you have lowered the wages during a part of the voyage, it is not an equality for our shipowners because they have to compete against men who are paying lower wages.

MR. HAVELOCK WILSON: I think the remedy is what Mr. Hughes suggested, that when the Articles of Agreement are drawn up a provision should be put in to say that should the vessels during the course of the voyage trade on the Australian or New Zealand Coast, the New Zealand or Australian rate of wages should be paid. That would be quite good enough for a seaman to claim those wages in a port in the United Kingdom, and then the Australian and New Zealand Government could refuse to grant a license unless that clause was in the Articles. That would settle the whole thing.

HON. W. M. HUGHES: If the Board of Trade would draw up an agreement with that clause in it that would be satisfactory. Otherwise a ship comes on the coast, there is no consideration in the new contract for seamen suing in a British port—

MR. NORMAN HILL: You are saying that big liner which is carrying between two Australian ports, that is a liner that is manned to look after the safety and comfort of two or three hundred passengers, you say that ship is to pay the extra wages to all those men, not to the men who are employed in looking after the twenty

passengers it may pick up at the Australian port. You are seriously handicapping the British ship by imposing any such conditions. And what we say is, when you are applying business regulations in order to put two classes of ships on an equality, you should do it justly and equitably.

HON. W. M. HUGHES: We shall impose the conditions just the same on a tramp coming to Adelaide and taking ore to Sydney or to Newcastle; we should impose just the same conditions although there is no passenger, yet they will have to pay the crew the same.

MR. ANDERSON: But the whole of her capacity for the time being will be devoted to the coasting trade. But in the case suggested by Mr. Hill, it is different.

HON. W. M. HUGHES: You have an easy remedy, don't engage in a coastal trade that does not pay you.

MR. ANDERSON: You propose to impose these extra wages, not only upon the whole staff, but during the whole time of her sojourn on the coast. Now a good part of the time is devoted not to trading at all, but to business connected with her oversea trade, either the discharge of her cargo or taking in cargo or overhaul for the homeward voyage. It is not merely the injustice involved in applying it to the whole of the crew, but the further injustice in applying to the whole of the time. I must say I am surprised at the opposition to the resolution. All it calls for is fair play.

MR. BELCHER: It appears to me the true inwardness of this resolution is at last coming to the surface. Mr. Norman Hill has just said in so many words, and he gave a specific instance where he does not think coastal conditions should apply. Why, it is the essence of the whole of our contentions here that when these vessels come on to the Australian and New Zealand coast they must comply with the coastal conditions, and if these vessels are known to escape the coastal conditions which are imposed upon them by Colonial law, well then, every ship that comes into Australian waters will necessarily ask exactly the same exemption. That is what the thing is going to resolve itself into. Where is the unfairness to the P. and O. Company or the Orient Company if any of these vessels trade on the coast? It is all very well to use a case where there are only 20 passengers. But take the case of a ship where they have 150 passengers, which they do carry sometimes.

HON. W. M. HUGHES: Take the case of a P. and O. filled right up, and they skim the cream of the passenger trade from all the local boats.

MR. BELCHER: This is superfluous, "Care should be taken that these conditions should not be such as to handicap these vessels in their trade." You must handicap them in their trade, that is from the British shipowner's point of view; that is, you must impose coastal conditions upon them. If the shipowner says that is the handicapping he wishes to escape, my consent will never be given to that resolution.

SIR WILLIAM LYNE: If I understand what you said, Mr. Norman Hill, it is that if there is a loophole left under which you can equalise, though you pay the rate of wages decided on the coast, that you will equalise by only paying as much as you paid previously during the whole voyage.

MR. NORMAN HILL: No. What I am asking you to do is to equalise the conditions upon which the two vessels trade, not to subject the British ship which is calling incidentally, on a long oversea voyage, between two of your ports, not to put that vessel with regard to the coasting trade in a far worse position than you are putting your own vessel.

SIR WILLIAM LYNE: But it is not a worse position, because supposing you paid one-fifth, as you do each voyage from Fremantle to Sydney, you are there perhaps for a month or five weeks; you only pay the wages for those weeks, and our people have to pay them all the time.

MR. NORMAN HILL: And five passengers only are going from one port to another. The whole of the rest are going oversea.

MR. CUNLIFFE: A very small proportion in relation to the coasting trade.

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SIR WILLIAM LYNE: You are raising a question I am sorry to hear raised at the present time, because you are raising a question that has been underlying the whole of the Conference, as to whether we shall or shall not be allowed to make large ships conform to the same provisions that we make our own trading vessels, and if you are going to raise that question now, because that is underlying it, then it is a very serious matter.

MR. COX: It seems to me that is already covered by Resolution 9.

THE CHAIRMAN: It is only raised as a recommendation now.

SIR WILLIAM LYNE: I hope that recommendation will be worded with some consideration.

THE CHAIRMAN: I am sorry to hear that.

SIR WILLIAM LYNE: I want to prevent the recommendation, Mr. President.

MR. LLEWELLYN SMITH: I certainly can be no party to reopening Resolution 9. We passed it, and Mr. Norman Hill moved a rider which was not accepted, and therefore, as far as this Conference is concerned, we fully and frankly admit that we recognise your full right to adopt local conditions to these ships. All we wanted to do—and perhaps we could get a more felicitous mode of expressing it—is to suggest that in framing those conditions you should have in your minds the interests of the ship which only engages for a short time and for a small part of its business in this coasting trade, and not have your minds entirely upon the habitual coaster which is always engaged on the coast and derives all its revenue from the coast.

SIR WILLIAM LYNE: We must not leave a loophole.

MR. LLEWELLYN SMITH: We are not asking for exemption, but in framing the conditions we ask that you should remember there are these two classes of ships to be considered, not only the habitual coaster, but the incidental.

MR. BELCHER: These vessels are constantly on the Australian coast. As soon as one vessel leaves Fremantle and goes to Sydney, there is another vessel behind.

HON. W. M. HUGHES: The effect is just the same as if some ships are on always.

MR. BELCHER: So far as the wages are concerned, let me have a word to say in regard to that matter. I know of a case that happened on the New Zealand coast where one of the New Zealand Company's or Shaw Savill steamers traded on the coast for a considerable time. Before that vessel left New Zealand, an indorsement was made on her articles that she was trading on the coast, and when the vessel came to Great Britain, the men expected to be paid the coasting rate of wages for the time they did coasting work. But the shipowners objected to pay them, and contended that no alteration could be made on the contract entered into in Britain. The case was taken before the Courts, and the men had to go without the wages. So it appears to me there is a very urgent necessity that the stipulations that have been mentioned by Mr. Hughes and by Mr. Havelock Wilson should be inserted on the articles of all these ships, so that it is possible to enforce the conditions they would have to comply with while on the New Zealand coast.

