

<page>509</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=549></url>

LEGISLATIVE COUNCIL. Friday, 18th October, 1901. First Reading-Third Readings. The Hon. the SPEAKER took the chair at half-past two o'clock. PRAYERS. FIRST READING. Chemists' Rota of Attendance Bill. THIRD READINGS. Money-lenders Bill, Cornwall Park Duties Exemption Bill, Opium Prohibition Bill, Charitable Institutions Rating Bill. The Council adjourned at twenty minutes to three o'clock p.m. HOUSE OF REPRESENTATIVES. Friday, 18th October, 1901. First Readings-Pacific Cable-Payment of Members Bill - Patea Election - Gore Cemetery Reserves Bill-Money-lenders Bill-Ocean Mail- services. Mr. DEPUTY-SPEAKER took the chair at half- past two o'clock. PRAYERS. FIRST READINGS. Land-tax and Income-tax Bill, Government Railways Department Classification Bill, Wai- mate Hospital District Bill (No. 2), Govern- ment Railways Superannuation Bill. PACIFIC CABLE. Mr. A. L. D. FRASER (Napier) said he wished to ask the Postmaster-General, with- out notice, whether the cable message con- tained in this morning's Times from Melbourne, dealing with the Pacific cable, had been brought under his notice, and if there was any truth in the allegations therein contained. The matter was of such urgent importance, in view of the debate now before the House, that he thought the question should be dealt with at once. Sir J. G. WARD (Postmaster-General) said he had seen the cable referred to, and the state- ments generally were incorrect. The message said :- "It is patent that there is a desire on

<page>510</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=550></url>

the greater part of the Australian traffic for her connecting line. This would be a decided disadvantage to Queensland, who confidently reckoned on the whole of the Australian busi- ness which was sent by the Pacific route coming over her land-lines. For some time past the New Zealand Government had been working to obtain a State-owned cable between Sydney and Auckland .. This is now within measurable distance. With this cable completed, Queens- land's chance of monopolizing the Australian business ends. New Zealand has also offered to provide all the necessary staff for the Pacific cable, as far as that colony was concerned, at her own expense, thereby securing full control of the business as far as Norfolk Island. The possibilities of the situation are being eagerly discussed in Queensland." We were not providing for the payment of any of the cable staff. The cable staff is to be paid by the Pacific Cable Board in the usual way. The arrangements for the landing-place for the cable in New Zealand had all been carried out some time ago, and the site defi- nitely fixed. Under agreement we had per- formed our part of the bargain, and the Pacific Cable Board had performed its part in the same way as the agreement for landing-site is, or will be, carried out by the other countries. It appeared almost as if the statement had been given publicity to for the purpose of disturb- ing the very friendly feeling that had all through existed between Queensland and this country regarding cable and postal matters. When the Pacific cable was laid on the route he referred to New Zealand would have another means of sending its cable messages to Australia quite independent of the existing cable. So that, whatever may have given rise to this statement, it was not in accordance with fact. When the Pacific cable was established it would be of immense service to our colony. Mr. HUTCHESON asked when the Post- master - General expected the Pacific cable would be in working-order. Sir J. G. WARD hoped that it would be in working-order in about twelve months from date, and it would be a very good thing for this country when it was finished. PAYMENT OF MEMBERS BILL. Mr. SEDDON (Premier) said he might state that there had been a misapprehension-and certainly he never intended it-namely, that it was proposed to make the payment of members -if the Bill were passed by Parliament-as from the 1st January. The intention of the Government was to pass the Bill through, and the payment would be as from the date it was passed. He might say that he had had to

resist pressure which had been brought to bear in order that the increased payment to members should not apply to the members for the City of Wellington. It had been urged that, as they were at home all the time, therefore they should not receive this piment, but he knew that when the time came they would accept the . payment all the same. S■r J. G. Ward Mr. SEDDON (Premier) moved, That the Speaker be directed to issue his warrant to the Clerk of the Writs to make out a new writ for the election of a member of this House for the Patea Electoral District. Mr. LETHBRIDGE (Rangitikei) called the attention of the Minister to the fact that on the occasion of the last election there were places where there were no polling-booths, and for want of polling - booths in these places several people were disfranchised. He had a communication from the district asking that a polling-booth be placed at Denlair, and one at Mr. Wallace's whare, at Orautotia. The com- munication was to the effect that, through there being no polling-booth at these places, electors at last election were disfranchised, for, owing to the wet day, many settlers' wives could not get to the booths at Fordell and Ractihi. He hoped the Minister would take this into consideration, and see that booths were placed at these places He would be happy to give him the names of the places afterwards. Mr. MASSEY (Franklin) said the Minister might tell them if a Returning Officer had been appointed for Patea ; and, if so, who he was. Captain RUSSELL (Hawke's Bay) said he thought, with all due respect to the previous speakers, that the Ministry should not interfere in the election at all, but leave those matters to the Returning Officer. Mr. SEDDON (Premier) said that, despite what was said by the member for Hawke's Bay, a duty had been cast upon the officer of the writs, and the law said that where there were less than twenty electors there should be no polling-booth. Captain RUSSELL said that the Minister should have nothing to do with it. Mr. SEDDON agreed that it should be left to the officers, but the fact remained that at several places only three votes had been cast, and in other places no votes had been cast at all. In those cases there was no necessity for the country being put to the expense of main- taining polling-booths. Where there were people wanting to vote and who asked for facilities to do so, those cases should be submitted to the Returning Officer, and it should be left to the Returning Officer to decide. In regard to the Returning Officer, Mr. J. Handley had been appointed, who had had long training in con- nection with the Land Purchase Department. Motion agreed to. GORE CEMETERY RESERVES BILL. Mr. GRAHAM (Nelson City) brought up the report of the Local Bills Committee on the Goro Cemetery Reserves Bill. The Committee re- commended that, as the Standing Orders had been complied with, the Bill should be allowed to proceed. He moved, That the report lie on the table. Mr. HORNSBY (Wairarapa) understood that. objection had been made locally to the Gore Cemetery Reserves Bill. He had been in- formed that objection was made by the local

<page>511</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=551></url>

tery was to be put. One of the opponents of the measure, like Silas Wegg, had dropped into poetry over it, and he (Mr. Hornsby) would like to hear if the objection had been disposed of. Mr. McNAB (Mataura) said there was ob- jection manifested to the Bill by a number of local residents. They petitioned the House, and their petition came up for consideration by the Local Bills Committee when the Bill was being dealt with, and the Committee had, he thought, met the views of all the parties in connection with the measure. They had altered the Bill so that the cemetery was no longer to go to the municipality as a municipal reserve, but as a recreation reserve. And, in regard to the objections of those whose friends were buried in the cemetery, the proposals of the Bill had been altered, so that application must be made to the Colonial Secretary before any removal of the bodies took place; and whoever applied to get the permission of the Colonial Secretary to effect such removal must advertise the application in a paper circulating in the Borough of Gore for some three weeks. That would insure that when any re- moval was proposed all the parties who con- sidered they were affected would be able to place their representations before the Colonial Secretary, who would then decide whether it was right that such removal should take

place or not. He thought that met the views of the Borough Council, and also the views of the petitioners. Motion agreed to. MONEY-LENDERS BILL. A message was received from the Legislative Council intimating that the Council had passed the Money-lenders Bill with amendments, and requesting the concurrence of the House in those amendments. Mr. HALL. - JONES (Minister for Public Works) said the amendments were not of a very extensive character. If honourable members would refer to the Bill he would indicate the alterations made. In subsection (4) of section 2 certain words had been added. The words added were : "including any payment or deduction by way of premium, fine, or foregift." Then, an amendment which might call for reasonable criticism was a proviso to subsection (3) of clause 3. Clause 3 dealt with cases coming before the Court, and subsection (3) of the clause with the position of a borrower bringing cases before the Court. Provision had been made as to the time within which cases might be brought, and words had been added to provide that the borrower, in bringing a matter before the Court, should do so within twelve months after the closing of the transaction. Subsection (8) of clause 3 was passed by the House in this way : "For the purposes of this section (but for no other purpose) the expression ' money lender' includes any person who lends money for interest." To these words had been added the following : "at a rate, including any payments or deductions by way of premium, annum." He thought that was a reasonable amendment ; that there were few alterations, and that in some respects the Bill was improved. He therefore moved, That the amendments made by the Legislative Council in the Bill be agreed to. Mr. W. FRASER (Wakatipu) asked the Hon. the Minister if he had given effect to a promise he had made in regard to subsection (4) of section 2, as it appeared in the original Bill as introduced. By striking out that subsection certain companies were no longer included in the exemption list. He had pointed out the case of two companies in Dun-edin that were acting very much in the same way as the Public Trustee acted. They managed estates for private persons, and necessarily, therefore, had to invest moneys on mortgage. Surely it was never contemplated that they were to be treated as usurers. He had pointed this out to the honourable gentleman. who had, in reply, told him that he recognised the force of the argument, and would endeavour to get an amendment put into the Bill in the Upper House. Now, he would like to ask the Minister what he had done in regard to that. Mr. HALL-JONES promised he would look into that matter and see if there was any necessity for doing what he suggested. and if there was any necessity provision would be made. He had been advised that the Bill met what was asked for, and that the word "person". would include a company. The clause which was struck out in the House was dealing with a body corporate, under which a corporation was empowered by special Act of Parliament before the passing of this Act. Mr. W. FRASER .- They had got a special Act of Parliament Mr. HALL-JONES said, Very well ; they would then come under subclause (4) of section 2, under which, if a company was lending money at a less rate of interest than 10 per cent., it need not be registered. If it was lending at more than 10 per cent. it must be registered. He perceived that there was another amendment in the Bill that he had omitted to refer to In clause 3 there was a new subclause, (3A), to the following effect : "Where it appears to the Court that any person other than the money-lender has shared in the profits of, or has any beneficiary interest, prospectively or otherwise, in the transaction which the Court holds to be harsh and unconscionable, the Court may cite such person as a party to the case, and may make such judgment in respect to such person as it may deem fit." It would be seen that it was optional for the Court to cite such a person as a party to the case, and to make such a judgment as it might deem fit. In explaining the amendments just now he had overlooked this particular new subclause. Mr. W. FRASER said the Minister had not answered his question. He thought he was entitled to an answer, and he had just pointed out to the honourable gentleman that subsec-

<page>512</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=552></url>

to "any person," and not to a body corporate ; and yet a company might need to be exempted just as

much as any private trustee. When he had pointed this out previously the honourable gentleman saw the force of his suggestion, and promised that something would be done in regard to this matter. Mr. HALL-JONES believed that subsection (4) of clause 2 would do all that was required. It said :- " Any person bona fide carrying on the business of banking or insurance or any business in the course of which and for the purposes whereof he lends money at a rate of interest not exceeding ten per centum per annum." He took it that that would include a company. Could the honourable gentleman point to any person who was carrying on the business of insurance? And in case of a company which did not charge a greater rate of interest than 10 per cent. it did not need to be registered. Mr. W. FRASER asked, Would "person " in the subsection mean company ? Mr. HALL-JONES said, Yes. He had been advised it was perfectly clear. If it was found not to be so, he would see that further provision was made for it. Mr. W. FRASER said that that was what he wanted the honourable member to do. Mr. ATKINSON (Wellington City) asked, with reference to clause 2, in what way the Minister was going to give effect to his promise on the point raised by the honourable member for Wakatipu except by making amendments in the Bill now. Mr. HALL-JONES said they were dealing now merely with the amendments made by the Council. The question raised by the honourable member for Wakatipu was not in reference to any amendment made by the Council. Mr. ATKINSON had understood that the honourable gentleman wanted an alteration made in the Bill, and that the Minister had stated that if he was not satisfied that the promised alteration was there he would have it made. Personally, he thought the Minister was right in saying that "person " in this clause would include "company." With regard to the other amendments, it was most undesirable in principle that we should be asked at the most critical stage of the Bill, after all the precautions taken at the earlier stages, to agree to amendments wholesale and blindfold, because that was really what it amounted to. The Minister himself, while endeavouring conscientiously to inform us of the effect of these amendments, had, through an oversight, omitted one of the most important of them, and but for the accident being discovered we should have consented to the whole of these amendments in entire ignorance of one of the most important of them. That was just an illustration of one of the dangers of legislating in this way. On the whole, he thought the amendments of the Legislative Council had effected a very great improvement in the Bill. The question of how to get at the usurious but non-professional money-lender had Mr. W. Fraser "money-lender " for the purposes of clause 3 ; but the Bill still remained a perfect miracle of bungling. Clause 2 defined "money-lender," and clause 3 dealt with money-lender, and covered a whole page of the Bill, and wound up by saying that money-lender in this clause meant something different from the money-lender already defined by clause 2. It was nonsensical that they should have such a contradiction in the Bill. Now, the object could be quite reasonably attained now, if the Minister was so minded, by a very simple expedient, which would prevent the Bill being so misleading as inevitably it would be by the word "money-lender " meaning one thing in section 2, another thing in section 3, and meaning the same in section 4 as in section 2. However, the Minister was responsible, and he had nothing further to say at this stage. He would like to ask if he understood the Minister read these amendments verbatim, or only gave a summary. Mr. HALL-JONES said he gave a summary first, and then read them verbatim. Mr. ATKINSON said, In regard to the amendment as to the limitation of time, he understood the Minister to say that the amendment was that the application must be made within twelve months after closing the transaction. Were these words "after closing the transaction " the terms of the amendment or part of the summary ? What were the actual words ? Mr. HALL-JONES said that only applied to section 3, which stated :- " Provided that a person shall not be entitled to apply to the Court under this subsection unless application is made within one year of the transaction being closed." Mr. ATKINSON said, What was the point of having the application after the transaction was closed ? It would be more to the point to have it twelve months from the opening of the transaction. Supposing it was a usurious loan covering a term of five years, then would the Minister say

that the transaction was closed on the day that the documents were signed ? An Hon. MEMBER .- I should say when he pays the last sum in. Mr. ATKINSON said that it was to be hoped so ; but he thought that could not be the meaning in the mind of the honourable member who moved the amendment, for this reason : Because, if the borrower had paid his last penny under the contract, it was not likely that he would approach the Court at any time after that, and ask for relief from an oppressive contract from which he had already relieved himself by paying the last penny. It was hardly right that members should, on the spur of the moment, be asked to accept these amendments which they had not had an opportunity of seeing in print. There was another point which he thought wanted clearing up-namely, as to whether the amendment in the definition of " money lender " would really give effect to the intention of honourable members. He would not like to say confidently, on the spur of the moment, that the amendment made in respect

<page>513</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=553></url>

would not be absolutely ineffective. He thought that any three members of the House, selected by lot, could in a few minutes put this clause in a better form than it could be put in by the whole House in the present position. Mr. SEDDON (Premier) said he had listened very carefully to what had been said in respect to this matter. An interpretation might be placed upon the amendment that it might not give effect to what evidently had been intended ; but they must realise this fact : that 3.30. it was four years since the Bill was first introduced, and at last they were in a position to place on the statute-book a measure which would relieve a number of oppressed persons in the colony. Our conditions differed from those which obtained in the Mother-country, and there had been some difficulty in getting a measure through which would meet the different conditions, and it was quite possible that the first measure might not be perfect. He admitted that ; but he asked members to place the measure on the statute-book, so as to relieve existing conditions. Then, again, if the House disagreed with the amendments made by the Council they would have to give reasons, and there would have to be a Conference between three members appointed from the House and another three appointed by the Council. But, as the points raised by the honourable member for Wellington City were purely technical, he thought the best course would be to let the Bill go through, and then let it be referred to the Crown Law Officers for their advice upon the points raised by the honourable member for Wellington City (Mr. Atkinson) and other members, and, if it was found that what was intended was not given effect to, an amendment could be introduced by Governor's message. An Hon. MEMBER .- That is a bad way. Mr. SEDDON said it was not a bad way. The Crown Law Officers could not appear before a Conference or the Committee, and if the course he suggested were adopted it would prevent contention between the two branches of the Legislature. Mr. MASSEY (Franklin) hoped, if the House agreed to these amendments without their being printed, it would not be taken as a precedent, because he thought on every occasion when the Council made amendments in Bills passed by the House those amendments should be printed and circulated so that members might know what they were doing. He could not help recollecting that last session, in the last days of the session, members of this House often agreed to amendments made by the Council which they did not thoroughly understand, and in consequence there had been friction in certain districts, and hardships had been caused to individuals. On principle, therefore, he thought that when Bills were amended by the Council, such Bills should be printed in their amended form, so that members might be able to grasp the effect of the alterations. Mr. HALL-JONES (Minister for Public Works) said the only question that might possibly necessitate a Governor's message, he thought, member for Wakatipu, but he had since been advised that the clause met what was necessary. It was brought under his notice that in the Interpretation Act " person " included " a corporation," and he believed the honourable member was now satisfied that what was intended, and what he had promised, was provided for in the Bill. With regard to the criticism of the

honourable member for Wellington City (Mr. Atkinson), he admitted that when the Bill was in Committee the honourable member did take a keen interest in the measure. The Bill was several hours in Committee. He could not, however, forget this : that on two occasions when there was an attempt to count out the Committee, the honourable member, while the House was being counted and before he was counted, left the Chamber, and he could not, therefore, look upon the honourable member as a friend of the Bill. The Bill had been carefully considered ; and he believed that, while the alterations would perhaps restrict the operation of the Bill as it left that Chamber, still it was a fair restriction, and he did not object to it. The scope of the Bill was not extended, but the time within which a borrower could bring the matter before the Court was restricted to one year. He thought that a wise restriction, for otherwise the matter might go on for six or eight years and then be brought up. He took that opportunity of thanking the members who had sat with him in Committee until a late hour. They had succeeded in passing a Bill which would be recognised as a good measure, and one which would prevent many gross cases of hardship such as had occurred in this colony. Mr. ATKINSON (Wellington City) desired to make a personal explanation. At an earlier stage in the course of the Bill the Minister acknowledged the fact that he was the first to point out that this Bill would be largely in- operative, for the very reason that the Pre- mier had referred to-namely, the altered cir- cumstances in this colony as compared with the Old Country. As introduced, the Bill dealt with money-lenders only ; and he (Mr. Atkinson) pointed out that the casual usurer should be dealt with just as much as the pro- fessional money-lender; and it was that sug- gestion that caused the Bill to take up so much time in Committee, and to emerge from Com- mittee with its scope so much widened. He was sorry to be personal, but it was necessary to be personal when on a personal defence. An important part of subclause (1) of clause 3 was nonsense as the Bill was drafted, and it was on his motion that it was put in its present form, by substituting "a Court of equity " for the meaningless phrase "the Court," in line 10. Subclause (3) of the same clause was also much extended by his amendment, which gave a Court power, notwithstanding any agreement to the contrary, to revise the terms of any loan, whether any money had fallen due or not. Subclause (4) (a), was also added on his motion, so as to give the Court these remedial - powers in the case of any transaction which was