SIR JOSEPH WARD: I want to refer to a clause in our Act, the subsection of Clause 75. It makes the position quite clear by law in our country. The subsection is as follows: "Provided that this section shall not apply to 'ships arriving from abroad with passengers or cargo, but not trading in New Zealand further or otherwise than for the purpose of discharging such original passengers or cargo in New Zealand and their shipping fresh passengers or cargo to be carried abroad.'" I think that this resolution, No. 5, ought to be made clear that it does not apply to coastal work in the ordinary way. In our country I would look upon it as a needless handicap; if a vessel has a through bill of lading to touch at a dozen ports, we would give them the same facilities to land their cargo in such a way as they thought best; but we would look upon it as an unfair thing to the steamers locally owned if an oversea liner could come along without the handicap that our local vessels have of complying with

our requirements for our own rates of wages—that they should actively engage in competition would be unfair. My opinion is, the whole difficulty might be provided for not by contract but by statute law, and what the Australian delegates want I believe could be got over by inserting the word "needlessly" before "handicap," and the word "oversea" before "trade."

HON. W. M. HUGHES: That is what I am proposing—"That the conditions should not be such as to handicap them in their oversea trade."

SIR JOSEPH WARD: Put "needlessly" before "handicap," then you are meeting the whole difficulty. There is one thing in preventing them and another in needlessly handicapping them when they are complying with your conditions as they apply to their own coast.

SIR WILLIAM LYNE: They want to equalise the payment from London to Australia and back, including the coast.

MR. NORMAN HILL: I have not said that.

SIR JOSEPH WARD: What I understand upon that point is that the liners who are called upon to have conditions similar to those imposed upon the local traders, that they should not have excessive conditions imposed upon them. That is as I understand it. If I am wrong, then I misunderstand the position. My opinion is, you ought to put in the word "needlessly." You get all you want. Our law and your law are going on the same lines. It is not a matter of contract; it is a matter of law.

SIR WILLIAM LYNE: How can you prevent it when they pay £10 to a man going to Australia and back again? And we make them pay double while they are trading on the coast, but the total they pay is £10.

MR. FERNIE: Who suggested that?

MR. COX: It was suggested by Sir William Lyne.

MR. NORMAN HILL: All I said was that the big vessel which comes for a limited amount of cargo and passengers, I say that the whole of that crew should not be subjected to those conditions if she is to be put on a position of equality with the vessel trading on the coast.

SIR WILLIAM LYNE: I take it what Mr. Norman Hill meant was that only a portion of the crew should receive the additional wages—is that what you meant?

MR. NORMAN HILL: Yes, it must be adjusted on some such basis.

HON. W. M. HUGHES: I venture to say, this resolution is quite unnecessary if it is not to do more than to place the British shipowner not on a footing of equality, but to give him a very unfair handicap, or to put the Australian in a very unfair handicap, because Resolution 3 says: "That the obligations imposed by Australian or New Zealand law on shipping registered in the United Kingdom should not be more onerous than those imposed on the shipping of any foreign country." If you like to improve that now and say, "That the obligations imposed by Australian or New Zealand law on shipping registered in the United Kingdom shall not be more onerous than those imposed on the shipping of Australia or New Zealand," personally, I am perfectly prepared to accept that. We only want a fair and square deal. We don't want anything more than that.

MR. NORMAN HILL: It is the application. We are not challenging your right, but we say apply it equitably so as to secure the vessels being put on an equality.

HON. W. M. HUGHES: But we do do that.

MR. NORMAN HILL: Not if you enforce the whole of it.

MR. DUNLOP: Suppose you had twenty stewards for the purpose of the whole of the passengers, and you took two or three passengers on board at Adelaide, you have to pay the whole of the twenty stewards.

HON. W. M. HUGHES: When your ship calls at Fremantle or Albany, perhaps it takes only six, but it would have taken sixty if they had been there.

MR. DUNLOP: But the stewards are not there for these Australian passengers.

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HON. W. M. HUGHES: Then our boat follows after yours, and they only take ten or twenty.

THE CHAIRMAN: The suggestion has been made that the wording should read in this way: "That care should be taken that these conditions should not be such as to differentiate to their disadvantage as compared with the colonial registered vessels."

SIR WILLIAM LYNE: That is more reasonable, but I want to know whether that in any way recognises or allows shipowners to ride through any provisions we may make and not pay their men while on the coast more than the ordinary payment of the whole voyage.

THE CHAIRMAN: It does not.

SIR WILLIAM LYNE: Because I don't want anything put here that prevents action.

HON. DUGALD THOMSON: Might I point out this, that evasion of the law could be a reason for refusal of license, and you can only deal with a vessel that refused to pay its crew coastal wages after the vessel came back.

THE CHAIRMAN: I have been listening to the debate, and, so far as I can see, there is no objection to this. I do not know what the shipowners would say, but it would read like this: "That it be a recommendation to the Australian and New Zealand Governments that if conditions are imposed by local law on vessels incidentally engaging in the coasting trade in the course of an over-sea voyage, care should be taken that these conditions should not be such as to differentiate to the disadvantage as compared with colonial registered vessels."

HON. W. M. HUGHES: What can that mean?

THE CHAIRMAN: That is your point, Mr. Hughes.

HON. W. M. HUGHES: Yes, if they are placed on an equality, say, if you have to pay your men £7 and I have to pay mine £7. But Mr. Hill says, well that is really not so, because we have to pay all the men, when perhaps only 5 per cent. are engaged in looking after the casual passengers; therefore it is to our disadvantage.

MR. MILLS: These remarks have all been in the interest of one side. Would it not be well that they should not differentiate all against the locally-owned vessels?

THE CHAIRMAN: I think we can trust you to do that. (The resolution as amended was then adopted.)

SIR JOSEPH WARD: I beg to move the following resolution:—"That the Imperial and Colonial Governments concerned be requested to introduce legislation to give effect to the resolutions of the Conference in cases where legislation is necessary." I think that can be agreed to without discussion.

SIR WILLIAM LYNE: There is no objection to it. We may or we may not.

HON. W. M. HUGHES: I object to that word "Imperial." Say "That the British and Colonial Governments."

SIR JOSEPH WARD: I will make it British.

MR. LLEWELLYN SMITH: Shall we say "That the various Governments concerned"?

MR. DUNLOP: I think we ought to stick to "Imperial."

MR. COX: Mr. Hughes, don't your Acts very often say: Whereas by an Act of the Imperial Parliament, such and such has been done?

SIR JOSEPH WARD: I will make it "the Governments concerned." I would like an alteration made in the second line. Say "introduced legislation to enable effort to be given" instead of "to give effect." (The resolution was then unanimously adopted.)

SIR WILLIAM LYNE: With your permission, I should like just for a moment to refer to a resolution that was carried one day when I was not present. It was Resolution No. 3 in reference to desertion. My resolution as proposed was amended.

HON. W. M. HUGHES: There is my resolution on the business paper:—"That it be a recommendation to the Board of Trade that all vessels should be sufficiently

staffed with officers to enable the principle of four hours on watch and eight off to be rigidly adhered to. In vessels of small tonnage the regulations should provide that the master should keep a sea-watch of eight hours out of every 24."

THE CHAIRMAN: We are going back to manning again, it strikes me. This is not the resolution you gave notice of. When did you give notice of this?

HON. W. M. HUGHES: That was one of those I handed to you.

THE CHAIRMAN: This seems to me to be going back to manning again.

HON. W. M. HUGHES: No, it is not in the sense the other was, because this has nothing to do with a schedule. It does not say there must be so many or so few."

THE CHAIRMAN: This says "staffed with officers." I really think this is manning.