<page>514</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=554></url>

form. All these were vital and essential addi- tions to the Bill, accepted by the Minister and the House upon their merits. and it was there- fore ungenerous of the Minister to speak as he had done. The definition in clause 3 as amended would run : "'Money-lender' includes any person who lends money for interest at a rate, including any payments or deductions by way of premium, nne, or foregift, exceeding ten per centum per annum." The intention was good, but would it be carried out? 'the wording was very loose, not to say ungram- matical. The rate was to "include " deduc- tions - that is, to include what was excluded. It was impossible to say off-hand what meaning, if any, a Court would give to the definition as amended. Mr. HALL-JONES said the honourable member had asked to make a personal explana- tion in regard to his statement that Mr. Atkin- son had tried to count out the House and kill the Bill, and he had hoped that he was going to explain his action in so doing, but he had not done so. If the first amendment the honourable gentleman had suggested in the 2nd clause, and on which two hours were wasted, had been accepted, the Bill would not have been worth the paper it was printed upon. Mr. ATKINSON desired to say, in regard to his not assisting to keep a House after a certain stage of the Bill, that he had done his best until they were through the first three clauses to make the Bill a workable one. He thought that clause 3 as finally amended by the House in Committee was absolutely disastrous, and that after that the sooner the Bill was buried the better, and therefore he did not think it his duty any longer to assist in keeping a House #cc-zero for such a Bill. Motion agreed to. # OCEAN MAIL-SERVICES. ADJOURNED DEBATE. Mr. HORNSBY (Wairarapa) .- Would it be in order to reconsider the matter of the reporting in

Committee of this debate. I know you have ruled on the point, Sir, but I would point out respectfully that anything in the shape of a re- port in Committee would only be a duplication of the debate, and I should like to add that it is rather unfair to the Hansard staff, who are, I understand, under-manned to the extent of two men. I would ask the indulgence of the House through you, Sir, if it is possible to arrange that the debate in Committee should not be re- ported. Mr. SEDDON .- It has not yet been made an order of the House that it should be reported. Mr. HORNSBY .- But the Deputy Speaker has ruled, and that is the reason I ask the question. Mr. FISHER (Wellington City) .- I was not in the House when you gave the direction on the point ; but do I understand you to say, Sir, that the direction you gave was in accordance with precedent ? Mr. DEPUTY-SPEAKER .- Yes ; according to the last precedent. Mr. Atkinson that the statement as to precedent is erroneous. These are the facts: On previous occasions when the ocean mail-service was discussed, if discussed in the House it was fully reported, as it is being reported now. When reported fully in the House it was not. afterwards fully re- ported in Committee. When the motion was moved in the House in a merely formal way the discussion in Committee was then fully reported. The report was not duplicated in either case. Mr. DEPUTY - SPEAKER. - This is the third time this matter has been brought up. When I was asked I gave my ruling, and I adhere to it. Mr. WILFORD (Wellington Suburbs) .- On the 11th October, 1900. I spoke in reference to the proposals for subsidising the Oceanic Steam- ship Company. and, after discussing the pro- posals at some length, I concluded in the follo *- ing words : - "I shall support the proposal to grant a sub- sidy, regretting it is necessary to take such a step, but believing, as I do, that it is the only course open at the present time, and that it is the . best worst ' thing we can do at this jun- ture." I therefore think it is necessary to premise my speech on this series of proposals by point- ing out that, . on the last occasion when the matter was under discussion I voted with the Government in connection with the subsidy to Messrs. Spreckels, but since then I have seen fit to change my opinion. I intend to the best of my ability to oppose any future subsidy being granted to Messrs. Spreckels. I propose in any divisions that may take place on the question now before the House, and later in Committee, to do what I can to negative the proposals of the Postmaster-General as set out in the leaflet put before honourable members. Before discussing the various routes which are open to this colony for the carriage of mails and passengers, I wish to refer very shortly to the attitude which has been adopted in this House by the Auckland members in their endeavour to get the " backs up " of members residing south of Auckland. 1 An Hon. MEMBER .- Some of them. Mr. WILFORD .- Perhaps I should say one of them. Honourable members will be aware that columns and columns in the Auckland Star and the Auckland He ala have been de- voted exclusively to pointing out to the rest of New Zealand the advisability of bolstering up this " grab-all " service carried on b. Messrs. Spreckels. Those two journals, by the tone of their leading articles, have succeeded in raising intense opposition to their cause. I do not object to Auckland being the port of call for steamers from America. I consider that Auckland is geo- graphically the proper port of call, but I shall in no way support any proposal which will subsidise a company that has treated New Zealand as the Oceanic Company has done. The Hon. the Postmaster General, in dealing with the matter, thought fit to adopt what was, to my mind, a light touc. Now, I wish to say

<page>515</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=555></url>

preme colonial importance. Sir J. G. WARD .- What sort of a tone ? Mr. WILFORD .- I said that, to my mind, the honourable gentleman spoke in a light tone. I think that is a moderate term to use. An Hon. MEMBER. - Say " flippant." Mr. WILFORD. . No, I do not say " flip- pant " ; I say a light tone. I wish to refer to a remark the Hon. the Postmaster General made in his speech. He said it was the duty of mem- bers, not only of the members from Auckland, but of members from other parts of the colony as well, to ask Mr. Sprechels to use whatever political pressure he had to secure the employ- ment of a

British-owned vessel in the trade. Sir J. G. WARD .- You did not hear what I said. Mr. WILFORD .- Well, that is the remark credited to the honourable gentleman by both the Wellington papers, and if he did not make the remark he has been incorrectly reported in both. 'The honourable gentleman proposes that members should go, hat in hand, to Mr. Spreckels and say, " Please, Mr. Spreckels, get the Government of your country to give, out of the annual subsidy granted by Congress, a portion towards the support of our colonial boats." How absurd ! How absolutely illogical ! If there is any pressure to be brought on the American Government in reference to the subsidy-if there is any pressure to be brought on the American Government with reference to dividing that subsidy with colonial companies-it should be done by the Government of this colony in co-operation with the Federal Government, and not by individual members going, hat in hand, to Mr. Spreckels and asking him to influence the United States Government. I hope the Hon. the Postmaster-General will not treat my speech in an unfriendly spirit. Let me point out to him at once that if I am putting him in a wrong position I am at the same time giving him » chance to put himself right with the country. I am simply repeating now what was credited by the local Press to the honourable gentleman. Surely that is a generous and not an ungenerous thing to do. I say the whole agitation and fuss that has been made has been brought about by one or two members-in fact, I may say by one member, residing in the City of Auckland. I refer to the honourable member for Auckland City, Mr. Napier. We have had telegrams of the bombastes furioso style and of the Boanerges character, putting forth various statements and making threats to influence this House by a species of braggadocio that does not commend itself to honourable gentlemen. The honourable gentleman has taken up that attitude; and we find the Auckland papers- the Star and the Hrraki-exactly carrying out the same line of conduct. Let me explain to honourable members something with regard to that magnificent mass meeting held in Auckland, at which indignation resolutions were proposed and carried. I should like honourable members to know exactly what occurred, and they will then see that the "Three Tailors gigantic indignation gathering. For a week before the meeting was held we find the star and the Herald giving notice of it by announcement, leading articles, and locals, calling upon the people of Auckland to roll up and to signify their objections to the taking-away of their "ewe lamb," the Frisco mail-service. For a week previous we find these announcements; and then when the time for the meeting came, when that large building in Auckland was opened to receive the mass of the Auckland people, how many arrived ? Sixty-eight altogether, out of sixty thousand. Of course, one would not expect them all to attend, but before the meeting was a quarter of an hour old four of the sixty-eight left. and, of the sixty-four remaining one proposed an adverse resolution. One of the leading members of the Seamen's Union desired to move an adverse resolution, but was not allowed to do it, and his proposal was never mentioned in any shape or form in the reports of the meeting The proposal that Mr. Mclachlan, the labour representative, made to the meeting did not appear in the Press the following day, and we had a telegram sent by the Mayor of Auckland referring to the intense indignation of the people, and announcing the "ewe lamb" was squalling in sympathy with them. Captain RUSSELL .- " As a lamb that is led to the slaughter, and as a sheep before her shearers is dumb." The lamb, when shorn, does not squeal. Mr. WILFORD .- I do not hear . hat the honourable member for Hawke's Bay says. Then, we find that at this little meeting a lot of irrelevant discussion takes place, and on the following day the report goes out that the meeting showed an absolute consensus and unity of opinion such as was practically unparalleled in any part of the colony before. Then, later, we find a leading article on the subject, and the Mayor says he does not propose to call another indignation meeting just yet, as it is only a week since the last one was . held. Although pressed to have another indignation meeting, he says he will wait a little time. Quite right ; one "frost " was enough. Then, we have interviews. There was an interview with Mr. Sproul, and another interview with Mr. Angus, manager of Cook and Sons, relative to the tourist traffic, and the liar .le absolutely claimed in that interview that Mr. Angus made a statement that he desired the port of call for

Cook's tourist traffic to be Auckland. Well, Mr. Angus next day calls the Herald to task for having misrepresented what he stated at the interview, and the Herald made a kind of apology by its withdrawal the following day. This was part of the argument which was used relative to the tourist traffic, and the New Zealand Herald had to make an explanation of Mr. Angus's correction, because Mr. Angus says, "I do not care what port the tourist ships shall call at first as long as they call at some port in the colony, because the tourists will be distributed through New Zealand whether they start at the Bluff, at Wellington, or at Auckland-

<page>516</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=556></url>

for if we called the Bluff "Auckland" and Auckland "the Bluff" we should well describe Auckland's attitude. I should think the position of an Auckland member is very like that of the policeman in the comic opera-it certainly is not a happy one. But to go on: On the 15th September, 1901, the New Zealand Herald published what is practically their backdown to the statement they had previously published throughout New Zealand through their columns, with reference to the opinion alleged to have been given by Mr. Angus, the manager for Cook and Co., tourist agents. Now, I do not know whether it is so, but it looks to me as though that paragraph had been sub-edited, and also edited, and it looks as though Mr. Angus wrote and said, "I did not say any such thing as you have reported me to have said," and that the sub-editor pared it down, and the editor pared it down after him, until we get this correction, but, in spite of all, it is a back-down. Now, let us recall the facts previous to the time this subsidy came to be offered to Mr. Spreckels, and let us see whether it is not a fact that Mr. Spreckels has disregarded the conditions under which the House agreed he should have a subsidy, and whether he has not violated every condition of the resolutions passed by the House in the session of 1900. I propose first of all to refer to the document which was written by Mr. Spreckels to the Government, dated 30th September, 1899, in which he suggests to the Government of the colony a twenty-one days' service. He contended that it was necessary to quicken the speed of the vessels, and he further, using his own words, said, "We must have a contract." He proposed that £30,000 should be granted by the New Zealand Government of this colony, or the other neighbouring colonies, by way of subsidy to his company, and he said, "We must have a contract." The Government communicated with Australia, and the Premier of New South Wales refused to be drawn into contributing any proportion of the \$30,000 suggested until, first of all, he had realised what the conditions of the contract were which it was proposed should be entered into between the colonies and the Oceanic Company. Now, it was admitted, and it is known, that, under the Hanna-Payne Act in America, any money which the Oceanic Company received by way of subsidy is an annual appropriation by Congress. This is the only appropriation they have got to depend on; and we are also aware that, under the navigation law of the United States, certain objections are made to the class of vessels that may trade between American ports, and the whole intention and force of the navigation law is to exclude what is called a "foreign Power." Now, New Zealand, Australia, and England are foreign according to the American law. We are foreigners when we touch their pockets; but if a war comes it is well to remember the words of Rudyard Kipling, who is so often quoted by the honourable member for Bay of Plenty: "It is, 'Thank you. Mr. Wilford before the House, last year, I voted for the resolution, which meant the exclusion of the Union Steamship Company's "Moana," because I believe it was the proper and only thing to be done under the circumstances and at the time; but let us consider for a moment the present routes open to the colony, and let me put before honourable members who have not gone into the matter the exact routes there are at present open. In the first place, Australia has got a service, which is worked by the New Zealand Shipping Company and Union Steamship Company, from Sydney and Brisbane to Vancouver. That service is subsidised by a vote of £10,000 annually from the New South Wales Government, and a vote of £7,500 annually from the Queensland Government. That is one line. Another

line we have got, or rather Australia has got, is the Federal service, which we all know leaves Adelaide, calls at Colombo, and thence through the Red Sea route Home. That Federal line is subsidised, I understand-I am not speaking absolutely from the book -by something like £78,000 from the Federal Government ; and it seems to me that there are two avenues open to this colony rather than to adopt the principle of handing any sum of money to this Spreckels Company. Two alternative courses are open to us: in the first place, honourable members will understand that the mail that leaves Auckland now for San Francisco calls at Pango-Pango, after that at Honolulu, and after that at San Francisco. Now, within the last few months the Oceanic Steamship Company, instead of making their port of call Apia, as it was formerly, crossed over to Pango-Pango, and made it their port of call. That was no doubt done because Pango-Pango is the port of the American settlement, while Apia is German. Now, the first thing I wish to put before the House, supposing a route was arranged from Auckland,-and I am quite prepared to make Auckland the port of call for the Vancouver service,-is that the steamers should leave Auckland, call at Apia, then call at Honolulu, and then on to Vancouver, instead of stopping at Suva as at present. What would be the position then ? In the first place, if we call at Apia, which is in a German colony, could we not demand and obtain, without any difficulty at all, a subsidy from the German Government for carrying their mails from Apia ? Would a sum of £5,000 a year be an extortionate sum to expect the German Government to pay if we make Apia the port of call instead of Pango-Pango ? Mr. HERRIES .- I think it would be. Mr. WILFORD .- The honourable gentleman may think that, but I understand it is not an extortionate amount, and I am perhaps just as well informed as the honourable member for the Bay of Plenty is on that particular point. Furthermore, supposing Suva was left out as a port of call in the direct line, and the steamers went from Auckland to Vancouver, calling at Apia and then at Honolulu, that route would be

<page>517</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=557></url>

sixteen and a half knot boats. It is calculated to be a twenty-two days' service from Sydney, or an eighteen days' service from Auckland to Vancouver. Even though it may take eighteen days to perform the service, I would gladly give preference, though at the cost of an extra day or two, to colonial boats and colonial workmen. I may point out that the Oceanic Company has often been behind its time-table date. The mail route from San Francisco to New York could be altered, and, instead of making New York the port of shipment to Liverpool, we could have Halifax, in Nova Scotia. At present there is a railway running from New York to Halifax. Let us compare the distances by sea from New York and Halifax to Liverpool. If you go from Halifax direct to Liverpool, instead of from New York to Liverpool, there would be a saving of about 788 miles. An Hon. MEMBER .- They take the mails to Queenstown. Mr. WILFORD .- They deliver at Queens- town on their way to Liverpool. If you look at the table of distances from New York to Liverpool, touching at Queenstown, you will see that the mileage is 3,130, and from Halifax to Liverpool the distance is 2,342 miles-a difference of 788 miles. If you work that out on the fifteen-knot-an-hour ratio it means a saving of fifty-two hours. That is to say, by the route from Halifax to Liverpool, as compared with the route from New York to Liverpool, there would be a saving of fifty-two hours. Now, it is proposed to extend the railway from Halifax to Cape Breton, which is the nearest point to England. There will be an extra half- day saved in that way. I ask, why should that course not be adopted if we can have our colonial boats; and why should they not be given an opportunity of "cutting in," if I may use the expression ? The time also could be shortened by that means. Let us look for a moment and see what the distances are in various routes. From Sydney to Vancouver via Brisbane, Honolulu, and Victoria, 7,087 miles ; from Sydney via Auckland to Vancouver, 7,616 miles ; and from Sydney via Wellington to Vancouver, 7,956 miles. If a mail comes from England to Adelaide it is sent by rail and distributed at Sydney and Melbourne, and there is nothing to prevent the Govern- ment entering into a contract with the Union Company for the

immediate conveyance of mails received at Melbourne and Sydney to Auckland and Wellington. There is no reason in the world why a subsidy should not be given to the Union Company for an improved service between Wellington and Sydney and Melbourne, both to take mails to Australia and from Australia. As I have said, the mails from England are landed at Adelaide, and are distributed at Sydney and Melbourne ; and there would be no trouble whatever, if a fair and reasonable subsidy were given to the Union Company, to run an improved service between Auckland and Sydney, and Wellington and Sydney. Although it may mean that our mails, perhaps, will not arrive within four days of the last and absolutely reliable service. Let me show how absolutely rotten the time-table of the Oceanic Company really is. I have prepared a table, which will show honourable members how the mails by those steamers have been delivered. There have been repeated breakdowns on the line. There has been no due observance of sailing dates, and no provision has been made for the substitution of other boats for the boats which have broken down. The " Sonoma," which was supposed to have left Sydney on the 4th May, stayed in port for nine days to effect repairs. Those repairs were not effected, and the "Sonoma " went to sea without being repaired, and, after going back to San Francisco, was laid up there, and the "Mariposa " took her place at a later date. These are facts and figures which can be seen by any one who takes the trouble to look up the tables. I have only got to quote two or three more instances to show how necessary it is that this service should be looked into. The " Sonoma," due at Auckland on the 19th November, was one day late ; the "Mariposa," due on the 10th December, was two days late ; the " Sierra," due on the 31st December, was four days late ; and the " Sonoma," which was due on the 15th April, was three days late. Again, take the due dates of arrival in London. The "Sierra " was once five days late and once four days late, the " Alameda " was three days late, the " Ventura " was five days late, and the "Sonoma " was twelve days late by the time- table. What sort of a service is this for us to subsidise ? What sort of a service is this for colonials and for the Government or the people- of this country to put their hands in their pockets for? What does the colony get as its quid pro quo? The Americans are playing the game of "so-much to nothing" ; and what kind of a contract have we got with them ? Mr. Spreckels says in a letter he writes to the Government, "We must have a contract." And look at this impudence-I can call it nothing else-when he says in his letter of the 19th November 1900, " We shall be pleased to carry your mails upon the basis suggested, but we do not feel inclined at present to enter into a contract to do so " : that is to say, " We will carry when we choose, but you do not bind us." Should New Zealand countenance such a condition of things ? Then he says, " We have been much disappointed at the running of our new steamships. We do not wish to be bound by a contract." I say, Thank you for nothing, Mr. Spreckels. I ask, is that the kind of company we are going to grant a subsidy to? Now, Sir, I am a young man, and it is possible I may be out of Parliament at any time. Still, I think, ten years hence, I shall be able to look back at this exploiting of New Zealand by the Oceanic Steamship Company, and congratulate myself on having opposed it. Though I hold no brief for any- body, I am doing my best to help a local colonial company, as I shall always be ready to help it against any outside company. We have been exploited quite long enough by this

<page>518</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=558></url>

satisfied that many honourable members will agree with me when I say that this policy is no more nor less than boom, bounce, and bluff, and, I hope I shall soon be able to add, " bust." Mr. HOGG (Masterton). - Sir, I trust the question before the House will be discussed in temperate language. I submit that a question of this importance, affecting as it does not merely New Zealand but other parts of the world, including to some extent the Mother country, should be considered fairly and dispassionately. There is no necessity whatever for indulging in a heated controversy. There is no need for leaving the temperate zone and going straight into the tropics. The proposals we are considering constitute merely a

question of business. It is not desirable that we should consider the interests of Spreckels or the Union Steam-ship Company or any other firm. We have to confine ourselves to our own business interests. That is really the question that is before the House. The Imperial interests, as I have said, are only remotely concerned in this question, and I venture to say that the best friends of the Mother-country are those that carefully avoid doing anything to disturb the friendly relationship that exists between the United Kingdom and such countries as America - a country that has of late displayed a sympathetic solicitude for the welfare of Great Britain and her colonies. I do not think people who indulge in invectives against the foreigner are acting altogether in the interests of the Mother-country. Members indulging in high-falutin' of this nature reminds one of a young rooster crowing in mid-ocean. Mr. WILFORD .- I rise to a point of order. The honourable gentleman refers to me in terms which I think I may designate, at any rate, as paltry, and I ask that he withdraw them. Mr. DEPUTY-SPEAKER. - I do not think the expression is out of order. Mr. HOGG .- I said I did not think we should emulate what I might call a young rooster crowing in mid-ocean. Mr. WILFORD .-- The honourable member turned round and looked at me in such a way that I could not help but take the remark to apply to myself. Mr. HOGG. - I did not think that the honourable member for Wellington Suburbs was so extremely sensitive. I believe, Sir, we ought to try to get out of our close-fitting garments, and introduce breadth and depth and freedom and liberality into our discussions when we are dealing with large questions. At all events, it would be well to avoid the parish-vestryism that is so often displayed in this House, and avoid as far as practicable saying anything unpleasant either with regard to Auckland or the United States. I do not think it by any means shows much forbearance or magnanimity on the part of Wellington members to be indulging now and again in a tirade of abuse against Auckland. Mr. WILFORD .- We are not against Auckland. Mr. Wilford member for Wellington Suburbs. He does not represent the whole of the House. I need only refer to the speeches delivered last evening by the members for Wellington City (Mr. Fisher and Mr. Hutcheson) in order to justify my language in saying that a somewhat bellicose attitude has been observed, an attitude neither necessary nor judicious. Wellington and Auckland can very well afford to fraternise, and, while they may be competitors for foreign shipping, there is no reason why they should not live on friendly and amicable terms. If the editors in both places now and again indulge, as newspaper-men are in the habit of doing, in a sort of war-dance-although it is written "the pen is mightier than the sword"-no blood is spilled, and if they ruin anything it is simply the paper they consume. What is all this tremendous squabble over? One would think there was going to be an international war. What does it amount to? A paltry £15,000 a year to be given to a company that has the enterprise to place first-class vessels on the ocean to carry our mails. Why, Sir, we ought to be a little more broad-minded. At all events we should not be so contracted in our ideas and so anxious to quarrel - to quarrel like a trap-door spider because a straw happens to flutter at its threshold. That is the attitude of certain members. I am sure that on reflection, and in their cooler moments, these members will deprecate this kind of bull-baiting. The honourable member for Dunedin City (Mr. Millar) spoke about trailing the grand old flag in the mud, and said that, even if it cost the Government their existence, he would not spend one penny on the Spreckels Company. I should like to know whether, instead of trailing the good old flag in the mud, we are not trailing our coat-tails behind us and inviting everybody - Jonathan, and the representatives of Auckland-to dare to tread on them. That is the kind of exhibition we have been making. I do not think playing the bully is an enviable attitude by any means, and, besides, we are too young to play such a part. The United States has a right to protect its trade in its own way. It may adopt methods we do not approve of, and we may think it is going too far. It possesses the right of self-government; and a country which knows that one of its weak points has been the neglect of its mercantile navy has a perfect right to develop and protect its shipping in its own way. We claim similar rights for ourselves. Why should we object to the United States protecting its maritime trade? There is no need to indulge in rash or unkind remarks as regards Auckland or the

United States. The members for Dunedin and Christchurch and Wellington have their own ports to look after ; but I do not see why they should be jealous of the little bit of trade that comes to Auckland. In my opinion these honourable gentlemen are not acting judiciously. Instead of promoting discord, they should try to keep New Zealand fairly united. I would ask certain members to consider for a moment, if they went to Auckland, or to the

<page>519</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=559></url>

some of their Hansard speeches quoted ? If, in the future, they should become the recipients of that hospitality for which our Northern friends and the people of the United States are celebrated, how would they like to be confronted with their utterances? Then, again, if we only place ourselves in the position of the people who are there, I ask, would we like to read a discussion of a similar character with regard to New Zealand taking place in America ? I think, Sir, we have had tolerably accurate information from the Postmaster-General with regard to the merits of the different routes. He has arrived at a fair estimate of the cost of each service. He has told us distinctly that from every point of view-in regard to time, expense, and efficiency-there is no comparison between the Vancouver route and the Federal line and the San Francisco line. The question then is this : have we sufficient confidence in the Postmaster-General to trust him with the negotiations ? The Postmaster-General ought certainly to have a tolerably free hand. It is right that this House should prescribe certain limits ; but in the meantime, with the information before us, I do not think we are justified in removing from his shoulders the responsibility that, on account of his position, he ought to accept. That is the position I take up. The Postmaster-General has given us the most accurate information at his disposal, and according to the information laid before the House -information that has not been controverted by any honourable member-the San Francisco route is incomparably the best. The Hon. the Postmaster-General simply asks power to deal with the contractor in a legitimate way, and, if he can make a bargain that will be beneficial to the colony, he should be placed in a position to close with it. The Postmaster-General should have the responsibility of arranging the terms. Of course, the question of time is one of the main elements. We ought to have our mails carried from Great Britain to New Zealand with fair rapidity, but the matter of a few days is trifling as compared with the matter of regularity. We want a regular service. We should not look merely to our mails. We want our goods, especially perishable products, conveyed with the greatest regularity and despatch. Of course, the amount of cargo carried at the present time is limited, but I hope we shall not always remain in that position. I hope to see a largely improved service - not altogether a mail service, but a service that will deal with our produce. That is really what is required, and for a service of that kind it would be money well spent if we paid double the subsidy now proposed. It has been submitted that the Postmaster-General should use only colonial-owned vessels. I ask honourable members who are aware of the facts whether the Union Company can be called a colonial company? Are the principal 4.30. shareholders in New Zealand ? Where does the capital come from ? To whom do the vessels of that company belong ? Do they belong to the people of the colony, or do they world ? It is all very well to talk about this being a colonially - owned company. I know something about the Union Steam Shipping Company, and I do not see why we should specially favour them. We are told that there is no friendship in trade, and if we can make better terms with Spreckels and Company, why should we not make them ? Mr. WILFORD. - What about the points under discussion ? Mr. HOGG. - Sir, I have no time to deal with the interruptions of the honourable gentleman ; they have no relevancy to the question before us. The honourable member has been talking about a weekly service to Melbourne. What will that do for the country ? Then he has been telling us that we are to go to Halifax. I believe honourable members have too much common-sense to go to Halifax at the suggestion of the honourable gentleman. The honourable member simply opposes the proposals because he considers it undesirable to continue the contract

with Messrs. Spreckels and Company. If these contractors have given us a fair amount of satisfaction, and if they are carrying our mails for a moderate amount of subsidy or remuneration, why should we not make the best bargain we possibly can? I believe the members of this House have every confidence in the Postmaster-General, and after the statement he has made, and the very full and explicit information he has given, we shall be making a very great blunder if we do not give him the authority conveyed in these resolutions, to make the best possible bargain he can on behalf of the colony with regard to the renewal of the ocean mail-services. Mr. HERRIES (Bay of Plenty) .- I hope that honourable members, before they make up their mind on this question with regard to how they are going to vote-though I do not know there are many here who have not done so already-will put aside all feeling with regard to provincial jealousy. I am a resident in the Province of Auckland, and I am as free to admit as is any honourable member from the South that the Auckland people have been making too much of what, after all, is not a provincial matter alone. This is a colonial matter, and it ought to be approached in a colonial style, not in a provincial style. I may say that if this service is lost to Auckland and to the colony that will be largely due to the indiscreet utterances of the Auckland papers. and also of the Auckland members, or rather of one of the Auckland members. An Hon. MEMBER. - The "mailed fist ! " Mr. HERRIES .- Yes ; I quite agree with members who feel annoyed with these sort of utterances, but I earnestly implore them not to be swayed in an opposite direction to that which the utterances are meant to bring them to, but to approach the subject with a calm and judicial mind, looking only to that which will be for the benefit of the colony, and deciding which mail-route is really the best. An Hon. MEMBER .- When struck on the one cheek we must turn the other.

<page>520</page>

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thing to do, and we are all Christians here. We pray every day on opening the House that we may set aside all private interests and partial affections. I hope honourable members will do that, and approach this subject from a public point of view. That is the point of view I am going to approach it from this afternoon. Now, we have before us three definite propositions. We have proposals for the San Francisco service, for the Vancouver service, and for the Federal service. The San Francisco service is put in the foreground, because if the negotiations entered into with Mr. Spreckels, as the owner of the San Francisco line, do not result in a contract being entered into, then we have to see what can be done with the Vancouver service. But it is not the same with regard to the Federal service. Negotiations are to be made with regard to that whether the San Francisco service is to be carried on or not, but with this exception: that if the San Francisco service is carried on, then provision will not be made for a connection between Sydney and Auckland. Anyhow, whatever happens to the San Francisco service the Government are to be authorised by these resolutions to negotiate for a fortnightly inter-colonial service to provide a connection with the Federal mail-service from Wellington or the Bluff. Now, to take the first on the list, because it is the most important proposal- the proposal with regard to the San Francisco service : We all admit, and no one can deny, the irregularity that has taken place with regard to the steamers, and that is only to be expected in the starting of a new line such as that. An Hon. MEMBER .- All new boats. Mr. HERRIES .- Yes, all new boats. have heard, in the case of the new torpedo boats of the English navy, that something always happens in their first voyage or so. Any one who has read Kipling's works will know his story, "The Ship that Found Herself," and these ships of Mr. Spreckels have not found themselves yet. I must say I am astonished at the inconsistency of honourable members who voted last year for the proposals of the Postmaster-General to give Mr. Spreckels poundage at a higher rate-10s. 5d. a pound- than that which is now proposed, and who are now objecting to the lower rate of 7s. 6d. Mr. G. W. RUSSELL .- It was a temporary arrangement. Mr. HERRIES. - It was a temporary arrangement, it is true ; but it was only carrying on the arrangement that had been made with the Union Company for five

or six years previously. And, Sir, when the member who represents the Suburbs was speaking he closed his impassioned speech by saying we had been exploited by the company long enough. Does he call a year long enough ? Does he consider that it is only a year since this line was started, or does he include the whole of the time during which the Union Company were the contractors for this mail-service ? Mr. WILFORD .- Only last year. exploited us at the same rate as the Union Company did, because the terms are exactly the same as far as the payments are concerned, but twice as good a service is provided by the Oceanic Company. It is a three-weekly service now, and the boats are better. Mr. WILFORD .- Twice as good ? Mr. HERRIES .- Yes, twice as good. Well, now, the only objection I have heard seriously offered is on the question of a foreign subsidised line; and the honourable gentleman objected because the United States Government was paying an expensive subsidy of £50,000 to the Oceanic line, yet at the same time he is quite prepared to take a £10,000 subsidy from the Germans if the Vancouver line calls at Apia. Now, I do not see the difference. If the Germans could subsidise a line for £50,000 and give us as good a line, I would accept it. Mr. WILFORD .- We will take £10,000 and not give it. Mr. HERRIES .- I do not see the difference ; if \$50,000 is given to the line by the Americans, I do not care who gives it, whether it is Germans or Americans. And, Sir, if the argument used by honourable members with regard to the flag is carried to a logical conclusion, the Federal service would not suit us at all, because when the steamers take the mail to Brindisi or Naples the mails are taken into an Italian train, and thence across the frontier of Italy into France, and are actually taken in a train which runs in a foreign country. If that argument about the flag is carried out we shall have to insist on all the mails being taken round by the Bay of Biscay to London. I say we must do that if the mails are to be carried under a British flag; they must not be taken by a foreign train, which is on all-fours with a foreign steamer ; and if the mail-service of the colony is to be taken in British bottoms to London it will mean a forty days' service. Mr. WILFORD .- Thirty-seven days to Auckland. Mr. HERRIES .- Not by the Federal service. Mr. WILFORD .- Yes. Mr. HERRIES .- The honourable gentleman knows perfectly well that a thirty-seven days' service includes taking the mails from Brindisi across the Continent to London, and he must know that if we take the mails round through the Straits of Gibraltar it would take a week longer. I am only pointing this out to show the reductio ad absurdum of the argument of an all-red route. Well, now, Sir, the honourable gentleman went on to explain about the all-red route that goes from Vancouver, and he fell into the error of taking the distance from Halifax to Liverpool and comparing it with New York to Liverpool. But the honourable gentleman must know that the mails never go to Liverpool ; the mails are taken off at Queens-town, and go by train to Dublin, and thence to Holyhead to London, and they are delivered in London before the steamer ever reaches Liverpool. Now, the steamers from Halifax have to go to Liverpool. Mr. WILFORD .- I only mentioned Liver-