HON. W. M. HUGHES: I am entirely in your hands, but I shall certainly insist upon that resolution being discussed, and put unless you say it is out of order. And if that is out of order, then I want to ask what all these others have been about. I know, Mr. Chairman, very well that there is a desire on the part of delegates to jump things through just now.

THE CHAIRMAN: I don't like to rule anything out of order that comes from any of the delegates here. But, at the same time, this really ought to have been discussed under manning. We discussed wages and a sufficient number of hands, and I know perfectly questions were put to Captain Chalmers about it. We discussed all that, and I don't think it is fair to the Conference to go back to it again, and rediscuss the whole thing. I don't want to say it is out of order. As a matter of fact, I think it is. Having been discussed, we cannot go back to it; but if there is time at the end—

HON. W. M. HUGHES: I throw myself on the mercy of the Court, for one thing, and I call your attention too, to the fact that you definitely promised that this resolution should be discussed, owing to the fact that it had been mislaid.

THE CHAIRMAN: All I promised was this. I had ruled out all fresh amendments on the ground that notice ought to have been given. I said yours should be put on the agenda because I had mislaid it, but that did not mean all the things in it were in order.

HON. W. M. HUGHES: If you merely preserved this infant of mine for the purpose of choking it—

THE CHAIRMAN: That's it. We present it for execution.

HON. W. M. HUGHES: Then I insist upon it being tried properly before you do it.

THE CHAIRMAN: I am afraid I must rule it out. I think it was an oversight on your part not to move an amendment to the manning resolution. You are doing your very best to make up now, but it is rather at the expense of my ruling.

HON. W. M. HUGHES: Will you allow me to say the principle discussed formerly was different to this. It was not whether ships should be sufficiently manned, but that a schedule, a principle which heretofore has not been accepted, should be adopted. Now this is entirely different, and this applies, I take it, to your vessels. The schedule applies to ours. The manning applies to us.

MR. LLEWELLYN SMITH: No ship should be unseaworthy.

THE CHAIRMAN: You look at this: "No ship shall be deemed seaworthy unless she is in a fit state as to number and quality of crew, including officers," &c.

HON. W. M. HUGHES: Let me ask you this question: Does that apply to British ships?

THE CHAIRMAN: I certainly thought so. We discussed it from that point of view.

HON. W. M. HUGHES: Then my resolution in reference to the manning schedule has never been discussed

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**THE CHAIRMAN :** This is the amendment that was carried eventually. We really have covered this.

**HON. W. M. HUGHES :** Perhaps you will allow Captain Chalmers to give an expression of opinion about it.

**THE CHAIRMAN :** That will lead to debate.

**HON. W. M. HUGHES :** Will you allow me to do this, when the other matter has been discussed will you allow me to bring this in after that?

**THE CHAIRMAN :** You have all the tenacity of the ancient race to which you and I belong, and which has enabled us to survive 2,000 years of persecution.

**HON. W. M. HUGHES :** Even though the persecutor is one of our own race.

**THE CHAIRMAN :** I have been excessively indulgent to you. Now, Sir William Lyne.

**SIR WILLIAM LYNE :** I was referring to this addition that was made to my resolution as submitted. No. 3:—"Providing that in respect to desertion from ships "other than those (a) registered in the Commonwealth, "(b) whose final port of discharge is in the Commonwealth," &c. I may say that I have consulted Mr. Deakin about this, and he agrees with me that, unless an interpretation is placed upon this which it does not bear on its face now, it is simply impossible. How can any Government catch these men and put them on board. If it was inserted here that these deserters, "if captured," shall be placed on board, it would be different, but no Government can undertake to catch these deserters.

**MR. COX :** They undertake to try, and every foreign Government does

**SIR WILLIAM LYNE :** This says, "Shall be placed "on board such vessel." Mr. Deakin agrees with me it is an impossibility. I should like, if possible, to have that so worded that there is no obligation intended to be placed on the Government to capture these men.

**THE CHAIRMAN :** Very well, I think that concludes our business.

**SIR JOSEPH WARD :** As we have finished our business, I want to move a resolution: "That this Conference "desires to place on record its appreciation of the ability "with which its proceedings have been presided over by "the Right Hon. Mr. Lloyd George, the President of the "Board of Trade." I want to move that resolution, and to say how very much we appreciate the courtesy and consideration, and recognise the marked ability that has been displayed by Mr. Lloyd George in presiding over the Conference. It has been a pleasure to us all to have been associated with a gentleman who not only thoroughly understands the intricacies of the Complex Shipping world, but who has been so kind and considerate (as have also been his co-delegates and staff) to us all.

**SIR WILLIAM LYNE :** I should like to say, Mr. Lloyd George, that I entirely concur with the remarks of Sir Joseph Ward, and if it had not already been moved, I should have moved a resolution myself to thank you all, and to thank you, sir, especially under very trying circumstances, for having conducted this Conference in a manner that I think must be satisfactory to every one. In one or two cases, if you had not had a great deal of tact, and displayed it, there might have been trouble. In addition to that, we might not have arrived at the harmonious conditions we have at the end of the Conference, and we might not also have arrived at decisions which mostly, I think, will commend themselves to our respective Governments. So that we have to thank you in this regard. And I should like to add as well, that all the officials, not only on our side but on your side, have conducted the work with so great ability as to leave a lasting impression, so far as I am concerned. The great ability displayed and the great attention that has been given to everything that has been submitted to the Members of this Conference has impressed itself upon me, and I shall return to Australia, so far as this Conference is concerned, and convey to those whom we come from, so far as I can, the same impression of matters. And I also have great pleasure in saying, that I have come to a somewhat different idea of the very imperious and persistent manner in which I anticipated the shipping delegates would have proceeded in consequence of the very able manner in which they have conducted their case, and

especially Mr. Norman Hill. And while he has been persistent in wanting to get something that he considers fair, it has been done with that grace and ability which has left no sting behind.

**HON. DUGALD THOMSON :** For once I entirely agree with Sir William Lyne.

**HON. W. M. HUGHES :** So do I.

**MR. MILLS :** I would like to say. I quite agree with what has been said by both Sir Joseph Ward and Sir William Lyne. Speaking as one of the New Zealand representatives, although we have not taken a very active part in the discussion, we have very highly appreciated the ability with which the business of the Conference has been conducted; and also the courtesy and consideration we have received from the other representatives of the Colonies, the members of the Colonial Office, and the Board of Trade, and also from the representatives of the shipowners. This has helped a great deal to smooth over differences and has had a considerable influence in regard to the satisfactory conclusions that have been arrived at. The representatives from New Zealand have not taken a very active part in the business of the Conference, as the shape which the proceedings have taken has rendered it unnecessary. When we were invited here, it was to consider the New Zealand Act and the proposed Australian legislation, and also to try and bring about some uniformity between Imperial legislation and Colonial. But that seemed to be put on one side at a very early date. The New Zealand Act was admitted to be unassailable, and also the right of the Colonies to legislate for themselves was conceded. Therefore, our part in the proceedings was a very small one.—(The resolution was then put to the meeting and carried unanimously.)