<page>521</page>

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pool to show the distance between the two places. Mr. HERRIES .- That only shows that the argument about distance does not affect the question at all. It is a question of the way the mails are taken, and very often in comparing two places the distance may be less ; but if the mails are not carried between these two points what is the use of counting the distance between the two places? It seems to me that if last year 10s. 5d. was considered a reasonable sum to give the Oceanic Steamship Company, we are treating them rather scurvily in only giving them 7s. 6d. now. It is true the Post-master-General said in his introductory remarks that, as business-men, we should only offer as little as we can; but when we know that company has already refused £15,000, it seems to me it is grinding them down to the last ounce of flesh to offer them the same sum that they have already refused. And we know perfectly well they have refused 7s. 6d. too. Whether, on second thoughts, Mr. Spreckels will accept it if carried by the House remains to be seen, but I say the Government, by their offering a sum that has been already refused,

have signified their intention practically of doing away with the San Francisco service. Mr. WILFORD .- All they get over £5,000 is profit. Mr. HERRIES .- The honourable gentleman may know all about the running of a steamship company. I dare say he has been well posted up, and we know where he has got his information from, and we discount the value of his speeches to that extent-we take it with a grain of salt. But I think on this occasion that the spectacle will be seen of Government and Opposition going into the same lobby, and I call the attention of honourable members to that, because it shows what a proper thing it must be for the country if you find the leading men of the Government and of the Opposition going into the same lobby together. Therefore, when both sides of the House agree as to the goodness of the San Francisco service, I think it does not come well from honourable members who sit on the cross benches to oppose it. It seems to me to have been proved conclusively that, at the present moment, the cheapest and best service from a mail point of view is the Frisco service. Of course, it has been said that we do not want fast services-that the cable obviates the necessity for fast mail-services ; but it has always been contended by business people and others that we should have a fast mail-service, and you get such a service by the Frisco route. The tables laid on the table of the House by the Postmaster-General show conclusively that the Frisco service is the fastest to any part of this colony. It has also been proved by official figures that the Frisco service is the cheapest service. Why, then, should we seek any other route? Of course, we have had the argument that the Frisco route is an American route. It seems to me that, instead of discouraging foreign steamships coming here, we should rather encourage them. We all know that the Navigation Laws. Those are the same old laws which were abolished in England in the middle of the last century. Those laws, which we owe to Cromwell, created our mercantile marine and our navy, and I think it was a bad day for England when they were abolished. I think the Americans are doing the proper thing in retaining those laws. There is one question I would like to ask the Government, and that is why they put in subsection (c), namely : "That in lieu of the foregoing payments a fixed annual subsidy of £20,000 be paid, provided that one British-owned steamer registered in New Zealand be employed in the service." It seems to me that that provision might have been struck out. I do not know what can have been the object in putting it in, because the Government knew perfectly well that it was impossible for Messrs. Spreckels or any one else to agree to it, and it seems to me that that provision is mere surplusage. The only reason that I can see for including it was to show that the Government had made a magnificent offer which they knew could not possibly be accepted. That is rather a characteristic trait of the Government. It seems to me that that subsection might just as well have been left out, unless the proviso was also struck out. If the proviso were struck out I should have been very glad to have supported the subsection. Now, we come to the Vancouver service, and I will ask what is the good of offering anything in respect of a Vancouver service ? The Government must know that that is an impossibility, because the present Vancouver line, which is running under a contract with the Queensland Government, has still eighteen months of that contract to run. We know, on the other hand, that the arrangement with Messrs. Spreckels will expire next month. We shall want something to take up the running directly the arrangement with Messrs. Spreckels finishes next month. What is the use, therefore, of putting in a clause in reference to the Vancouver service ? You cannot have a Vancouver service for eighteen months, and therefore there would be a year and a half during which we would have no mails by that route. The Postmaster-General spoke about the connection between Fiji and Pango-Pango from Auckland. I would like to know if it is intended to enter into a contract with the Vancouver line by which we could only have a subsidiary steamer running from Auckland to Fiji ? Sir J. G. WARD .- I did not suggest anything of the kind. Mr. HERRIES .- That is the only way the Vancouver service could be made available if they are tied to Queensland for eighteen months. I must have misunderstood the honourable gentleman : but I understood him to say that a steamer would be sent from Auckland to make a connection with the Vancouver service at Fiji; and I say any service of that sort

would be a retrograde step, because that would only mean that, instead of Auckland being the port of call for mail-steamers,

<page>522</page>

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try railway-station off the main line, and which is only approached by a line from a junction. Suggestions have been made that the best way to get a Vancouver service is to connect with the Vancouver service at Fiji by subsidiary steamers. Now, tourists and passengers always prefer, if possible, to get into the mail-steamer right away. Unfortunately we are so situated here that, if we are going Home by Suez, we have to get on the main route by means of a subsidiary steamer, and every one knows the nuisance of it. The advantage of the Oceanic service is that you can get straight to San Francisco without transshipping, and I say that any line of steamers that does not provide against transshipping is not worth subsidising as a mail service. Well, it seems to me that the Vancouver service may just as well be put on one side at once, because I do not see how it can be entered into if there is still eighteen months to run of their contract with Queensland. And then it will take quite a year to arrange, and we are perfectly well aware that the new ships which are being built for the Union Steamship Company will probably not be out before two years' time. Mr. WILFORD .- Less than that. Mr. HERRIES .- I hope it will be less than that. No one wants to say a word here to reflect in any way upon the Union Company, and we only regret that they are out of the service to Frisco. They were undoubtedly the best-conducted vessels on the line, and it is only the exigencies of the American laws that compel them to drop out of the line, and, though we regret it, it is a matter we cannot help. Mr. WILFORD .- All the Auckland members must vote against the Union Company. The Star and the Herald say so. Mr. HERRIES .- I do not look to the Star or the Herald. I think, myself, they are doing more harm than anything else to the Frisco service. I look at the question from a colonial point of view, and I say if we want a cheap and fast line there is the San Francisco line, and I shall vote for it. Then, I may point out that the Vancouver service is not a substitute. It cannot be taken advantage of for eighteen months, and the only thing to fall back upon is the Federal service. Now, the Federal service as a mail and passenger service is subject to the trouble of transshipment, which I have spoken of before. As a passenger route that is a very great objection. You go to either Sydney or Melbourne, and you have to tranship into one of the large steamers either of the P. and O. or Orient, and it seems to me it would be a far more costly thing than the Frisco, as the papers show. I do not know where the Hon. the Postmaster-General got his information from. He says we should pay for our share of the Federal contract, on a population basis, £12,000 : does he mean we have the right to come in at that price, or that we can come in as an act of grace on the part of the States Commonwealth ? Sir J. G. WARD .- The Secretary sent a telegram to the Secretary of the Federal Post Mr. Herries same terms as they did- the population basis. The matter is before Cabinet, and they are considering it now. Mr. HERRIES .- I have heard it said that we have the right to come in whether they consented or not. Sir J. G. WARD .- No. Mr. HERRIES .- I am sorry to say it has been used as an argument for the Federal service, though not by the honourable gentleman. Sir J. G. WARD .- The position is : we have the right to come in on a poundage basis, which would cost us nearly double what we would pay if they agree to our coming in on a population basis. Mr. HERRIES .- We should not have the right to come in under the £12,000. Sir J. G. WARD .- No. Mr. HERRIES .- Now, Sir, I would ask what steps are we taking to be allowed to come in under this £12,000 rate? The honourable gentleman has said that he has sent a telegram. But what are we doing on the other hand? There is a certain Federal tariff coming out, and we are not trying to conciliate but are proposing to do the "mailed fist " business. We are going to have a retaliatory tariff. It has been stated in this House, and the people of Australia well know that such a tariff has been mooted in this country. Is that the time to approach the Federal Government, asking them as a favour to allow us to come in under the Federal mail-route ? Are we likely to get it ? The

Postmaster-General is one time threaten- ing the Commonwealth with retaliatory mea- sures ; we will not come into the Federation ; we are proposing to annex islands contrary to them, and everything we do is contrary to and against the interests of the Commonwealth- and yet, when we come to the Federal mail-service, which is the only possible opponent to the San Francisco service, we are going to ask on our bended knees to share part of the privi- leges they have got for the purpose of carrying our mails. The whole of this statement of net cost of £19,417 of the Federal service depends upon our getting the conveyance of our mails by the P. and O. and Orient lines at the £12,000. Well, I pass on from that, and to look at what the intercolonial portion of the Federal service will cost. The Postmaster- General has put the intercolonial service at, say, £10,000. Well, Sir, what do we find in 1899? When that subject was on the tapis before a letter was written to the Union Steam- ship Company to ask what they would re- quire for it, and they replied, - " For this service we shall require a subsidy of £1,000 a month, and for this we will maintain a weekly service and give you a fixed departure each fourth Wednesday. This service would practically afford you the advantage of a weekly connection with the Federal mail-service, as the mails could leave Invercargill by train on Mondays, Dunedin and Christchurch on Tues- days, and overtake steamer from Wellington on Wednesday. Steamers from Auckland will

<page>523</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=563></url>

offer is entertained the day of departure from the Bluff will necessarily be altered." The reply of the Postmaster General was :- " While your proposals may be worth £12,000 & year to yourselves, certainly the connection would not be worth anything like that to the Government." Well, Sir, in the face of that letter, have we any evidence, or did the Postmaster- General bring us any evidence, as to the pos- sibility of their taking £10,000? It seems to me that if this Federal tariff is carried out we shall find that the Union Company will not be able to carry so much cargo to Australia, and, instead of asking £12,000, they will pos- sibly ask £14,000 or £15,000 for carrying our mails to Melbourne or Sydney. It seems to me that in putting it at £10,000 the Postmaster-General is putting the amount at a lower rate than it should be. So that the Federal service depends on the Federal Cabinet giving us the power to send our mails at the cheap rate of £12,000; and it also depends on the Union Company taking a less price than they have already said they would take; and therefore, if those "ifs " are not carried out, it will mean that it is a much more expensive ser- vice than has been put down by the Postmaster- General, and, instead of the net cost being £19,000, it will cost, perhaps, £22,000 or £25,000. And it must be remembered that it is a much longer service, and that even to the Bluff, which is the nearest port to Australia, there is a dif- ference of six days between that and the San Francisco service; and therefore it is 5.0. paying a dear rate to pay possibly £10,000 for a much more lengthy service, and it seems to me folly for the colony to commit itself to a lengthened service at a higher rate when it can get a cheap service. Mr. MCLACHLAN .- Cheap and nasty. Mr. HERRIES .- No, I do not think it is ; or, at any rate, that could be remedied. I have been on steamers belonging to the Union Com- pany which have not been very pleasant, and the old Orient liners were not very pleasant ; but, no doubt, the Oceanic Company will im- prove. It has been up to this only a temporary arrangement, and with a contract entered into for from three to five years these things could be remedied, and it will be the duty of the Postmaster General to see that they are. We ought to enter into a definite contract, and one of the regulations should be that there should be a proper room for the carriage of the mails ; but, under any consideration, these are minor difficulties which ought not to weigh with mem- bers. It seems to me to have been proved by the debate, apart from provincial jealousies, the San Francisco mail-service is the cheapest and the best. The Federal service, which is the only alternative-because it is impossible for us to entertain the Vancouver service at present- would be longer and much dearer, and it would be putting us under an obligation to the Federal Government. I trust that the House will agree to even the small contribution of 78. 6d. per pound, and vote for the San

San Francisco service. Mr. PALMER (Ohinemuri). - Originally I had no intention of speaking on the motion ; I intended to wait until we got into Committee, and I have very little now to say. Few subjects that have come before the House have been discussed with all the pros and cons of this question ; there is hardly a word for or against the service or in regard to the carrying of mails by sea that has not been discussed fully by the House. I feel sure for my part, and I think members will agree with me, that any speeches in regard to this question will not alter one vote, one way or another, so that, as far as that is concerned, the House might as well go to the vote at once. Feeling that, Sir, it is not necessary for me to go over any of the ground that has been gone over already, and therefore I will cut my remarks as short as I possibly can. However, I feel constrained to speak for a few moments in regard to the personal feeling that has been brought into the question. I am sorry it has been brought in. I regret- extremely the injudiciousness of perhaps one Auckland member, and the injudiciousness of some of the newspapers in Auckland; but I trust that the House, in coming to a decision with regard to the San Francisco service, will not be swayed in any way by those occurrences. In regard to the speeches that have been delivered, I must say I was sorry to hear the remarks of some of the Wellington members. It appeared to me they endeavoured to make out that this question was the subject of a quarrel between Auckland City and Wellington City. The speech of the honourable member for Wellington City (Mr. Fisher) last night was certainly very bitter against Auckland City; and the speech of my friend the member for Wellington Suburbs was a speech that I think he should not have delivered. I am sorry he made that speech, because there is a feeling existing at the present time that this is a question of Wellington against Auckland. I do not know how that feeling came about, and I am anxious to disabuse the mind of the people of any such feeling. Mr. WILFORD .- You are trying to move the seat of Government there; and you want to disfranchise us. Mr. PALMER. Well, as to that, I may say I have twice or thrice tried to move the seat of Government to Christchurch. In the time when Mr. R. M. Taylor was a member of this House that question came up on several occasions, but we always took care that we did not provide the necessary money to carry out such a project. In dealing with the subject of the removal of the seat of Government, I have no doubt arguments might be brought forward to show what had been attempted in the past. Did you not take away the seat of Government from Auckland ? Did you not take away the head office of the Bank of New Zealand ? And now, I say, there is a feeling that Wellington wants to take away the San Francisco service from Auckland, and I extremely regret that any colour for a rumour of the kind should have been found in the speeches of the member

<page>524</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=564></url>

Wellington City (Mr. Fisher). On the subject of the Frisco service, I wish to say that the whole question, as far as I am concerned, does not interest me as some people might think it would, because it is not of interest to my district to any extent at all. I want to look at the matter not from a local point of view, but from a colonial point of view. I do not want to say anything injudicious, and I hope I shall not. Now, regarding the question from a colonial point of view, there are two points that stand out to me, and I think they should weigh with the House if members leave out all the local feeling and ask for what is best in the interests of the colony. It appears to me this Frisco line is cheaper, and that it is shorter, which are two points that we require in a mail-service, and to induce tourists to come to the colony. There was an objection raised, and it appears to me it is the principal objection that has been brought forward, and that is that the San Francisco service is a foreign service. No one regrets that more than I do. But, Sir, when that foreign service was assisted by one of the Union boats the objection was not raised ; and, as it was not raised in the past, I do not see why it should be raised now simply because the Union boat is not in the running. I regret very much that the Union boat is not in the running, and it seems to me that if that boat had not been excluded the objection would not have been brought forward. That is my feeling on the

matter. The objection, however, is that we have not one of our own boats in the line. Now, when it comes to the Vancouver service, what is the position? The Vancouver service will have to be run by an Australian company, and I would sooner have an American than an Australian company. I think the Americans will be better friends to us than the Australians, judging from the way the Australians have been behaving to us lately. What did they do? They said, "We are going in for Federation and you will be made to join us, and if you do not you are our enemies." They would not allow us a free decision; and because we did not do what they wanted they have become hostile to us, and they have put on a tariff-not a commercial tariff, but a tariff excluding us from having anything to do with them. Is it likely that I should be more anxious to have a Federal company than to have an American company? If we are going to have a service, I hope it will be with the Union Company or some other New Zealand company, not with the A. U.S.N. Company, the Huddart-Parker Company, or any of them, but that it will be with our own companies. Then, with regard to the objection about foreigners, I hardly look upon the Americans as foreigners. But let us look at what other countries are doing. Take Australia, where we are going to send our mails if we do not get this service. What does Australia do? It sends its mails by German routes-by foreign German vessels, the German Lloyds, with a subvention from the German Government. It also sends them by the Messageries line-French vessels, which are also Mr. Palmer ment. What are they doing in that? They are practically paying money to maintain foreign cruisers. I fail to see the difference between paying a subsidy and encouraging foreign boats to come here to Australasia and paying them for cargo-using German boats to bring German goods here to compete against the British because they are cheaper. Therefore I fail to see the force of the argument when it is applied to the San Francisco service, because we shall have foreign companies coming here as long as this is allowed. Now let us look at one more phase of this question. In sending mails by the Federal route-that is, by the P. and O. Company and the Orient Company-what are we doing? Why, the P. and O. Company are a company that I would call "sweaters." They have been for years and years the enemies of the British seamen. They have Lascar crews, and the British seamen have been fighting the company for years and years and years. And that is the company they ask us, a New Zealand Parliament, who boast of our labour legislation and our labour members, to give subsidies to help this company that has done its utmost to run down the British sailor. You may laugh, but if you had been in Sydney, as I have been, you would have seen the sailors down at Circular Quay trying to get work on these boats; and when these British sailors applied they were not good enough, they could not be taken because there were Lascar crews in the boats. The Lascars were taken because they were cheap. And we are asked to support Lascar crews. Now, I will never do that. If you are going to send away from New Zealand the San Francisco service what will be the result? I cannot see how any one who is a conscientious labour representative can be in favour of a company that will do away with British labour in favour of Asiatic. And yet, because it is said we might have our mails carried for 2s. a pound, we are to encourage the employment of Lascars. It is true that lately the Australian Governments have seen the iniquity of this, and there has been a resolution passed that they will not send their mails with steamers that employ Lascar crews. But what security have we, if we do away with the San Francisco service and hand ourselves over to the Australian Government-to the tender mercies of those who are against us-what security have we that they will not go back to the old system of having Lascar crews, and of doing that which is opposed to all Liberal legislation-encouraging a company which has ground down the British sailor, I have my feelings. I have a seaman? been over there, and I have seen the Lascars there, and the British seamen out of employment. Of course, that was some years ago, and the conditions may have altered since then; but I have told you what I have seen, and I regret it extremely. And I cannot possibly have the feeling for this Federal line that I would have perhaps had if I had not been aware of these things. I hope to be consistent in whatever I do, and it would not be consistent