**THE CHAIRMAN :** On behalf of the British delegates and myself, I thank you for the resolution which you have so kindly passed. It has been a great pleasure to me to meet the Colonial representatives for the first time. I am fairly new to office, and I undertook this task with a great deal of anxiety, because I saw that there were questions of very great moment, and of very great intricacy and complexity which would come before the Conference. But this Conference has proved by the result that there are no difficulties that cannot be overcome by people who have made up their minds to find a solution, and who have met in a perfectly amicable spirit. We have discussed these questions, and I think we have found the best possible solution under many circumstances. I must congratulate the Conference, as a whole, upon the workmanlike way in which we have proceeded. I agree once or twice the proceedings were rather lively, but they were always conducted in the best of temper, and that has helped us to come to these conclusions which, I think, are very satisfactory, taking all things into account. I am exceedingly obliged for the courtesy which has been extended to me, personally, by all delegates present. I think before we part we ought to pass a resolution of thanks to the secretaries for the very admirable assistance they have rendered us, and I move:—"That this Conference desires to express its "appreciation of the valuable assistance it has received "from its Secretary, Mr. J. A. Webster, and his colleagues, Mr. G. E. Baker, Mr. J. Hislop, and Mr. D. J. "Quinn." The energy and ability shown by these gentlemen have greatly lightened the labours of the Conference, and have materially tended to enable it to bring its sittings to a close in so short a time, and with it is hoped, so satisfactory a result.

**SIR JOSEPH WARD :** I have much pleasure in seconding that. I just want to say I am perfectly certain we all agree with the good work they have done. And I want to further express the opinion that the result of this Conference, with such difficult, complex matters approached from various standpoints, shows the value of these Conferences, and I personally express the hope that from time to time such assemblages may take place.

**THE CHAIRMAN :** I only supplement that by expressing a hope that at the next Conference we may have the assistance of representatives from the other colonies as well. I think in certain respects it is a misfortune we did not have them this time.

**SIR WILLIAM LYNE :** I would like to add that I hope the next Conference will be an International Conference, with a view of getting foreign Governments to bring their legislation up to the level of ours.

## REPORT OF PROCEEDINGS OF THE CONFERENCE.

SIR JOSEPH WARD : I suggest you hold the next in New Zealand.

SIR WILLIAM LYNE : I suppose we have concluded our work. I don't think there is any objection to what I suggested, that we must protect ourselves as to catching these deserters. I presume there will be a Report of the Conference, and I should like to know what form it will take.

THE CHAIRMAN : I think we might meet informally at 3 o'clock and discuss that, and see if there is anything to be said about a Report.

## AFTERNOON SESSION.

THE CHAIRMAN : Sir William Lyne had some questions to raise about the Report. He is not back yet, but I think we might discuss the questions until he returns. What is the usual thing about reports? I think Mr. Cox can tell us what happened with the last Conference.

MR. COX : The Conference of the Naturalisation Committee is the only one I have experience of. What happened was that the members of the Conference made a Report to the Office that convened it. I presume that this Conference would make a Report to the Board of Trade enclosing all the documents and materials. That is what usually happens.

MR. LLEWELLYN SMITH : In this case I think it would be simply a report, but not going into merits.

THE CHAIRMAN : What is the view of the Colonial delegates about the publishing the full shorthand notes?

HON. W. M. HUGHES : My opinion is this, that it will be a mistake not to publish them. This is the first Conference.

THE CHAIRMAN : In that case each delegate ought to be allowed to correct his remarks. What is the feeling of the shipping delegates about publishing the full shorthand notes of the proceedings?

MR. NORMAN HILL : We will leave it entirely in your hands.

THE CHAIRMAN : You do not object to them being published?

MR. NORMAN HILL : No.

MR. LLEWELLYN SMITH : We can get all the corrections in from the Australian and New Zealand delegates before they leave this country. We shall not have to send anything to them out there.

THE CHAIRMAN : I think they will have to be corrected under Hansard rules. The chief of Hansard allows corrections, but he won't allow an addition or interpolation of a substantial kind. He won't allow a material alteration in the Report.

HON. DUGALD THOMSON : This might be a material alteration. For instance, I just glanced at some copy that has gone out already, and I was represented as saying "Yes" to the question of publishing daily re-

ports in the press of the full proceedings. If I said anything I said "No." Perhaps somebody else said "Yes."

THE CHAIRMAN : We should not be allowed to put a whole new speech in or anything of that sort.

HON. W. M. HUGHES : What we do in the Federal Parliament is, that corrections are subject entirely to the discretion of the chief of Hansard. If you make an alteration and he does not think it permissible he simply disallows it and there's an end of it.

THE CHAIRMAN : That is what I mean. It ought to be under Hansard rules.

MR. HAVELOCK WILSON : There is one correction I should like to have made, Mr. President. I understood that Mr. MacKay did represent the India Office; am I right in believing that this Mr. MacKay is one of the Directors of the British India Steamship Company?

MR. PEMBROKE : He is Sir James MacKay.

MR. HAVELOCK WILSON : If that is so I should like to have it stated in the Report that he is a director.

THE CHAIRMAN : He did not conceal anything. He talked about his own ships in the course of his speech and it is perfectly well known.

MR. HAVELOCK WILSON : I did not know until afterwards, or otherwise I should have said something more.

THE CHAIRMAN : Perhaps it is a very good thing you did not know.

MR. HAVELOCK WILSON : I thought the gentleman was representing the Indian Office.

MR. LLEWELLYN SMITH : He is on the India Council. He was sent to us by the Secretary of State for India.

MR. HAVELOCK WILSON : But I can quite understand Sir James MacKay taking a very strong lead on the Lascar question, when he is a director of one of the companies. If that can be put in, that will satisfy me.

THE CHAIRMAN : I am very glad Sir William Lyne has returned before we disperse. We have been discussing the question of a Report, and the decision we came to was this : a full shorthand note of the proceedings has been taken and that will be published; each delegate will be supplied with a copy of what he said; he will be allowed to correct it under Hansard rules, and then the whole thing will be published in the form of a Blue Book.

SIR WILLIAM LYNE : Will you publish it as it was taken in shorthand?

THE CHAIRMAN : Yes. The full shorthand notes. That is the decision we came to. Does not that meet your view?

SIR WILLIAM LYNE : Yes.

THE CHAIRMAN : Subject to correction under Hansard rules.



## APPENDICES.

## APPENDIX A.

**Memorandum submitted to the Conference by the Representatives of the British Shipowners.**

THE NAVIGATION AND SHIPPING BILL OF THE COMMONWEALTH OF AUSTRALIA.

The British shipowners note with great satisfaction the generous recognition in the Report of the Royal Commission of the facts that the welfare of the British shipping industry is of fundamental importance to the Empire, and that the British shipowner in the conduct of his business has to face most determined efforts on the part of other nations to wrest from him, by subsidies and other means, his hold on the sea-borne trade of the world. The Royal Commission recognise that in this contest the British shipowner has to pay higher wages than the shipowners of most other countries, whilst his vessels are subject to a more rigid system of inspection.

They further note with equal satisfaction that the Imperial Merchant Shipping Act of last year is in a very remarkable manner and degree in accord with the opinions and recommendations of the Royal Commission, and in submitting their suggestions and criticisms on the Commonwealth Bill they would point out that the President of the Board of Trade acknowledged in Parliament that that Act could never have been passed last Session if it had not been for the co-operation and assistance he received at their hands.

The Royal Commission founded in great measure their recommendations on the decline in the number of British seamen employed on British ships between the years 1890 and 1900, and in the increased proportion of the trade of the world carried by foreign vessels during the same period. As bearing directly on these questions the British shipowners would venture to direct the attention of the Commonwealth to the following points:—

1. The President of the Board of Trade stated last Session in the House of Commons that whilst since 1870 the number of British merchant sailors has decreased from 200,000 to 176,000, during the same period the Admiralty has practically taken the cream of the men anxious to engage in a seafaring life; and that the number of seamen employed in the Royal Navy had increased from 70,000 to 129,000. Therefore in the 30 years there has been a total increase of 35,000 in the number of British seamen employed in both services—an increase equal to 13 per cent.

Since 1900 there has been an actual increase of 6,000 in the number of British merchant sailors.

2. The British Manning Committee estimated that at the present time one out of every 36 of the male population of the United Kingdom over 15 years of age, in some form or another, earns his living on the sea.

3. The United Kingdom owns, in round figures, one-half of the oversea tonnage of the world, whilst its total population does not exceed one-twelfth of that of the other ship-owning countries.

4. It would be absolutely impossible, with the limited population of the United Kingdom, to maintain its mercantile marine as it now exists without employing foreign and lascar seamen.

5. In considering the increased proportion of the trade of the world carried by foreign vessels, the Royal Commission has in particular referred to the mercantile marines of the United States, France, Germany, and Russia.

The evidence given before the United States Commission on the merchant marine of that country, which was published in 1905, showed that the ocean-going tonnage of America which in 1861 was 2,600,000 tons had shrunk in 1903 to less than 900,000 tons, notwithstanding the fact that foreign commerce had in the interval quadrupled; and, further, that the percentage of the import and export

trade of the United States carried in American bottoms had fallen during the last 50 years from 72 to 9 per cent.

Great efforts are often made to prove the vitality of American shipping by reference to the tonnage employed in the coasting and lake trades, but the evidence given before the Commission showed that there are only some 900 American steam vessels of over 1,000 tons on the Lakes, on the Pacific, on the Gulf, and on the Atlantic.

In France, subsidies amounting to upwards of £1,500,000 are paid annually to maintain vessels of a net tonnage of 1,200,000 tons. These subsidies represent, probably, an annual payment of not less than 12½ per cent. on the total value of the French mercantile marine.

In Germany there has been a great increase of tonnage, but it must be borne in mind that this increase has, in great measure, been in the fleets of three or four large shipping companies, who have received and are receiving directly and indirectly great assistance from their Government.

In Russia the oversea mercantile marine is, for all practical purposes, a Government service.

6. There has of recent years been a marked and steady decrease in the number of lives lost from British ships. In 1872 the loss of life amounted to 3,533, whilst in 1904 it was only 1,113. During that period British shipping had doubled in size.

7. The reduction in the loss of British vessels through wreck during the same period has been equally striking. The comparative figures are not given until 1876, in which year 280,000 tons were lost out of a total of six millions, whilst in 1903 the loss was only 135,000 tons out of a total of 10½ millions.

The British shipowners in submitting these points for the consideration of the Commonwealth do not wish to minimise the importance of the considerations of safety and comfort on which the Royal Commission has laid so much stress, but they believe that they are justified in claiming that the British mercantile marine is at the present time better equipped and better manned than it has ever been.

If British shipping is to maintain its hold on the sea-borne trade of the world, it is essential that it should be managed on sound business lines. It must show reasonable security for the capital invested, and it must be made to yield a reasonable return on the investment, otherwise the capital employed will be diverted into safer and more profitable channels. Further, if the disasters which have overtaken the oversea shipping of the United States are to be avoided, the British shipowner must be allowed in his business to deal with its constantly varying and growing requirements free from all unnecessary rules and regulations, the enforcement of which place the British vessels at a disadvantage with their foreign competitors on the high seas.

Rules and regulations are necessary to secure the safety of life and property at sea, but it is essential in dealing with a world-wide trade, that all such rules and regulations shall be not only reasonable in themselves, but also that they shall fix standards applicable to all ports and on all seas.

The shipowners, as such, are not interested in questions of Constitutional Law, and they have no desire to conduct their business through the Law Courts. Therefore, in this memorandum they have not attempted to deal with legal difficulties. They have assumed that it is the desire of all parties to the Conference to enable British ships, without distinction of register, to trade on fair and equitable terms in all British Possessions.

## APPENDICES.

In the interests of British shipping there should be:—

- (1) Uniformity of Shipping Law throughout the Empire, including a uniform standard of efficiency, or
- (2) If any local differences exist, reciprocity in accepting compliance with the legal standard in all other parts.

It is obvious that British shipowners cannot carry on their business, or can only carry it on under grave disabilities, if they have to comply with different and possibly conflicting requirements in every part of the Empire, and to pass in every British Possession surveys in order to establish their compliance.

The position, even for liners regularly trading on a route between two parts of the Empire, would, at best, be harassing, whilst for fast passenger steamers sailing on fixed dates, which leave no margin of unemployed time, it would be impossible; except at the prohibitive cost of running additional steamers.

Liners constitute but a small proportion of British shipping. The larger proportion has no fixed route. Such ships on leaving the country of their register have frequently no programme beyond the first stage. Their owners cannot, therefore, provide for compliance with divergent standards when they are ignorant of the ports which their ships will visit.

Vessels engaged in the general carrying trade of the World, must of necessity be prepared, if they are to be worked to the best advantage, to accept employment wherever offered. This ability to go anywhere and to accept all employment offering has, in the opinion of the British shipowners, been one of the most important factors in building up the British mercantile marine, and, by avoiding voyages in ballast, cheapening the cost of sea carriage.

A nation requiring the vessels using its ports to conform to special and unusual standards will of necessity deprive itself in great measure of the services of this very important class of shipping. A vessel which has been built, equipped, manned, and provisioned in accordance with the requirements of the laws of its own flag must, as a matter of business, follow, at otherwise equal rates, the trade open to it as it is, rather than enter on employment which will impose the expense and delay incident to the adoption of other standards. The special standards required may differ only in minor points of detail, but even then the difference introduces an element of uncertainty which is most prejudicial to business interests.

As yet the separate legislation is confined to New Zealand and the Commonwealth of Australia, but what they can do to-day South Africa and Canada may do to-morrow, establishing divers standards which must act as toll bars to the British mercantile marine, and as a bounty to the foreigner to the extent that the same disabilities cannot be imposed upon him.

If this is injurious to British shipping, it will be equally injurious to the trade of the Empire; intercourse cannot be cheap unless it is also free.

It is having regard to these considerations that the British shipowners maintain that it is of the utmost importance to the trade of the Empire that the rules and regulations imposed on shipping should not only be reasonable in themselves but applicable to the whole of the Empire.

The requirements in Parts II., IV., and V. of the Act differ, or may differ, most materially from the Imperial requirements, and, though compliance with local survey may be unnecessary or impossible, no exemptions are granted, except in the case of certain foreign ships.

The provision that all steamers shall, if required, be divided by transverse watertight partitions, as prescribed, might have the effect at any time of rendering it impossible for British ships of the highest class to qualify as seaworthy.