<page>525</page>

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under conditions like these. I wish to refer to another point that has been raised ; and perhaps I will take it as the last I shall deal with, because I do not want to speak too long, and, because I have seen things that have made my blood boil, I do not want to be carried away into saying things that in cooler blood I might not say. The point, then, that I wish to refer to is this: In proposing to avail ourselves of this Federal service we are practically asking a favour of Australia : "Will you let us send our mails Home at 2s. a pound in your boats? " I conclude there is a possibility, because we have got to ask that permission of the Commonwealth, that the favour may be refused ; and, even if granted, we shall have to pay for our mail-matter on a population basis, which will amount, I believe, to some \$12,000 a year. If we do not ask for it as a favour it will cost us more than that, and it will be too expensive for us to use. But I do not think they will grant it unless we make up our minds to pay the full price. Have we any reason to think they will favour us? I think the reasons are entirely in the opposite direction. Is the fact that they are proposing to set up a hostile tariff not sufficient to prove they will not favour us? Does their action in regard to the penny-postage system which we inaugurated prove that they are likely to favour us ? It did not matter to them whether the letters that were sent from New Zealand to Australia carried a two-penny or a penny stamp, but, all the same, when those letters with the penny postage went over there they surcharged every letter. It was a childish thing, in my opinion, for them to do, and yet they would not meet us to that extent by letting our letters go through, although, if they had adopted the penny postage their letters would have gone through here, even if we still continued the twopenny rate. Pending Australia's decision regarding allowing us the Federal service, how are we going to decide on this matter of the San Francisco service, as we do not know what we shall have to pay if we go in for the Federal route? I hold that we should be careful before we decide hastily on the San Francisco service. I do not intend to keep the House any longer, because the subject has been so thoroughly threshed out. If I have used language that is somewhat heated, it is in consequence of the things I have seen in connection with this Federal line .. Those things were against my principles, and I will be true to my principles to the end. Mr. MCLACHLAN (Ashburton) .- The few remarks I wish to make on this subject are based more upon sentiment, perhaps, than upon logic. The logical deduction from this position is that I should commit myself to the principle that we ought to buy in the cheapest and sell in the dearest market ; but, unfortunately for the northern papers, my sentiment overbears my logic, and I am bound to admit that I shall vote against my own convictions, in that I shall vote for the discontinuance of the service, that is totally, in my opinion, alien to us-a service run by a company over which we have no control. VOL. CXIX .- 35. has restrictive maritime or navigation laws against any other country that prevent the use of British-owned vessels. I shall not say any thing about the " dear old flag," because I never rise to that point of enthusiasm of worshipping the "dear old flag," although I am a Briton of the Britons. Yet I think that it is right for us to give, as the Scotch say, "our fish-guts to our own seagulls." It will cost a little more, but we shall keep all the money in our own family. I was rather amused a few evenings ago when speaking to an Auckland member of this House. He said to me, "How are you on this Frisco service ?" I said, "I do not know anything about the merits of the case; the thing is not known in my part of the country, unless we see it in the newspapers. It is of no importance whatsoever to Ashburton; we do not care whether the mails come by Frisco or any other route, so long as we get them, and the less frequent we get them the better some of our people like it. The matter is of no importance to us." From a commercial point of view, the business people in the various centres say it is a matter of very great importance to them because of the exchange. Now, I contend that even supposing these merchants - the representatives of the mercantile community - by increasing the time required for the delivery of our New Zealand letters in London, have to pay a little extra in commissions and in exchange, they get infinitely more than that out of the reduction in the penny

postage. That is my opinion, and to the great bulk of the people in New Zealand it is a matter of the utmost importance - difference whether mails come within one week or two weeks longer. In fact, I have not sent a letter Home for the last twenty years scarcely, so I do not care if there were no mails at all. But in speaking to this Northern member, he gave me the most positive assurance that this mail-service did not cost the Colony of New Zealand one penny. I said, "We will re-engage it at that price for an indefinite number of years." I said, "How do you work it out?" He said, "Well, I will tell you." He said the Frisco mail steamers, when they came to Auckland supplied themselves with all the provisions they required for the voyage to Sydney, and possibly took sufficient to return to Auckland and back to San Francisco. I said, "Do you call that nothing?" and he said, "It does not cost the colony anything." I said, "Practically, Spreckels's Company get their provisions for nothing; he reckons our butter and eggs, and bacon and cheese, and onions and milk, and fresh fruit, and all these things, are nothing at all." It is all very well for the Auckland City member-I will not go nearer his name-to tell me that we do not pay anything for the Frisco service. I say if the Spreckels Company were to run these boats and only ask 5s. a year subsidy, I would not grant it, on sentimental grounds. I am more moved by sentiment than I am by logic in this case-a company that is running under the flag of a country which has raised prohibitive restric-

<page>526</page>

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waters. I think we ought - not as a matter of reprisal, but as a matter of sentiment-I think we ought to make such arrangements as will be in conformity with the best interests of the flag under which we live. The honourable member for Franklin gave us a most extraordinary illustration last night of the advantage of having the Messrs. Spreckels Company carrying our mails across the Pacific in time of war. He said that we should have the protection of the American flag. But the honourable member seems to forget that the mails would have still to be carried across the Atlantic; so that I do not think there was any great point in that contention of the honourable member. Then, it was held out as a great inducement why we should continue this service that it would assist in developing the tourist traffic. I may point out, however, that between the years 1891 and 1900 the average number of passengers carried by this line was 298, the lowest number in any one year was 250, and the highest number 319. There has only been an increase of sixty-seven during that period. I would, therefore, ask, what is the good of running this service for the sake of such a small increase in the number of passengers carried? I notice - and I say it to their credit-that the Auckland members are essentially loyal; and I may say that I would not give a button for any man who was not loyal, for the man who is not loyal, in my opinion, is a renegade, and I am very pleased to see that there is not a single renegade amongst the representatives from Auckland. Honourable members will find that the Auckland members will vote straight on the ticket. Of course, in supporting this Frisco service they are supporting a service which runs under the flag of a country in which a black man cannot travel in the same railway carriage as a white man. Mr. J. D. Spreckels is one of the great multi-millionaires, owners of steamboat lines and sugar-refineries all along the Western Slope of America. Honourable members may be surprised to learn that he had a father whose name was also Spreckels, and that father was associated with men whose names will be handed down to undying fame: to wit, Boss Croker, of New York, and Leyland, the great shipowner - the man who sold one of the great British lines to an American company. Now, I ask honourable members of this House, why should we cast ourselves into the hands of the son of one who was associated with men who are inimical to the best interests of Britain. In the sixties the father of the great J. D. Spreckels, or the Spreckels Brothers, was a shipowner, and, when a strike took place at the railway works on the Eastern Slope of America, these enterprising democrats went to China and brought over a shipload of Chinamen and supplanted the men on strike. Are these the men we are going to bring here, or the men who are to be forced upon us; men who have no higher sense than dollars, for that is all they want? I say we do not

intend to give them any of our dollars- at least, if the people of New Zealand are wise they will not. Now, I may say I have very little feeling in Mr. McLachlan What do my constituents care whether they get their mails by Frisco or by Suez via the Bluff ? It is a matter of the utmost indifference to my constituents. In fact, down there we scarcely know-unless we see it in the news- papers that the Frisco mail will be despatched on a certain day-that there is a Frisco mail at all. Now, I am sorry my friend the member for Auckland City (Mr. Fowlds), whom we look upon as one of the most intelligent members representing Auckland City An Hon. MEMBER .- The most intelligent. Mr. MCLACHLAN .- Yes, the most intelli- gent. He saw me the other morning in the shade of the vestibule, and asked me to consider this matter as a rational individual and as a Free- trader. He said, " Is it not to your interest to buy your goods in the cheapest market?" I said, " On general principles it is ; but on this occasion I am going more by sentiment than by logic." The honourable gentleman tried to persuade me that it was absolutely necessary that we should have the quickest mail-service because of the great expense entailed on the commercial community owing to the increased cost of discounts in the transmission of money. I believe that is a very good argument, for it is only the monetary argument that appeals to the commercial man at all. They do not know anything about sentiment. But I believe the commercial community have got more than they could expect by the penny postage. They, and almost they alone, get all the advantage, because it is they who buy the cheap stamps. It is the duty of every member of Parliament to read the morning paper; and this is what I found in the New Zealand Times of Thursday, 17th October :- "Mr. W. J. Napier, the senior member for Auckland, sent to the Mayor of Auckland yesterday the following reply to a telegram with regard to the mail -services : 'Thanks for resolutions. Your meetings and telegrams give us great encouragement. Glad to see all Aucklanders united to resist the latest attempt to injure the Empire and colony- Why, only Auckland and Great Britain con- stitute the Empire-the most remarkable piece of presumption on the part of the honourable member with the " mailed fist " ! Then it goes on,- "'-and further despoil Auckland by abolish- ing the San Francisco mail-service." As the honourable member for Wellington City said, " Poor Auckland " ! This is their ewe lamb, and if you destroy that ewe lamb it is dead. What a horrible position to be in. If Wellington or Canterbury only had that for their ewe lamb, where would the Colonial Treasurer get his revenue from ? The telegram proceeds,- "'-Continue to display the unanimity of the people of the province by meetings and resolu- tions of public bodies. The help of the people so given will sustain and strengthen Auckland members in doing their duty unfalteringly. Any weakening by a member in face of clamours of Auckland's enemies in the Press should be

<page>527</page>

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appreciate the conciliatory power of the mailed fist of a united people." I wonder where this unanimity is they are going to display. We shall see when the divi- sion takes place the enormous amount of unanimity ; there will be thirty-one in one lobby and thirty-two in the other -- that will be the amount of unanimity. "For thirty years our province has been plundered, and if it is necessary to prevent further humiliation we must allow party poli- tics to slumber for a period, and fight as one man for our rights." It has been advocated by some of the most intelligent Auckland members - Mr. Massey amongst them-that there are enormous advan- tages to the colony from our connection with the Mother-land. The Auckland members are thoroughly loyal, and if there is anything I appreciate in a man it is loyalty. They show their loyalty even when fighting for a bad cause. It has been said by the Auckland mem- bers that a large quantity of the imports and exports come and go by way of San Francisco. What are the facts ? Nearly the whole of the tonnage is due to the Minister for Railways. On the occasion of the despatch of the Fourth Contingent from Dunedin the Premier spoke under the heading, "Rally Round the Flag." He spoke on that occasion at great length about rallying round the flag. But he has now fallen away from that. There were no stars and stripes in Dunedin at that time. Last session the grand old flag was hung all round

these galleries-there were no stars and stripes; but the Premier now asks us to consent to a contract with an alien Power to carry our mails in steamers that are manned by foreigners. Sir, I do not agree with that. Now, speaking as the representative of one of the most important constituencies in the colony, I wish to say that I came here to faithfully represent my constituents, and, with the view of doing that, I shall not encourage aliens to come to our shores to participate in advantages that should go to our own ships. If I went to the people of Ashburton, and used my most persuasive eloquence to get them to give a contract to a Japanese firm to carry our mails, they would never give me another vote. Well, what is the difference between the Japanese and the Yankees? Neither is in accord with us-indeed, they are rivals, especially in a maritime sense. I may say I have much respect for the genius and the enterprise of the Americans, and, as one who has often seen the advantages to be derived from their agricultural machinery, I say there are no people on the face of the globe who are to be more appreciated than the Americans. They give us the result of their inventive genius at the lowest cost. Therefore I am not antagonistic to them as far as their inventions are concerned, but I am antagonistic to this combination when they do not give us fair-play. The member for Wellington City (Mr. Fisher) will be in accord with me, I am sure, when I say we should have fair-play. to have fair-play. Mr. MCLACHLAN .- Well, he sometimes says things he does not mean. The poet says,- Lassies innocently young, Say often what they dinna mean. At any rate, I wish to say this : even if Mr. Spreckels will not carry our mails temporarily at a reasonable price, and if we cannot enter into negotiations with the Vancouver line, and if the Federal line reject our proposals, we still have the high seas at our command-the high seas that, three miles from the shore, belong to no one. We also have our splendid lines of steamers that arrive and depart every week, and a fortnight more or less in the transmission of the mails would be only a small item. If my honourable friend Sir Joseph Ward, the Postmaster-General, would use his great latent energy - because it is not half-developed yet - to induce the cable people to make some reasonable or large reduction on the cable rates, that I believe would satisfy the commercial community, and the people here would be pleased to send Home any spare money either to subsidise or to give poundage rates to our Direct steamers. That would meet the approval of the great bulk of the people of New Zealand much better than foisting upon us Spreckels-a foreign company. Mr. W. FRASER (Wakatipu) .- If I had been in any doubt as to how I should vote on this occasion, I think the speech of the last honourable member would have settled my mind. Mr. MCLACHLAN .- It would have convinced you. Mr. W. FRASER .- Oh, yes; it would have convinced me completely to vote in the opposite way to what the honourable member says we will do. And I will tell the honourable gentleman why. He told us at the beginning of his speech, and towards the end also-for he seemed rather proud of repeating it-that he was swayed by sentiment. In fact, he said he was sorry to have to say he was swayed by sentiment rather than by logic. What is the natural inference from that? It is that the logical aspect of the case-and the honourable gentleman is endowed with a large amount of strong common sense - that the logical aspect of the case, as presented to him, was entirely different from that by which he is going to allow himself to be influenced. He says that he is swayed by sentiment. Well, Sir, sentiment is a very good thing in its place. Sentiment, no doubt, plays a very large part in many of our actions throughout life, but there is one thing in connection with which sentiment is entirely out of place, and that is when we are dealing with a strictly business transaction. I venture to say that wherever in business transactions you allow sentiment to dominate, to become the prevailing influence, the decision arrived at is one which there will be cause to regret. I was rather amused at the tenor of some of the speeches. There are those who have sneered somewhat openly at the sentiment displayed by this House on a former occasion -- namely, when we were sending

<page>528</page>

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in which sentiment might well be expressed, because anything in connection with the Empire-in fighting

for the Empire, or in de- fending the Empire-is a matter of sentiment, and therefore sentiment was not at all out of place. But the very gentlemen who sneered at sentiment on those occasions use it now as an argument why we should have nothing to do with the San Francisco mail-service. I confess I cannot see the force of their argu- ments, and, as far as I am concerned, I cannot allow them to have weight with me. I maintain that it is not right for us to indulge in sentiment in dealing with this question, but to come to a conclusion on logical grounds, more especially as we are dealing with a purely business transaction. Sir, the resolutions we are asked to come to a decision upon to-night are for the purpose of authorising the Govern- ment to make arrangements for mail-services. To my mind there are only two mail-services the Government can make any arrangement about -the San Francisco service and the Federal service. I regret to say that the Vancouver line is really beyond the reach of practical politics for the next eighteen months, and my reason for saying that is that I do not think the colony should have anything to do with, nor would I vote for a moment for its having any- thing to do with, a Vancouver service which consisted simply of a side-line to Pango-Pango, or to some other junction. That would be of no use to the colony at all. I do not believe in it, and I would have nothing to do with it. If we had to choose to-night between subsidising a Vancouver service and a San Francisco service, without any hesitation, I would say subsidise the Vancouver service. But, as I have before remarked, that line we cannot deal with, at least for the next eighteen months or two years. We know that the arrangements of the company with the Queens- land Government-or, as Queensland is now a State of the Commonwealth, I suppose I should say their arrangements with the Federal Go- vernment, are such that the route cannot be altered. I trust that when the eighteen months expires we will be able to make such arrange- ments as to induce the Queensland State to per- mit the company's steamers coming round by New Zealand. I hope it will be done, and I sincerely trust that in any arrangements our Government may make, whether with the Federal service or with Messrs. Spreckels for the continuance of the San Francisco service, they will keep steadily in view that the line this colony would prefer to have is the Van- couver service, and that they will leave their hands unfettered, so that when the time comes they may be able to make their arrangements to give us that line. Sir, I did not intend speaking at present, as I was more inclined to reserve what I had to say for Committee ; but it has struck me that in Committee each member would be confined to speaking to a particular resolution, and would be de- barred from speaking on the general question, and that is why I take this opportunity of Mr. W. Fraser \--- - rising is that I want to draw the Postmaster- General's attention to one or two matters that I do not see referred to in the proposals. Sir, it has come to our knowledge that the Messrs. Spreckels charge differential rates on freight from America -that their freight to Sydney is lower than their freight to Auckland. Now, why should we agree to that ? And I say this : although I intend to vote for the resolution to authorise the Government to enter into a con- tract with the Messrs. Spreckels on the poundage basis, I also intend in Committee-and I am sure the House will consider there is a necessity for it-to insist that a condition shall be put into the contract by which Messrs. Spreckels shall not be able to charge differential rates, Mr. R. MCKENZIE .- Spreckels will not do it. Mr. W. FRASER .- " Spreckels will not do it." What Spreckels will do, or what Spreckels will not do, does not concern me one little bit. What we have got to do is to make arrange- ments for a contract under certain limitations as to cost and certain specific conditions, and if the Government cannot make arrangements on these terms, then they have no right to make them at all. That is the position we ought to take up. I think we waste a good deal of time in talking whether Messrs. Spreckels will do one thing or another. If they will not do what we want, then let us secure the Federal service, or the other alternative the Postmaster-General told us about. That is one point. Now, I may say this : that, as between the San Francisco service and the Federal service, there is no question that the San Francisco service is the quicker route, and the cheaper route ; and it is that which weighs with me, and nothing else. Does any one imagine the House is going to give a free gift to the Messrs. Spreckels of our hard- earned money ? Surely no one imagines that we

intend to do anything of the kind. We desire that the Government shall drive the hardest bargain they can in our interests with the Messrs. Spreckels, in order that we may get this San Francisco service at a reasonable rate. I hope that some satisfactory arrangement will be come to ; but it is absurd to say that we have no right to give the money \- of the colony to a foreign-owned company. We are not giving it to them for nothing : we are surely getting something in return. I say it is a purely business transaction. A suggestion has been made with regard to a third route. It has been suggested that this House should endeavour, instead of any of the proposals contained in the resolutions, to subsidise the ocean-going steamers that carry our produce to the Old Country. Hon. MEMBERS .- Hear, hear. Mr. W. FRASER .- The honourable gentlemen say "Hear, Hear." It sounds all very well ; but what does the whole thing amount to in practice ? You cannot get cheap freights when your steamers have to travel at a fast pace with mails. If you want cheap freights you must send your goods in slow-going vessels : you would have to subsidise the ocean-going