As a matter of business, it would be impossible for ships, at all events, liners, to incur, whilst on a voyage, the expense and delay incidental to a survey.

It would be equally impossible, from a business point of view, for ships to comply during a part only of their voyage with the special rules which are or may be set up

with regard to life-saving appliances, manning provisions, accommodation, lights, sailing rules, &c.

Assuming that the Australian and Imperial conditions are assimilated, or that reciprocity as to standards is secured, there would still remain the condition as to wages, imposed by Part VII. of the Bill upon all ships engaging in coastal trade. It would appear from the Report of the Royal Commission that there is diversity of opinion in the Commonwealth as to the expediency of imposing any special Australian conditions on British over-sea ships, taking passengers or cargo between their Australian ports of call, and it is submitted, for the reasons so ably summarized in the Minority Report of the Royal Commission, that in the interests of both the Commonwealth and of the Empire, the wages obligation should not be imposed upon vessels which engage only incidentally in the trade. The competition of such ships is not severe, as is evidenced by the flourishing condition of the coastal companies. If rates of wages and cost of upkeep are higher for the coastal boats, the scale of earnings is at least proportionately high. Further, in the case of over-sea ships, the service of only a small proportion of the ship's complement can fairly be attributable to the coastal traffic; and, if the object is to equalise conditions, it is clearly overstepped by an obligation placing on the over-sea steamer to pay coastal wages to the whole of the crew.

Apart from all considerations of sentiment, it is more than doubtful whether it would be advantageous to Australia to pursue a policy, which, to the extent that it compels over-sea ships to abandon all participation in coastal traffic, must result in higher charges for over-sea traffic.

The British shipowners believe that it is neither just nor expedient to restrict by positive enactment the liberty of the shipowner, on the one hand, and of the shipper or the consignee, on the other, to contract in any manner they please. It is not possible for any country to establish the conditions under which alone it will engage in trade with the rest of the world. It can enforce such conditions in its own courts, but it is powerless to control effectively the contracts in relation to such trade made in foreign countries, or to control the manner in which such contracts will be construed and enforced by the courts of those countries. Any legislative interference with international trade contracts must therefore of necessity be of a limited character and uncertain in its application. To introduce into over-sea trade uncertainties may benefit the underwriters and the lawyers, but it cannot in the long run benefit the cargo owners or the shipowners.

It would be manifestly unjust to make the shipowner in all circumstances responsible for the goods entrusted to his charge. For instance, the shipowner cannot, in reason, be held responsible for loss resulting from the perils of the seas; and therefore, whatever reasonable conditions are imposed, it will still be necessary for the owner of the cargo to insure his property. It has been proved by experience that insurance against the risks excepted in the ordinary forms of charter parties and bills of lading, can be more cheaply effected by the shipper with the underwriter direct than by forcing the liability upon the shipowner, or by leaving in a state of uncertainty the questions as to where the liability, in fact, rests.

Many attempts have been made to frame a uniform bill of lading for use in all countries, but without success, as it has been found impossible to provide in any one document for the varying requirements of all trades.

The principle that the interests of international trade are best served by leaving the interested parties complete freedom to arrange, as they see fit, the conditions of all shipping contracts is now accepted by the merchants and shipowners of almost all nations. The United States of America has interfered with this freedom, but in doing so, has only avoided difficulty by adopting, in the Harter Act, the standard conditions which had previously been agreed between the representatives of the merchants and of the shipowners. So far, those standard conditions have not interfered with the conduct of the over-sea trade of the United States, but from their adoption the merchants have obtained no relief either in freights or in insurance premiums.

## APPENDICES.

## APPENDIX B.

**Memorandum submitted by Sir William Lyne in reply to the Shipowners' Memorandum.**

With reference to the statements made by the shipowners' representatives, the following remarks may be made :—

The fact remains that whilst in the year 1893 the number of British seamen employed upon British ships was 186,628; yet in the year 1905 (the latest available) that number had decreased to 180,492. When it is remembered that the tonnage of British shipping has increased in the same period by 2,056,373 tons, it is clear the proportionate decrease is much greater. In the year 1893 the total British tonnage was 8,541,388 tons, and the number of British seamen employed 186,628, whilst in 1905, the tonnage being 10,597,761 tons, the British seamen numbered 180,492. Whilst it is no doubt correct to say that since 1900 the number of British seamen has been increased by 6,000, yet the tonnage since that year has also largely increased, and the fact is still patent that as against 180,492 British persons employed in our Mercantile Marine (1905), there are 83,194 of other nationalities employed, or, excluding Asiatics, 39,711 foreigners.

I contend that under proper conditions there is no reason why British men should not be substituted for these. In regard to statements in shipowners' memorandum Nos. 2 and 4, it is contended that under such conditions as ought to prevail the attractions to sea life would be increased, and that there would be no difficulty in securing the necessary supply of British sailors. Australia desires to build up a mercantile navy, and with that view to so improve the conditions of seafaring life that Australian youths will be attracted to it equally with land pursuits.

The remarks of the shipowners' representatives as to the general principles which should regulate the conduct of seaborne trade are no doubt in the abstract eminently correct, and it cannot of course be disputed for a moment that such trade should be free from all unnecessary rules and regulations; but the whole case depends upon whether such regulations as a matter of fact are unnecessary. I contend they are *not*. I agree with the view that anything which places British vessels at a disadvantage with foreign is to be avoided; but our Bill provides that no distinction shall be permitted.

I maintain that so long as no difference is made between the two classes of vessels, the British ship is *not* placed at a disadvantage, and I do not hold with the representatives that the "same disabilities" cannot be imposed on the foreigner. The general question of policy is one for Australia herself to consider. She has to take the risk of what the effect of her legislation may be; but from her point of view the advantages to be gained outweigh the possible disadvantages.

As to the remarks in regard to the coastal trade, a question of policy to be determined only by Australia herself again arises.

It is alleged that the scale of earnings of the Australian coasters is greater than that of the oversea boats. This is hardly the fact in the case of passengers, and probably not in regard to cargo.

I do not consider that it by any means follows that if oversea ships are excluded from coastal traffic, the result will be higher charges for oversea traffic.

In the memorandum under remark, it is observed that "it is not possible for any country to establish the conditions under which alone it will engage in trade with the rest of the world." This is an assertion which is hardly the fact. A country *can* do this if it so determines, and it is for it alone to decide whether it will do so.

It is maintained that it is quite open to any country to say that when certain contracts are brought before its Courts to be interpreted or enforced, they shall be read in a certain way. As to the liability of shipowners, Australia has in operation a Sea Carriage Act, which serves her purpose, and which will be maintained. It is desired only that shippers shall be protected from attempts by shipowners to contract themselves out of their liability.

One point deserving consideration, which from an Australian point of view is of considerable weight, has not been taken into account by the shipowners; that is, the great desire of Australia to give the British owner a preference as against his foreign competitor. The oversea trade of Australia is now 112 millions per annum. I desire that all that trade shall be carried in British ships. This view was recently given effect to by an Act which imposed in many cases much higher duties upon goods imported from foreign countries, or in foreign ships. As regards Australian trade, this is a great consideration. Such an enactment practically gives the trade to British ships, and if we adapted the shipowners' own arguments, will lead to increase in charges for freight, which will be to their advantage.