<page>529</page>

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them to increase their present rate of speed. An Hon. MEMBER .- What does Victoria do? Mr. W. FRASER .- Victoria does not send her mails by these steamers. Do not let the honourable gentlemen misunderstand me. I do not argue against subsidising steamers to carry our produce to the Home markets-no- thing is further from my mind; but I say that a proposal to subsidise cargo steamers and make them the only vessels carrying our mails. is impracticable ; it cannot be done. How long do members. suppose that the people of the colony would submit to their mails taking forty to forty-five days to go Home? I say there would be a howl from one end of the colony to the other. That aspect of the case may appeal, perhaps, to those who have produce to send Home; but those who have studied the matter know perfectly well it cannot be done. I say, by all means, if you consider it necessary to send produce to South Africa, let us subsidise a line of steamers there, and you will find me voting for any such proposal. If you find the price of produce has fallen so low, and you desire to help the producers of this colony, and you can effect that by acquiring cheap freights and by subsidising steamers, you will find me supporting that ; but I will not pretend to say that is the only means by which you should carry on your mail- service. An Hon. MEMBER .- The Frisco service is not the only one that carries our mails. Mr. W. FRASER .- I know that ; but it has been suggested that instead of either the Frisco service or the Vancouver service, or the Federal service, we should simply subsidise our ocean-going steamers, and I combat that argument. #cc-zero Sir, I have no doubt that when we are in Committee the whole of the details of these several resolutions will be gone into very carefully, and I can only conclude by saying I do hope, whatever arrangements are made, either with Mr. Spreckels or with the Federal service, that the Government will keep steadily in view a line which I, and I am sure a majority of this House, look on with favour-the Vancouver line-and that whatever arrangements are made the door will be kept open to secure that service eventually. Mr. LAURENSEN (Lyttelton) .- Sir, I approach this subject with an unbiassed mind. Until yesterday afternoon I was more in sympathy with the San Francisco service than I was with the Federal line ; but after having heard the discussion last night, and after having read and studied the figures the Post-master-General put before us, I have come to the conclusion that on almost every point it is not to our advantage to have anything more to do with the San Francisco line on the conditions submitted to us for approval. Sir, I would like to refer briefly to some of the speeches that were made this afternoon. The member for Masterton stated that this was a question of trusting or of not trusting the Post-master-General. It is nothing of the sort. We, on this side, are not distrusting the Postmaster-company, and honourable members on the other side are not putting implicit trust in the Post-master General simply because they say they want to subsidise a foreign company. It is a question of whether it is a right and profitable thing for us to subsidise the Spreckels line or not. An honourable member this

afternoon dwelt with a great deal of force and uncton on the wickedness of our subsidising the P. and O. and other lines subsidised by the Federal Government, because they carried Lascar crews. Is the honourable member not aware that during the past ten days that Govern- ment has carried a motion that none but white men shall be employed on vessels carrying the mails of the Federal Government ? The honour- able member said, " In supporting that service we would be supporting a 'sweating' company." Is the honourable member aware of the hours worked by the men on board the steamers of the Spreckels line? Because, if he is not, I will tell him what these hours are. The men on the Spreckels steamers are roused at five o'clock in the morning : they have coffee at half-past five, and then they work on from six in the morning, with intervals for meals, till six in the evening, and then have to keep watch and watch all night. Yet the honourable mem- ber says that the owners of that line are all that is good and righteous, and that if we support other lines we will be supporting "sweating" companies. He also got into a state of indig- nation because we should have to ask the Federal Government to take our mail-matter at the two shillings rate. I would far rather ask the Federal Government of Australia than I would ask the Messrs. Spreckels. The mem- ber for Wakatipu demanded that we should have logic, and should have nothing to do with sentiment. I will give him some facts and figures which I think will fill him full of logic. I admit that the San Francisco route is the quickest route, and when you say that you say everything that can be said for it ; but I say it is not the cheapest route. Now, as I have said, I have listened with a great deal of attention to the speeches delivered in the House on this question, and I wish to express my admiration of the logical, calm, and well- reasoned speeches delivered by the member for Franklin and the member for Auckland City (Mr. Fowlds). And I wish to say that if all the Auckland members adopted the same atti- tude as those two honourable members the proposals in respect to the San Francisco ser- vice would be much more popular than they are. One Auckland member has spoken of the " mailed fist," and in this connection I think that many honourable members have mistaken the meaning of the term "mailed fist." They seem to think that it is a fist sheathed in steel and supported by a forest of spears, shaken in defiance against those opposed to the San Francisco mail. I think, however, that the honourable member meant nothing of that sort. He doubtless meant, or at least I hope he meant, a hand full of letters-it was a fist full of mails, or letters, and it was only an

<page>530</page>

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from a fist full of mails into a mailed fist. What does the argument of the Auckland mem- bers amount to ? Simply that the San Francisco route is the quickest route, and nothing more. I admit it is the quickest, but I will prove that it is not the cheapest. Taking the average time of the mail leaving New Zealand from the Bluff to Auckland and going via Fr'isco and com- paring it with the Federal mail, the difference in favour of the Fr'isco route is exactly four days and a half. That is the difference in time. Now as to the other points. In the first place, we are asked to subsidise the Spreckels line be- cause if we do not they are bound not to make New Zealand a port of call any longer. Sir, honourable gentlemen who make this assertion do not know what they are talking about, and I say this with all deference. In the first place, the Spreckels line is paid by a subsidy from the United States of America for running mails from Fr'isco to the Australian Colonies, and one of the first conditions in their agreement with the Government of the United States is that they shall make Auckland a port of call on the down- According to the figures that are ward route. given us by the Postmaster-General, they carried in wards last year 319 passengers, and they carried out wards 533 passengers to and from Auckland ; and taking the average fares which those pas- sengers paid, that passenger trade gave them a revenue of \$20,732. They brought, also, in- wards 5,141 tons of cargo, and carried out- wards 1,395 tons, making a total of 6,536 tons. The average freight is £3. The freight on general cargo is \$3 8s., but the average on the quantity I have stated amounts to £3 per ton. This gives them for cargo revenue the sum of \$19,608-that is to say, that their total revenue through

making Auckland one of their ports of call, besides the subsidy from the American Government, amounts to \$40,340. Now, J. G. Spreckels is not such a flathead as to omit this fact from his calculations, and we may take it for certain that he will call at Auckland whether we give him this contract or not. In fact, we have the game in our own hands, and we can make Mr. Spreckels come to our own terms, and need not go hat in hand to him and ask him as a favour to accept \$15,000 odd a year from us. I should like to give some of the arguments that are strongest against the Frisco route, and which, after consideration, ought to present themselves to any reasonable thinker. The first thing, I think, we ought to oppose it for, is because we believe we can get better terms by refusing than by agreeing to the terms now submitted to the House. In the second place, because it is a dearer service than the proposed Federal service, and I will give figures to the House to prove this. The Federal service proposes to give us a fortnightly mail for the sum of £19,000 odd. That is an average of \$373 every time a mail comes in or goes out of New Zealand. And, mark you, that mail possesses an important recommendation which the Spreckels mail does not - it is a regular mail. The Spreckels is an irregular mail, and that to commercial people Mr. Laurensen more important factor than having your mail four days and a half quicker. It is a most important thing to have a regular mail, upon which you can depend, and a mail coming and going at regular stated intervals. Now, that regular mail will cost us £373 every time it comes in and goes out. As against that we have the Spreckels line, which gives us a mail in and a mail out every three weeks, and which is to cost us, in round figures, £16,000 odd per annum ; and the net cost for every time that mail comes in and goes out of New Zealand is £479. So that we save \$106 on every mail that comes in and goes out of New Zealand, or £212 on every double mail, by adopting the Federal service as against the Frisco mail ; and that disposes, once and for all, of the theory that the Frisco is the cheapest mail. Then, I want to point out another factor which, I think, we ought all to realise as a very important one. Included in the cost of sending the Federal mail is a sum of \$10,000 which will be paid for the intercolonial service. That sum will be paid to the Union Company or some other company which will, in all probability, have its headquarters in New Zealand. When we are subsidising our own line of ships we are doing another important thing, as we are helping to make the freights between here and Australia cheaper. In doing that we are conferring a benefit upon every farmer and producer in New Zealand. Sir, one member for Auckland City (Mr. Witheford) said one thing that would happen through us continuing the Frisco mail would be this: that our farmers would, if we paid that subsidy, be able to find an outlet for their produce in America. Now, Sir, I do not think there is any need for me to refute this statement. It carries its own refutation on the face of it. But I want to point out to Mr. Witheford and the other Auckland members whether this mail-service is increasing our trade with America or not. Our exports to the Australian Colonies and Great Britain we know are going ahead at a very rapid rate, and last year we exported to New South Wales and Victoria alone one million and a half pounds' worth of our products, whilst to the United States we exported \$433,499, as against products worth \$583,134 ten years ago ; so that actually our trade with America is steadily and largely falling off, and is likely to do more so in the time to come, while our trade with the United Kingdom and the Australian Colonies is increasing, so to speak, by leaps and bounds. Mr. HERRIES. -- Against the tariff ? Mr. LAURENSEN. - We have not had the effect of the tariff yet, but one of the ways in which we can counterbalance that tariff is to pay a subsidy to steamers of our own from here to Australia-steamers which would carry our productions to Australia, and which would at the same time connect our mails with the Federal line. I think that ought to come home to every one of us. I also want to point out to honourable gentlemen who are actuated by sentiment in this matter that if we sub-

<page>531</page>

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whereby our mails are run under our own flag and by our own steamers to Australia, and that there they

connect with British steamers -- the P. and O. and Orient line-and on the whole of their way to England the only time when they will not be under the British flag is when they are going across the Continent of Europe from Brindisi. They will be under our flag all the time they are on the sea. For those who make so much of the sentimental aspect of the question I should think that is a matter for consideration. In subsidising Messrs. Spreckels's line we are subsidising a foreign line as against a British line. Another important point I would like to bring under the notice of honourable members is this : that if we carry the resolutions we would be actually putting ourselves in the position of going to Mr. Spreckels and asking him to accept our terms as a favour. What do the despatches say which have been submitted to us by the Postmaster-General ? On the 10th September last the following wire was sent to Messrs. Spreckels's agent, and to it the following replies were received :- " The Secretary, General Post Office, Wellington, to Mr. Dunnet, Auckland. " General Post Office, Wellington, 10th September, 1901. "FRISCO service and Mr. Spreckels's pro- posals : Cabinet has again considered matter, and has now decided to recommend Parliament to approve of payment of \$15,000 (fifteen thousand pounds) per annum for three years. This is final." "Mr. Dunnet, Auckland, to the Secretary, General Post Office, Wellington. " Auckland, 11th September, 1901. "WIRE to hand. Am wiring to San Francisco." "Mr. Dunnet, Auckland, to the Secretary, General Post Office, Wellington. " Auckland, 13th September, 1901. " HAVE received reply from Mr. Spreckels. Offer declined." I would let him decline the offer, and say, " If you will not take our terms you can do the other thing. We will acquire a line that will take our mails to London from New Zealand at a speed only four days and a half slower than you take them, but at \$106 cheaper every time. and at the same time we will be subsidising and supporting our own lines of steamers, and also improving and backing up our own trade and commerce in a way which will be of infinite benefit to our whole colony." I think this is the logical and only deduction which we can come to in this connection. Several honourable members have said that we should subsidise our own line to Great Britain. Briefly put, at present that is an impossibility and beyond our means. If we subsidise a company for a thirty-five days service from here to London, the lowest price as yet which any one has offered to entertain our proposals at is a ten-years contract at £100,000 per annum. That kills a direct service from the jump ; so for the present, direct service. But we have alongside of us one of the best mail-services we could get, and that is the Federal service, and I only trust that we shall adopt the alternative proposals contained here in the Postmaster-General's resolutions - that is, that we should subsidise the Federal service on a population basis, and pay a subsidy for the intercolonial connection to our own steamers. Then we would have our mails going home to London by Australia, and have a line suited to the requirements of the colony for many years to come. At the same time we would have them running under the British flag, and not under a foreign flag, retaining the benefit to our commerce of all our subsidies, whilst we should also retain our self- respect, which, I think, we shall not retain if we accept the proposed San Francisco pro- posals. Mr. A. L. D. FRASER (Napier). - I did not intend to speak on this question till I heard the remarks of the honourable member for Wakatipu. He said that the logic of the honourable member for Ashburton was outweighed by his sentiment, and he joined issue with him for allowing sentiment to outweigh logic. I would ask the House, if this resolution is carried, whether it will be carried by logic or sentiment ? By sentiment, and owing to the popularity of one or two Auckland members of this House. I challenge honourable members to deny it. For a competent business-man like the member for Wakatipu to tell me that this is strict business is absurd ; it is just sentiment. And I say sentiment should be put aside, though I admit it does influence some of us ; possibly at the bottom of my heart it is dictating slightly to me. But my sentiment is of a different sort. My sentiment is that of the flag ; but the sentiment which will ultimately carry this motion by one or two votes is a friendly feeling, not so much for those who have been hysterically agitating for the San Francisco mail, but for the members who have shown a diplomatic and discreet silence. This is not a party question ; it is not an Auckland question ; it is not an Empire question,

as has been stated by one of the members for Auckland : it is distinctly a colonial business question. It has been amusing to me to follow a number of honourable members who have spoken in favour of this motion; and, whatever the difference between their facts and phraseology, it comes to this: that the San Francisco line is the most expeditious for passengers and mails. For this reason we are to enter into a compact with a foreign country- to subsidise an antagonistic company-for the sake of what ? In ten years they have brought in 31,383 tons of cargo and taken out 8,331. A great deal has been made of the passengers. Is it so beneficial to the colony that we should have a fast line for passengers and mails ? It is said we are going to have a huge tourist traffic in New Zealand. It has been pointed out by the Postmaster-General that it is to our interest to encourage tourists. That is so. But if we cannot in ten years' time get

<page>532</page>

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it will be a very expensive luxury to pay this huge subsidy to a foreign company. We have had coming here an average of twenty-five passengers a month for ten years, and for that we have paid, gross, £273,000. Then, in regard to the huge tourist traffic, by this route we can never have tourists coming to this colony in the summer, the time of year when they should visit it. It is well known that if they wish to visit this country in the summer they would have to cross either Canada or the United States in the depth of winter; consequently we can never have the tourist traffic we anticipate. And if we analyse the passenger-list do we find that the majority are tourists coming to our colony ? No ; they are generally theatrical or circus companies. Do these people explore the country ? No, they do not : they exploit it. So much for the passenger service. Now, it is entirely fallacious to say a day or two makes any difference in the carriage of the mails. I am not a business-man or a mercantile man, and consequently I have to go to people in authority for information on the matter. And what do they tell me? Only yesterday one of the largest importers in Auckland told me that this cry out for a very fast mail to take orders Home was fallacious. He said, " When there is a special line wanted we order it by cable, and follow it up by an extended order or letter, and it does not matter whether that extended order takes a week or two longer to reach Home than it does at present." We know the cable rates have been reduced, and every day we are drawing near the brighter times when they will be still further reduced. Honourable members will recollect that, in connection with this subject of the Pacific cable, I asked a question this afternoon without notice, which is one of the most important factors in the whole question of the San Francisco mail. The Postmaster-General tells us that the cable will probably be completed in eighteen months. Here now we are proposing to enter into a Well, I do not contract for three years. prophecy very often, but I will stake my existence on this : that before two-thirds of the proposed contract has expired it will be found that there will be a cable between England and the colony on which the rate will be 2s. 6d. a word or less ; and if that prophecy comes true it does away entirely with any thread of argument that may be adduced in favour of the San Francisco mail. Now, leaving the cable question for a moment, I must congratulate the Postmaster-General on the fair, instructive, and statistical way in which he laid the whole question before the House. But still the honourable gentleman used arguments that were, to my mind, as fallacious as many of those that have been used by honourable members who support his proposals. One of his arguments was that the sentimental feeling was at the bottom of all the opposition -sentimental feeling on account of the embargo that has been placed on British steamers trading to Honolulu. He also stated-unfairly, Mr. A. L. D. Fraser again approach the British and Washington authorities, and, having Mr. Spreckels on our side, the result would be that that embargo would be removed. Well, I challenge the Postmaster-General to place on the table the last correspondence he had with Washington through the Imperial authorities. What did the New Zealand Government do? They approached the Imperial authorities, and asked them to request the Washington authorities to reconsider the matter of the

embargo. The reply was that they would not reconsider it—a reply that was, if not impertinent, at any rate, ungracious and unconciliatory. That is one of the arguments held out to us to support the proposals. It seems to me there is but a very slight probability of that embargo ever being removed. As a colonial, which is one of the best assets I have to my credit, I wish to say that I will not support a foreign line of steamers that is doing all it can to damage our own line of steamers. Let us take a supposititious case. If any honourable gentleman in this House were a shareholder in the Union Steamship Company, what is he doing when he supports Messrs. Spreckels? He is simply paying out of his pocket to a foreign company to work against his interests as a shareholder in the Union Company. That is the real position of it. And, further 8.30. than that, there is always—it has been stated, but it is not superfluous to repeat it again, that at any day or hour, God forbid it should happen in our time, America may be at arms' length with the British Empire, and we should have prepared cruisers—cruisers that had been subsidised by us—for them to take action against us. I would point out, too, that they have cadets training on these steamships. Mr. MONK (Waitemata) .- They have more wisdom than we have. They are training their young people. Mr. A. L. D. FRASER .- Well, let them train them on their own ships, and in their own dockyards and forts. But look at the privileges to gain experience which might be injurious to us, these cadets have, coming in mercantile steamers, which they would not have if they were cadets on a man-of-war. An Hon. MEMBER. - They cannot get into the forts. Mr. A. L. D. FRASER .- No ; but it would be far easier for them to get information with regard to our defences than if they were on warships. Now, I certainly have thought over the matter for some time, and, like the honourable member for Lyttelton, I was still open to conviction, and might, after hearing a number of the able speeches delivered in this House, have been influenced to vote for the service ; but the turning-point, the last straw on the camel's back, was the indiscretion of certain Auckland members, and especially of the Auckland Press. If this motion is lost the Auckland people can thank themselves for it; or they can blame for it the Press, and a certain section of Auckland members in this House. I mean Auckland City members, and the honourable member for Franklin

<page>533</page>

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members generally. To my mind, the manner in which the Auckland papers have dictated to their representatives and to the rest of the colony has been the quintessence of impertinence. I think it is well to put some of these sayings on record, and I ask if free men in this colony are to be dictated to by one section of the colony in the way the Auckland papers have spoken to their members, and to other members of the House. Here, for instance, is the way they speak of the Postmaster-General, who has been doing all that any one could do to foster this service consistently with benefit to the colony. This is the way one of the papers speaks of the Postmaster-General :- " It is very evident that there has been a telepathetic sympathy between our Postmaster-General and some pawky Scotchmen largely interested in southern shipping." I ask honourable members from the South, I ask Mr. McLachlan, who, I suppose, is one of the pawky Scotchmen, I ask every southern member to rise and vote against this when members of the House are thus spoken of. Here, again, is another nice refined reference when speaking of the proposals. The writer calls them "the Jesuitical resolutions of the Hon. Sir J. G. Ward." An Hon. MEMBER .- What paper is that in ? Mr. A. L. D. FRASER .- In the Herald. . Then, again, there is this : "He is trying to pay for the penny postage and favourite expenditure in other directions by economizing on the San Francisco mail-service." Now, I say, as one sitting on the Government benches, I have too much respect for the Postmaster-General to see him maligned in this way. And the only way to demonstrate my disapproval is to vote against him and his proposals. It is paradoxical I know, but it is consistent and logical. Then, again, will the Wellington members mentally note this. Let the honourable gentlemen who represent Wellington listen to this :- "To encourage the insatiable greed and aggrandisement of

Wellington, the Postmaster-General is ready to ignore the superiority of the present line." Again I say that that sort of language is such that no self-respecting member for Auckland could indorse, and I urge them to rise as one man and smite these papers hip and thigh by voting against the San Francisco mail-service. This service is called the "Auckland ewe-lamb," but, judging from the above specimens of writing, it is a very black sheep indeed. Then, this is the way Auckland members are autocratically dictated to. Why, I would sooner resign my position in the House than that a paper in my electorate should dictate to me in such a way. An Hon. MEMBER. - You would not take notice of it. Mr. A. L. D. FRASER. - I would take this notice of it : that I would not keep silence or allow it to pass without protest. This is what they say :- "The Auckland members are expected to sacrifice every other political consideration to understand that any slackening upon this all-important question will imperil their parliamentary career." Well, again, I ask the Auckland members have they read these papers? I am sure they have not read them, otherwise they would have taken some action to show they were not going to submit to such dictation. I really expect some of the Auckland members, in consequence of this kind of writing, to say they are going to walk into the "Noes" lobby when the House comes to a vote. Mr. SEDDON. - Do you expect them to imperil their political life ? Mr. A. L. D. FRASER. - I think they could take their chance of that, for it is simply the vapourish utterances of the so-called "mass meeting" of sixty-four people in Auckland the other evening. I see that one of the speakers at that mass meeting used these words : - "They should be prepared to say to their representatives, in the event of their returning without doing their duty to Auckland in respect to the three great questions discussed that evening, ' You can take a back seat.' " Now, Sir, I am perfectly certain these papers are not voicing the opinion of Auckland. I have too high an opinion of Auckland and of the Auckland members to believe that. An Hon. MEMBER. - It was a Dunedin boy who said that. Mr. A. L. D. FRASER. - I do not know who the man was who said it. I find he was one of the speakers at this huge mass meeting of sixty-four people. Then, again, we have not only the action of the papers, we have not only the disrespectful attitude of a section of the Auckland representatives, but I go so far as to say that it is discreditable, and in the very worst taste, that we find a member not only attending a Government caucus where the subject was to some extent discussed, but that he has telegraphed up to Auckland a report of what he imagined he said, and what he threatened to do: "Threatened the Government, if they did not bring the San Francisco proposals down and put them through, he and the other Auckland members would leave the Government party." Picture to one's self this fin de siècle Samson at the feast of Dagon, with arms extended to encircle the pillars of the temple of Seddonia, and with one herculean effort bringing destruction-"at his death more than they which he slew in his life." This sort of thing is nauseating to myself and others, who perhaps might have given a more calm and logical consideration to the question but for the insufferable bounce, bluster, and dictation of the Auckland Press and the egoism and rhodomontade of the senior member for Auckland City. Well, Sir, I possibly have spoken at greater length than I intended to do, but I feel what I have said, and it is my intention to vote against the San Francisco service for the reasons-short, simple, and brief-which I have laid before the House. It may be thought I have taken just a superficial view of the matter, but, at any rate, these are

<page>534</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=574></url>

and vote against the proposed service until the bitter end. Mr. PIRANI (Palmerston) .- It is a pity that the honourable member for Napier is not more accurate when he quotes figures in this House. He told us that New Zealand has spent in ten years on the Frisco mail-service some \$273,000. He forgot to deduct from that payment the amount of \$108,000 received by New Zealand from other countries towards the Frisco mail-service. It is a mere trifle, of course, but if the honourable gentleman had only taken the trouble to study what has been paid for the mail-service between Auckland and Frisco he would have seen that of

that £273,000 only \$72,479 has been paid by this colony. The honourable member also told us that we were paying for cruisers to fight against us-a whole \$15,000 a year! Why, it would not pay the cost of one cruiser for a month. Then, the honourable gentleman said a great deal, and a great deal that I sympathize with, in connection with the injudicious attitude taken up by the Auckland Press, and one Auckland member in particular, in regard to this service. It seems to me that the Auckland member I allude to (Mr. Napier) is a sort of Dr. Jekyll and Mr. Hyde in politics. In the House he is everything that is nice and conciliatory, and that sort of thing, towards the Government ; but outside he never seems content unless he is condemning the Government, of which he is so faithful a supporter here, in unmeasured terms, and unless he is pointing out to the "democracy " how little constitutional some of the methods of the Government are. He is never pleased while he is here, unless he is expressing slavish adulation of the Government or its individual members ; . outside his language hardly does justice to his contempt for them. Now, I quite agree with what the member for Napier, has said as to the influence statements made by Mr. Napier outside the House must have on the result of this vote, for some members are so disgusted as to feel it would be a sign of weakness to act as he desires. Personally, I believe in the Frisco mail-service, and I support it because I see no alternative presented to us. It is the fastest service that we can get now, and it would take a little more, perhaps, than the fulminations of Mr. Napier to prevent me casting my vote as I think right. I cannot understand the argument of the speaker who preceded me, that because members of the House have been abused and asked to toe the line by newspapers outside the House, or because one member in his wrath has uttered some of the most ridiculous things that could come from the mouth or pen of any member, except one regardless of the consequences that for that particular reason we should cast our principles on one side and our belief in the right course to adopt, and vote, as a protest, not against the action of the Government, not against the proposals put before the House, but against the language and methods adopted by people to whom we are in no way responsible. Now, I admit that Mr. A. L. D. Fraser judges these proposals than has been published in the Auckland papers; and while I think "the mailed fist" telegram is bad enough, there is some excuse for that, because he always endeavours to imitate what we are told are the worst traits in a British officer. We know, of course, in connection with the incident about saluting, what a stickler he is for etiquette ; and I have no doubt that in referring to the "mailed fist" he was only thinking of the olden times, when warriors fought their battles in coats of mail. And, I presume, that so far as he is concerned we may put his attitude down as one of his idiosyncracies. But in the course of an interview with a representative of the Auckland Herald he gave utterance to sentiments that were even worse than those contained in the "mailed fist " telegram. For instance, he accuses the Government, in reference to one clause in this resolution, of inserting it as " a mere sham, that could not seriously be discussed." In his opinion, the Government proposals breathe a spirit of hostility to the San Francisco route in every line. He says,- "The Government has yielded to the clamours of a narrow Southern parochialism, and ignores the commercial value of a speedy transmission of mail-matter between the United Kingdom and this colony." And the gem comes in here :- "The Ministry are like Chinese mandarins who want to shut out eighty millions of people from commercial intercourse with us." The idea of nonsense like that coming forth as a serious utterance of a member of this House ! He reminds me of the Scotch yarn about a number of recruits who were drilling. when the sister of one of them, who was named " Wullie," looked along the line and complained, " Oor soldiers are a' oot o' step but oor Wullie." And I think that members of the House can say with the Scotch lady that we are all out of step "except oor Wullie "-Napier. So far as the connection with Auckland is concerned, I think it is a proper connection. I think that Auckland's importance as a city and its magnificent resources as a district-a district, I think, which has been very much neglected by the Government in very many respects, a district which is worth developing and which would repay every penny properly spent in that direction-from its geographical position Auckland is

essentially the point at which the mail-service to San Francisco should touch, and I do not believe there is anything in the tales told as to Southern jealousy of Auckland in that respect. If we are to have a Frisco service, Auckland is the proper place at which the steamers should touch, and it is ridiculous to say that any opposition to this service comes from jealousy against Auckland by Southern members. I admit there is a stumbling - block in these proposals, in the fact that British vessels cannot be employed in this service, but I do think there is a lot of "buncombe " uttered as to British vessels being excluded. Every one who

<page>535</page>

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knows that it is one of the cardinal features of its Constitution that trade from port to port should be carried in American bottoms ; but there was never any intention originally that the Constitution should apply in the way it is interpreted at the present time, because under a proper observance of the Monroe doctrine it would have been an impossibility. Of late the United States has changed its foreign policy-like New Zealand-and seems to be seeking to acquire new territories beyond the seas. I have no doubt that if, by a proper method, we attempt to get the concession in this matter the laws of the United States would be altered, except so far as the continent itself is concerned. And I to a very great extent blame the present Government for allowing the position to have attained the proportions it occupies at the present time. I feel sure that if continued representations had been made to get some abrogation of the maritime laws-so far, at any rate, as the South Sea Islands are concerned-it would have met with success. Mr. SEDDON .- No; we have tried it. Mr. PIRANI .- Yes; I know-the Premier made one trial. Mr. SEDDON .- Two trials. Mr. PIRANI .- Well, two trials-in, I think, four years. Mr. SEDDON .- No. Mr. PIRANI .- Well, it is nearly four years ago since I drew the attention of the Government to the position that we would be in if Hawaii were annexed to the United States, and if the Premier has only made representations twice in four years he has not performed the duty he owed to this colony. I am certain that if he had taken as much trouble in regard to this matter as he has taken in connection with other representations made to the Old Country . on paltry questions he would have been able to accomplish something for the benefit of the colony, and would have got rid of the cry that has been made against this service that our own vessels are not able to take part in it. But I do not look at that as in any way an insuperable objection to the service. It is an objection that we must regret exists ; but, so far as New Zealand is concerned, I do not think it is a very great matter. For the connection between Frisco and New Zealand American vessels are employed, and it amuses me to hear honourable members pointing out the very great danger New Zealand is in because those vessels are liable to be used as cruisers, and at the same time condemning the quality of the vessels that are used and their uselessness for a fast service. If cruisers are to be of use, and if what is said against these vessels is true, then you can get nothing more unfit for the purpose of vessels of war than the vessels described in such unmeasured terms. Personally, I think it is the duty of the Government, even if these proposals are carried, to seek for some other connection with the Old Country in addition to the San Francisco mail- service. I have no doubt before many years altogether will have to be revised, not only so far as New Zealand is concerned, but so far as the Australian Colonies are concerned ; because there can be no question about it that in the near future the Panama or the Nicaragua Canal will be open. Vessels going either way must call at New Zealand on their way to the Australian Colonies ; and if that route is adopted -and I see by recent American papers that negotiations are going on actively for the completion of that canal or the Panama Canal- Mr. T. MACKENZIE .- It will be through in five years. Mr. PIRANI .- The honourable member says it will be through in five years. So that it will be seen that it is only a question of time when the whole matter of mail-routes will have to be revised, and put on a different basis to what they are on at the present time. But at present I can see nothing better for us than the San Francisco route; and I think it will be only a fair thing to the Government-and I always like to

support them when they are right, and I think they are right this time-it is only right that the Government should get the opportunity of carrying out the proposals now before the House. Mr. E. G. ALLEN (Waikouaiti) .- This question is a very important one to the colony, and it is one that has been exhaustively discussed every time it has been brought before the House. I think it is a question that should be dealt with dispassionately, and looked upon in a broad and national spirit, and not at all in a party spirit, or with regard to local interest. I believe the Auckland people are perfectly justified in advocating the San Francisco service, and I do not think that any one objects to the Auckland members doing so. At the same time they should not take exception to the views of those who do not see eye to eye with them. I think, Sir, it is a great mistake to suppose that, in the event of the House withdrawing the subsidy from the San Francisco service, the Oceanic steamers would cease calling at Auckland. What does the American Government give the Messrs. Spreckels Brothers Company £50,000 a year subsidy for, if it is not for the purpose of fostering the commerce of the United States with New Zealand and the Australian Colonies? There is not a bit of danger of the Auckland people losing these vessels even if the subsidy from this colony is withdrawn, because the contract between the Oceanic Company and the United States Government will not expire for some years, therefore the vessels will continue to run, and the passenger and cargo trade will not diminish by the fact of our withdrawing the subsidy. There has been a good deal said about the tourist traffic, but I think that honourable members must be convinced from the returns laid on the table of the House that there is not a great tourist traffic. The return shows that the total number of passengers brought from San Francisco to Auckland in ten years only amounted to 3,081, and that the cargo totalled 31,783 tons; while the outward

<page>536</page>

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were 3,940, and the cargo 8,331 tons. It shows that the number of passengers from San Francisco to Auckland were less by one thousand than the passengers from Auckland to San Francisco. That shows that the tourists do not come that way. The principal great route for tourists is via Australia. Then, Sir, I do not think that this colony should support to the extent of \$20,000 a year a line of steamers belonging to a country that has certainly shown a great deal of commercial hostility to this colony, that has denied our vessels the right to trade in American ports. While these restrictions are placed by 9.0. the United States Government on our shipping, I think we are not justified in subsidising this line. The surest way of getting the restrictions removed is by showing independence. If we agreed to subsidise them they would have no object in removing the restrictions. Something similar was done in regard to Canada. There was a give-and-take policy agreed to at the time that the Dominion was established, and the United States had to give way; and I have no doubt if we were to show a bold front it will help to secure a proper treatment of this colony. I do not think we are under any special obligation to the Oceanic Company for the carrying of our mails. I believe that we could, by encouraging the Vancouver service, get a route not quite equal in despatch to the Frisco route, but one that would, at any rate, be acceptable, and sufficient to meet our requirements. It has been said that we need not consider the Vancouver service, because it will be eighteen months before we can join in with it-that is, before its existing contracts expire; but I would point out that it is not subsidised by the States of Queensland and New South Wales to carry their mails exclusively. I have heard no arguments to convince me that negotiations could not be entered into with that service at very short notice. Of course, we should have to make our time fit in with their arrangements, but we have vessels in this colony that could be got ready in a month's time to connect between Auckland or Wellington with Sydney. The "Rotomahana" and the "Mararoa" are quite fast enough and large enough to meet requirements in the meantime. The "Rotomahana" has beaten the record between Auckland and Sydney of the fastest boat of the Oceanic service. And, seeing that the Vancouver service practically belongs to the New Zealand Shipping Company and the Union Steamship

Company, we have a right to encourage both of those companies. It is true that they are not entirely owned in New Zealand, but the people belonging to the Union Steamship Company have their homes in New Zealand, and there is not a consequence in the colony where there are not a number of the employees of the company living. The class of men engaged in the Union Company's service is an excellent class. Even those employed in the humblest positions in the service are all people of good character. Mr. E. G. Allen much good to the colony, and I am sure the colony appreciates the company. There is another reason why we should select the Vancouver-Sydney service and subsidise it, as it has been proposed by the Postmaster-General. It is one of the proposals before the House that we should subsidise steamers to take our mails from this colony to Sydney. Well, if we subsidise the steamers to the extent of £10,000 a year, or more if necessary, the steamers would be enabled to carry the produce of our farmers to Sydney at a cheaper rate, and thus minimise to some extent the effect of the increased tariff that has been put on our goods by the Federal Parliament. I believe that this phase of the question should have our earnest consideration. We should certainly never lose an opportunity of assisting our farmers; and, in my opinion, we can assist them by adopting the Vancouver line, and subsidising liberally the steamers of the Union Company to carry our mails between this country and Australia. Of course, any arrangement made now would only be of a temporary character. It would, at any rate, provide a means of carrying our mails until tenders were invited and fast and large steamers provided. Probably the Union Steamship Company would be prepared with vessels of any size required to take up the service, which would be a guarantee that it would be well performed and the greatest satisfaction given to the travelling public, Mr. J. ALLEN (Bruce) .- Sir, I have only a few words to say, because I suppose the matter has now been well threshed out; yet there may be something still to be said from the lips of a southern member. I suppose most of the southern members have, as has been suggested by the member for Napier, looked on the San Francisco service for some time past with a somewhat jealous eye. I cannot say I have done so, and I cannot say I do so now, and I think there is more to be said for the Frisco service than has been said so far in the debate, even under the present conditions. Sir, the debate has been extremely interesting, partly because party has been for once in the history of our Parliament done away with altogether. There has been no party call, and no attempt has been made to bring men to heel by the party whip. It is gratifying that on one occasion at least we have an opportunity of voting either as we are led by sentiment or by conviction. An Hon. MEMBER .- What about the Opposition Whip? Mr. J. ALLEN .- There is no Opposition leader, and there is no Opposition Whip. We are all entitled to vote as we think fit. However, I will tell the honourable member presently what I think one of the Opposition members has done. Sir, the debate, I say, has been interesting because of the arguments that seem to have influenced members. Sentiment has been adduced by some as the reason why they should vote this way or that way, and the member for Ashburton was extremely interesting, because he said that sentiment made him