Shortly, the Australian views are as follows :—

- (1) The requirements proposed are necessary and desirable;
- (2) Foreign ships must be subject to all the requirements of British ships;
- (3) The latter, in the carriage of goods, shall have the preference over, and be protected against, the foreigner;
- (4) The proportion of British seamen can, and should be, increased, until the foreign element is reduced or eliminated;
- (5) The Australian coasting trade shall be restricted to such vessels as comply with Australian conditions, and in such trade preference to be given to British ships as far as practicable;
- (6) The requirements and laws relating to shipping should be uniform throughout the Empire, but we consider the lines of New Zealand legislation and Australian should be generally followed as the basis of a uniform law;
- (7) That in all sea trade each British Colony should give a preference to British vessels.

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**Brussels Draft Conventions on Collisions and Salvage.**

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PROJETS DE CONVENTIONS.

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ANNEXES AU PROTOCOLE DU 20 OCTOBRE, 1905.

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CONVENTION INTERNATIONALE

POUR

L'UNIFICATION DE CERTAINES REGLES EN MATIERE D'ABORDAGE.

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ARTICLE PREMIER.

La réparation des dommages causés par un abordage survenu entre navires de mer ou entre navires de mer et bateaux de navigation intérieure, est soumise aux dispositions suivantes, sans qu'il y ait à tenir compte des eaux où l'abordage s'est produit.

ARTICLE 2.

Si l'abordage est fortuit, s'il est dû à un cas de force majeure, ou s'il y a doute sur les causes de l'abordage, les dommages sont supportés par ceux qui les ont éprouvés.

Cette disposition reste applicable dans le cas où, soit les navires, soit l'un d'eux, sont au mouillage au moment de l'accident.

ARTICLE 3.

Si l'abordage est causé par la faute de l'un des navires, la réparation du dommage incombe à celui qui l'a commise.

ARTICLE 4.

S'il y a faute commune, la responsabilité de chacun des navires est proportionnelle à la gravité de sa faute.

Les dommages causés soit aux navires, soit à leurs cargaisons, soit aux effets ou autres biens des équipages, passagers ou autres personnes se trouvant à bord, sont répartis entre les navires, dans la dite proportion, sans solidarité à l'égard des tiers.

ARTICLE 5.

La responsabilité établie par les articles précédents subsiste dans le cas où l'abordage est causé par la faute d'un pilote, même lorsque celui-ci obligatoire.

ARTICLE 6.

L'action en réparation des dommages subis par suite d'un abordage n'est subordonnée ni à un protêt, ni à un protêt, ni à aucune autre formalité spéciale.

ARTICLE 7.

L'action se prescrit par deux ans à partir de l'événement.

Les causes de suspension et d'interruption de cette prescription sont déterminées par la loi du tribunal saisi.

Peut être considéré comme une cause de suspension le fait que le navire défendeur n'a pu être saisi dans les eaux territoriales de l'Etat dans lequel le demandeur a son domicile ou son principal établissement.

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## ARTICLE 8.

Après un abordage, le capitaine de chacun des navires entrés en collision est tenu, autant qu'il peut le faire sans danger sérieux pour son navire, son équipage et ses passagers, de prêter assistance à l'autre bâtiment, à son équipage et à ses passagers.

Il est également tenu dans la mesure du possible de faire connaître le nom et le port d'attache de son bâtiment ainsi que les lieux d'où il vient et où il va.

Le propriétaire du navire n'est pas responsable à raison des contraventions aux dispositions précédentes. Ces contraventions n'entraînent pas non plus une présomption légale de faute au point de vue de la responsabilité pécuniaire de l'abordage.

## ARTICLE 9.

Les Hautes Parties contractantes, dont la législation ne réprime pas les infractions à l'article précédent, s'engagent à prendre ou à proposer à leurs Legislatures respectives les mesures nécessaires pour que ces infractions soient réprimées.

Les Hautes Parties contractantes se communiqueront, aussitôt que faire se pourra, les lois ou les règlements qui auraient déjà été édictés, ou qui viendraient à l'être dans leurs Etats pour l'exécution de la disposition précédente.

## ARTICLE 10.

Sous réserve de conventions ultérieures, les présentes dispositions ne portent point atteinte à la nature ni à l'étendue de la responsabilité des propriétaires des navires, telles qu'elles sont réglées dans chaque pays, non plus qu'aux obligations résultant du contrat de transport ou de tous autres contrats.

## ARTICLE 11.

La présente Convention est sans application aux navires de guerre et aux navires d'Etat exclusivement affectés à un service public.

## ARTICLE 12.

Les dispositions de la présente Convention seront appliquées à l'égard de tous les intéressés, lorsque tous les navires seront ressortissants aux Etats contractants et dans les autres cas prévus par les lois nationales.

## ARTICLE 13.

Les Délégués des Etats contractants se réuniront à Bruxelles, trois ans après l'entrée en vigueur de la présente Convention, dans le but de rechercher les améliorations qui pourraient y être apportées et notamment d'en étendre, s'il est possible, la sphere d'application.

## ARTICLE 14.

Les Etats qui n'ont pas signé la présente Convention sont admis à y adhérer sur leur demande. Cette adhésion sera notifiée par la voie diplomatique au Gouvernement belge et, par celui-ci, à chacun des autres Gouvernements ; elle sortira ses effets un mois après l'envoi de la notification faite par le Gouvernement belge.

## ARTICLE 15.

La présente Convention sera ratifiée et les ratifications en seront déposées à Bruxelles aussitôt que faire se pourra. A l'expiration du délai de deux ans, à compter du jour de la signature de la Convention, le Gouvernement belge entrera en rapport avec les Gouvernements qui se seront déclarés prêts à la ratifier, à l'effet de faire décider s'il y a lieu de la mettre en vigueur.

Les ratifications seront, le cas échéant, déposées immédiatement et la Convention produira ses effets un mois après ce dépôt.

Le protocole restera ouvert pendant une autre année en faveur des Etats représentés à la Conférence de Bruxelles. Passé ce délai, ils ne pourraient qu'y adhérer, conformément aux dispositions de l'article 14.

## ARTICLE 16.

Dans le cas où l'une ou l'autre des Parties contractantes dénoncerait la présente Convention, cette dénonciation ne produirait ses effets qu'un an après le jour où elle aurait été notifiée au Gouvernement belge, et la Convention demeurerait en vigueur entre les autres Gouvernements contractants.

En foi de quoi, les Plénipotentiaires des Etats respectifs ont signé la présente Convention et y ont apposé leurs cachets.

Fait à Bruxelles, en un seul exemplaire le . . . . .

## CONVENTION INTERNATIONALE

## RELATIVE A

L'UNIFICATION DE CERTAINES RÉGLES EN MATIÈRE D'ASSISTANCE ET DE SAUVETAGE  
MARITIMES.

## ARTICLE PREMIER.

L'assistance et le sauvetage des navires de mer ou de leurs cargaisons ainsi que les services de même nature rendus entre navires de mer et bateaux de navigation intérieure sont soumis aux dispositions suivantes, sans qu'il y ait à distinguer entre ces deux sortes de services et sans qu'il y ait à tenir compte des eaux où ils ont été rendus.

## ARTICLE 2.

Tout fait d'assistance ou de sauvetage ayant eu un résultat utile donne lieu à une équitable rémunération.

Rien n'est dû si le secours prêté reste sans résultat utile.

En aucun cas, la somme à payer ne peut dépasser la valeur des choses sauvées.

## ARTICLE 3.

N'ont droit à aucune rémunération les personnes qui ont pris part aux opérations de secours, malgré la défense expresse et raisonnable du navire secouru ou qui ont frauduleusement cédé les objets sauvés.

## ARTICLE 4.

Le remorqueur n'a droit à une rémunération pour l'assistance ou le sauvetage du navire par lui remorqué ou de sa cargaison que s'il a rendu des services exceptionnels ne pouvant être considérés comme l'accomplissement du contrat de remorquage.

## ARTICLE 5.

La rémunération est due encore que l'assistance ou le sauvetage ait eu lieu entre navires appartenant au même propriétaire.

## ARTICLE 6.

Le montant de la rémunération est fixé par la convention des parties et, à défaut, par le juge.

## ARTICLE 7.

Toute convention d'assistance ou de sauvetage passée au moment et sous l'influence du danger peut, à la requête de l'une ou de l'autre partie, être modifiée par le juge s'il estime que les conditions convenues ne sont pas équitables.

## ARTICLE 8.

La rémunération est fixée par le juge selon les circonstances en prenant pour base : (a) en premier lieu, le succès obtenu, les efforts et le mérite de ceux qui ont prêté secours, le danger couru par le navire assisté, par sa cargaison, par les sauveteurs et par le navire assistant, ainsi que les frais et dommages subis par ces derniers, en tenant compte, le cas échéant, de l'appropriation spéciale du navire assistant ; (b) en second lieu, la valeur des choses sauvées et du navire sauveteur.

## ARTICLE 9.

L'action en paiement de la rémunération se prescrit par deux ans à partir du jour où les opérations d'assistance ou de sauvetage sont terminées.

## APPENDICES.

Les causes de suspension et d'interruption de cette prescription sont déterminées par la loi du tribunal saisi.

Peut être considéré comme une cause de suspension le fait que le navire assisté ou sauvé n'a pu être saisi dans les eaux territoriales de l'Etat dans lequel le demandeur a son domicile ou son principal établissement.

## ARTICLE 10.

Tout capitaine est tenu autant qu'il peut le faire sans danger sérieux pour son navire, son équipage, ses passagers, de prêter assistance à toute personne, même ennemie, trouvée en mer en danger de se perdre.

Le propriétaire du navire n'est pas responsable à raison des contraventions à la disposition précédente.

## ARTICLE 11.

Les Hautes Parties contractantes dont la législation ne réprime pas l'infraction à l'article précédent s'engagent à prendre ou à proposer à leurs Legislatures respectives les mesures nécessaires pour que cette infraction soit réprimée.

Les Hautes Parties contractantes se communiqueront, aussitôt que faire se pourra, les lois ou règlements qui auraient déjà été édictés ou qui viendraient à l'être dans leurs Etats pour l'exécution de la disposition qui précède.

## ARTICLE 12.

La présente Convention ne porte pas atteinte aux dispositions des législations nationales ou des traités internationaux sur l'organisation de services d'assistance et de sauvetage par les autorités publiques ou sous leur contrôle.

Les dispositions relatives à la rémunération ne concernent pas le sauvetage des personnes, sans que cependant il soit porté atteinte aux prescriptions des lois nationales à cet égard.

## ARTICLE 13.

La présente Convention est sans application aux navires de guerre et aux navires d'Etat exclusivement affectés à un service public.

## ARTICLE 14.

Les dispositions de la présente Convention seront appliquées à l'égard de tous les intéressés lorsque soit le navire assistant ou sauveteur soit le navire assisté ou sauvé appartient à l'un des Etats contractants ainsi que dans les autres cas prévus par les lois nationales.

Toutefois, et sans préjudice des dispositions plus étendues des lois nationales, l'article 10 n'est applicable qu'entre navires ressortissant aux Etats contractants.

## ARTICLE 15.

Les Délégués des Etats contractants se réuniront à Bruxelles, trois ans après l'entrée en vigueur de la présente Convention, dans le but de rechercher les améliorations qui pourraient y être apportées et notamment d'en étendre, s'il est possible, la sphère d'application.

## ARTICLE 16.

Les Etats qui n'ont pas signé la présente Convention sont admis à y adhérer sur leur demande. Cette adhésion sera notifiée par la voie diplomatique au Gouvernement belge et par celui-ci à chacun des autres Gouvernements ; elle sortira ses effets un mois après l'envoi de la notification faite par le Gouvernement belge.

## ARTICLE 17.

La présente Convention sera ratifiée et les ratifications en seront déposées à Bruxelles aussitôt qu'il sera possible. A l'expiration du délai de deux ans, à compter du jour de la signature de la Convention, le Gouvernement belge entrera en rapport avec les Gouvernements qui se seront déclarés prêts à la ratifier, à l'effet de faire décider s'il y a lieu de la mettre en vigueur.

Les ratifications seront, le cas échéant, déposées immédiatement et la Convention produira ses effets un mois après ce dépôt. Le protocole restera ouvert pendant une autre année en faveur des Etats représentés à la Conférence de Bruxelles. Passé ce délai, ils ne pourraient qu'y adhérer, conformément aux dispositions de l'article 16.

## APPENDICES.

## ARTICLE 18.

Dans le cas où l'une ou l'autre des Parties contractantes dénoncerait la présente Convention, cette dénonciation ne produirait ses effets qu'un an après le jour où elle aurait été notifiée au Gouvernement belge et la Convention demeurerait en vigueur entre les autres Gouvernements contractants.

En foi de quoi, les Plénipotentiaires des États respectifs ont signé la présente Convention et y ont apposé leurs cachets.

Fait à Bruxelles, en un seul exemplaire, le.

## APPENDIX D.

### Memorandum by Sir W. Lyne on the Brussels Draft Conventions on Collisions and Salvage.

HANDED IN BY SIR WM. LYNE AT THE COLONIAL MERCHANT SHIPPING CONFERENCE ON THE 22ND APRIL.

Exception is taken to the proposals made in regard to:—

- (1.) Abolition of the defence of compulsory pilotage (Article 5).
- (2.) The repeal of portion of Section 422 of the Merchant Shipping Act, 1894 (Article 8).

In regard to (1), it would seem that if the master of a ship is required by law to take a pilot, and that by the act of that pilot damage is occasioned to another ship, the owner of the offending ship should not be held liable for damages. Should, however, it appear that the master of the offending vessel could have prevented the casualty had he exercised his judgment, and could have ascertained that a collision was impending, in that case the owners of the offending ship should be held liable.

As to (2), it is considered that nothing should be done which in any case would lessen the present liability of both master and owner. The provisions that one ship should stand by another in case of collision, and that the master should render every assistance, and that the master of the one ship should communicate to the other the name of his ship and other particulars, are most salutary ones. It is well known that in case of collision in thick weather it is easy for an offending ship to escape without being detected, or these particulars becoming known to the master of the other ship, and that to ascertain them subsequently would involve delay and possible heavy expenses, and that in some cases it would not be possible to trace the offenders.

It is, therefore, thought that no amendment of the kind suggested should be made in the existing law.



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