<page>537</page>

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viction, he said, would have led him to vote for it, and I thought of him in this way: "Budge," said Sentiment; "Budge not," said Conviction; but the "Budge" had it. He also said he was more actuated by sentiment than by logic. Well, I am prepared to admit that sentiment is sometimes stronger than logic or conviction, and that a man is entitled on occasions to vote as he feels sentimentally, as no doubt the honourable member for Ashburton will. Then, the honourable member for Napier said that sentiment had a great deal to do with our actions, and he instanced a case in which certain Auckland members in the House, by their quiet influence and by their bearing towards their fellow-members, and by their hard work, had influenced certain votes. I may say that I am prepared to admit that; and, on the other hand, that there are members representing the City of Auckland, as has been mentioned already, who have done

more towards killing the San Francisco service than anybody else. That has been instanced more than once this evening. I refer to the honourable member for Auckland City (Mr. Napier). That unwise telegram of his, as the honourable member for Lyttelton informed the House, quite settled his vote upon the question ; and I think the honourable member for Napier was finally led to be quite decided in his way of voting by the threats of the newspapers and by the " mailed fist " of the honourable member for Auckland City (Mr. Napier). But, Sir, there are Auckland members to whom the San Francisco service will owe everything if it is carried to-night. I particularly allude to one honourable gentleman who is sitting opposite to me now-Mr. Fowlds, who by his excellent speech has, I think, done a great deal to influence members to vote for the San Francisco service. There are others on this side of the House to whom similar credit is due. There is the honourable member for Franklin, whose work on this question nobody knows better than I do. He has by his persistent efforts not only privately tried to induce members to vote for the San Francisco service, but by his excellent arguments I think he has induced no fewer than three members to alter their votes in favour of the service. An Hon. MEMBER .- Arguments ? Mr. J. ALLEN .- Yes; sound, solid arguments for the way they have taken. I spoken and acted the San Francisco service owes more to them than to all the Auckland Press and to Mr. Napier, and I hope the City of Auckland will recognise the service that has been done by these gentlemen. I do not forget either that there have been others who, like my friends Mr. Bollard and Mr. Herries, have been hard at work inside and outside of this House trying to do their best on behalf of the district they represent. I have said I believe there is a good deal to be advanced both by way of solid argument and by way of sentiment for this service, and I propose later on in what I have to say to try to convince the House that, on the ground of sentiment alone, there is a great being continued under the existing conditions. But let me, first of all, meet one or two arguments that have been advanced in opposition to it. The argument of some members has been merely an attack upon somebody else. I am speaking now of members who have been arguing on both sides, some in favour of and some against the San Francisco service. The honourable member for Ohinemuri, Mr. Jackson Palmer, evidently thought the best argument he could use for the service was an attack upon the Australian Commonwealth and upon the Peninsular and Oriental Shipping Company. I am sorry that this method of argument is being introduced into the House at the present time, and I regret extremely that already we have had evidence in the House that retaliation is to be the method adopted for inducing our brothers across the water to be our friends. I fail to see how that is going to bring about the friendship one desires. It seems to me that we should have kept silence-at least, until we knew what they are prepared to do-and then that we should act- in our own interests in the best way possible. These threats of retaliation, I believe, can have no good effect, and certainly the attack by the honourable member for Ohinemuri upon the Australian Commonwealth and upon the Peninsular and Oriental service will not benefit the San Francisco service in the slightest. Then, Sir, the member for Masterton made a very severe attack on the Union Steamship Company, a company that this colony has reason to be proud of, and a company I should like to see enter into this mail-service, and which I should like to see subsidised. I shall show presently why I do not think at the present moment we ought to throw over the present San Francisco mail-service for the Vancouver service, because I do not think matters are ripe for us to go in for it. But I hope the time will come when the Union Steamship Company will be able to enter into the mail-service, and when this colony will be able to help them to carry it out. Then, the member for Lyttelton, by specious arguments, attempted to show that the San Francisco mail-service was not the cheapest one. He certainly was correct so far as his figures were concerned, but I do not think that he founded his figures upon a proper argument. He divided the total cost by the number of trips, and he said that each individual trip now in the case of the Federal service cost less than in the case of the San Francisco service, and therefore the one was cheaper than the other. Now, that is not exactly a fair way of putting it. The fair way of putting it is to take the Postmaster-General's figures, which show the San

Francisco service to be some thousands of pounds cheaper than the Federal service. That fact cannot be got away from. An Hon. MEMBER .- What about a weekly service ? Mr. J. ALLEN .- There is no weekly service provided for. That would be quite another thing. But the fortnightly service by the

<page>538</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=578></url>

service by the San Francisco service, and that will be proved by the evidence contained in the papers. Members will find that a fight has been taking place between the English Govern- ment and the colony as to whether letters a week or a fortnight after the Fr'isco mail left should go by the Federal service or by the San Francisco service, and it has been decided that letters posted a week afterwards should go by the Federal service, and of those posted a fortnight afterwards only a portion should go by the Federal service and the other by Fr'isco. Of course, I admit a weekly service would be better, but there is no provision made for that. Now, the member for Lyttelton also said that the Federal service was one which was under the British flag all the way. It must be ob- vious, however, to every member of the House that this is a mistake. The Federal service would be under the British flag only so far as Brindisi and no further. Mr. LAURENSEN .- I think I said that. Mr. J. ALLEN .- What I took down when the honourable member was speaking is that the Federal line was under our own flag all the way. An Hon. MEMBER .- All the way by sea. Mr. J. ALLEN .- Then, of course, that is misleading a little, because all the way by sea does not take us to Great Britain, but only to Brindisi, and there are certain parts of Europe to go through before you reach the United Kingdom. Mr. T. MACKENZIE .- That only takes three days. Mr. J. ALLEN .- Quite so. But his argu- ment is that in case of war it was an all- red line. It is not an all-red line. Mr. McNAB .- You would not go over the Continent in case of war. Mr. J. ALLEN .- Then, how long would it take to get through by continuing the passage by sea. Mr. McNAB .- Another week. Mr. J. ALLEN .- That makes all the differ- ence. Now, the member for Napier, Mr. A. L. D. Fraser, said that he hoped to see, and be- lieved it would come about, that the cable rates would be reduced to half a crown a word. I have no knowledge whether that is so or not ; but the honourable gentleman went on to argue, if the cable rates were reduced to 2s. 6d. a word, why should we pay the Fr'isco service €16,000 a year? Now, if he were present I would put the question to the honourable gentleman : If the cable rates are going to be reduced to 2s. 6d. a word, why pay the Federal service anything at all, or why pay any service anything at all? The honourable gentleman's argument is as strong against the Federal service as it is against the Fr'isco service. His argument is that we should not pay a rate to anybody except the Postal Union rate of 2s. a pound. Now, Sir, I propose in a very few words to try and answer some of the arguments that have been put forward against the San Francisco service. The strongest argument, of course, is that which Mr. J. Allen it is a difficult one to get over. I admit it is a difficult one, and no doubt every member of the House, and even the Auckland members, admit the same. The only argument I have to set against it is this : that you have not any- thing to put in its place at the present time. The Government have come down with certain proposals with regard to the Vancouver service, but they are all in the air. Honourable mem- bers may rest assured of this : that there is no possibility of any service to Vancouver, even supposing we pass a resolution in favour of such a service, within twelve months, and I doubt even then. An Hon. MEMBER .- Eighteen months. Mr. J. ALLEN .- Very well ; why not start now and see if we can make any preparation for it? But in the meantime we will have to fill the gap, and the gap must be filled by the San Francisco service. There is no other argu- ment I know of that is so sound as that against the question of the navigation laws. At the present time we have no Vancouver service, and we must provide for a period of eighteen months at least, and perhaps three years, and that is sufficient argument to induce one to vote for the time being for the continuation of the San Francisco service. Then, with regard to the training of some men on board these boats who are to fight us in the future, I may say I have looked through the clause which deals with this subject and I could see nothing to lead one to believe that they are being

trained for naval warfare. These cadets are being trained for the marine service, as our own men are being trained in our own ships, but I do not know that the contract includes that the training is for warfare, in the case of a naval war. Another argument, which is also a powerful one, especially in a democratic country like this, has been brought forward by the opponents of the San Francisco service. It has been said by several members that we are subsidising a line of steamers to carry prison-made goods to compete with our own labour. I do not know whether the members who adduced that argument took the trouble to go into the statistics to see if the allegation is true. I noticed that one member, in dealing with this phase of the question, referred to prison-made wooden doors that were being imported, and I took the trouble to look up how many wooden doors were imported from America into this colony. I find that the whole total of wooden doors imported from America last year amounted to the great sum of £62. And, as the honourable member for Hawke's Bay says, that sixty-two pounds' worth of doors did not come by the Frisco service at all : they came from the East Coast. Now, what value is that argument -- that prison-made doors from America are competing with our own labour here, and that we are subsidising steamers to bring them ? Why, the Frisco steamers do not bring a single door to our colony. In this connection I took out the whole of the imports from America, from the west coast and the east coast, over £1,000 in

<page>539</page>

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total anything, except apparel and slops, that for a moment could be supposed to be prison-made. The bulk of the imports into New Zealand from the west coast by the Frisco steamers are fruit-bottled fruits, raisins, dried fruits, apples, and pears. An Hon. MEMBER .- And timber. Mr. J. ALLEN .- I will deal with timber presently. Timber does not come in anything like the same quantity from the west coast as do fruits, the total value of fruits being about £21,000. Does any one for a moment wish to argue that it is not a reasonable thing that fruits of this kind should be brought to New Zealand? I do not think that there is any harm in such fruit being brought into this country. Duty is paid on those fruits-25 per cent. on some, 2d. per pound on others, and other charges on others. We get revenue out of them. These American tinned fruits are, I think, of great service to us, and I do not think that the ships bringing those fruits here do any harm to us. These are certainly not prison-made goods. They are fine, healthy food, and I do not think there is any harm done by those steamers bringing them here. The next large item is printing-paper, to the value of \$18,000. It cannot be presumed that printing-paper is prison-made, or that there is any harm in bringing such printing-paper into this country. Then, there is the item, apparel and slops, to the value of £6,000. Whether that is prison-made or not I do not know. From inquiries I have made I understand that it is not prison-made. So far as I have ascertained, there is not one article in our imports which can be supposed to be prison-made. I have been looking back in the course of this debate at the history of the Frisco service. I recollect in the year after I came into this House-in 1888-listening to a debate in which the present Postmaster-General made his first mark in the House of Representatives. I remember the speech he then made upon the Frisco service. He condemned the Frisco mail-service hip and thigh ; he had not a good word to say for it. I will read one passage from his speech. He said, "The Premier [Sir Harry Atkinson] is no doubt an advocate for the continuance of the San Francisco service. I am not." He used stronger language, but I have not time to make further extracts from his speech at the present time. What I want to say, however, is this: that the present Postmaster-General was, in 1888, opposed to the San Francisco mail - service. At that time the Frisco service was, practically speaking, a British service. But to-day the Postmaster-General is in favour of the continuance of the Frisco service when it has gone out of British hands and is in the hands of Americans. It is quite possible that the Postmaster-General, with all the responsibilities upon him now, has changed his mind, and I will give him credit for changing his mind upon this subject. An Hon. MEMBER. - What did you do then ? Mr. J. ALLEN

.- I have always been of opinion that the Frisco service should be continued. But there is one point with regard to the Federal service which, I think, honourable members have lost sight of. The Commonwealth of Australia has placed a tariff upon our goods of which some indication has been given to us through the newspapers, which will undoubtedly be a high tariff, and a tariff which will affect the trade between New Zealand and the Commonwealth of Australia. It will be a tariff which we may expect, at any rate, will lessen the amount of sea trade between Australia and New Zealand. I am told that one of the measures that is suggested from the Government benches is to put an import duty upon coal from Australia. Other duties, no doubt, will be suggested and brought forward by the Government by way of retaliation. It tends in one direction to decrease the amount of sea trade between here and Australia. Now, if that be the tendency I would ask, Why, at this particular moment, when there is a possibility of our trade with Australia being decreased, we should attempt to set up a Federal mail-service? I could understand a Federal mail-service being established if we were going to increase our trade with Australia. If there was a necessity for having our boats running at a fast rate, running weekly and regularly, then there would be some reason, I say, for imagining that there was a possibility of satisfactorily setting up a Federal service. But, with a decreasing trade, I venture to say that the Union Steamship Company would be unable, unless we are wrong in our ideas about the trade, for the £10,000 to contract for a fast service of such a nature as would be satisfactory to New Zealand. At any rate, I say the time has not yet come when we are able definitely to say that such a fast service can be established between here and the Commonwealth; and it is better for us, whilst we have a bird in the hand, to keep that bird in the hand, and, later on, when we do know what the Australian tariff is, and what its effect will be upon our commerce with Australia, we may take into consideration the setting-up of a Federal mail-service. I only hope we may be wrong in our ideas as to the restrictions of trade, and that we may find our trade increase rather than decrease, and that it will lead up, by the aid of, perhaps, a reasonable subsidy, to establishing a fast weekly service between here and Australia, and so connect with the Federal service Home. Sir, I am not going to-night into the question of cost. Honourable members have been over that, and the question of time. There is no doubt the Frisco service is the shorter service and that it is the cheapest service, and it is useless to again go over the argument which honourable members have been over so many times during the course of the debate. But there is one other point, which it seems to me has been to some extent lost sight of. We have been told that these navigation laws are hostile to the commerce of Great Britain and the Colony of New Zealand, and I admit that to be so.

<page>540</page>

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been said by the honourable member for Napier that that embargo cannot be removed. Sir, I do not know of any such word as "cannot" to a Britisher, and, if we have tried and failed, there is no reason why we should not try again, and in time succeed in getting the embargo removed. But, whether or not we get the embargo removed, I say there is another consideration, and a sentimental one, which to me is as strong as any argument we have heard this evening. The Pacific is the ground upon which the East and West will no doubt meet, and upon which they are nearly meeting now. Upon the west of the Pacific you have Russia and China, upon the east you have Canada and the great Continent of America, and upon the southern part of it you have the great Australian Continent and New Zealand, and I say that before long the meeting of the East and the West will take place somewhere in these Pacific seas; and when they do meet the clash will be great, and the clash will be the result of a feeling that has been growing for centuries. And the meeting will be a severe one, and who is to come out of it successfully? Are we, Canada, and Australia and Great Britain, to go into that fight by ourselves, or are we to look to a greater federation even than the federation of the British nation—a federation that some people dream of—the English-speaking peoples? And I say, Sir, that the action some honourable members are taking in this

House to-night is an action opposed to the federation of the English-speaking peoples. It is an action opposed to those who speak our own tongue and are of our own blood ; and I say, Sir, there can be no stronger argument-no stronger sentimental argument, at any rate-in favour of holding on to this San Francisco service a little longer to see if our fellows will come into line with us. I hope eventually the whole of that eastern coast of the Pacific -Canada and America-and Australia and New Zealand will be united together as one great federation, speaking one tongue, and fighting out the domination, I believe, of the world and of the Pacific. Therefore, let us not do anything rashly to-night, even for the sake of a paltry \$15,000 a year, for a matter of sentiment such as the embargo which is now placed on our shipping, and which I hope will be removed- let us do nothing which in the future may have a detrimental effect on the federation that yet may come about. I know that in the American Continent there are many hostile to the British nation. But, Sir, that hostility may grow, and it certainly will grow if we fan the flame, and that is the tendency of the action that some honourable members desire us to take to-night. But, in view of this great struggle of the future, instead of fanning that flame we should endeavour to do something which will prompt those who are in sympathy with us in the great American continent to increase, and year by year show to the world that at any rate they are eventually to become the great majority in that land, and, when they have so increased, will join | debate was concerned, by giving arguments in Mr. J. Allen and come into a federation which will have a flag-it may be the British flag-which shall be the sign of liberty to all English - speaking peoples. I believe that federation yet may come about, and I hope that nothing will be done this evening to injure the possibility of it so coming. Mr. LAURENSEN (Lyttelton) .- I desire to make a personal explanation. The last speaker unwittingly has done me a certain amount of He said in his speech that I had said wrong. that I had been converted against the San Francisco service because of the attitude of the member for Auckland City (Mr. Napier). I did not say that. I said I had been convinced yesterday by the speeches delivered in opposition to the service, and also by studying the figures of the Postmaster-General in connection with the different mail-services. Mr. J. ALLEN .- I regret I misunderstood the honourable gentleman. I thought he had referred to the telegram of the honourable member for Auckland City (Mr. Napier), and that he had been induced by the strength of that telegram to vote the other way, Mr. LAURENSEN .- I did not say that ; but I may say that that telegram certainly had a hardening effect, as far as I was concerned. Mr. McNAB (Mataura) .- It was not my intention to deliver any speech on this subject to-night, but really after the remarks of the last speaker, and his eloquence in finishing it, I cannot restrain myself, and I now desire to say a few words to the House. I would like to commend the honourable member, because it is plain he spoke under considerable disadvantage. It requires no great stretch of one's imagination to tell who the honourable members were who had been converted by the honourable member for Franklin, and, when I run my mind over the names of those honourable members, I have no hesitation in placing the last speaker as one of the converted men. It requires no stretch of imagination, I say, to state that in the honourable member for Palmerston (Mr. Pirani), the honourable member for Wakatipu (Mr. W. Fraser), and the honourable member for Bruce (Mr. J. Allen), we have the three converts of the honourable member for Franklin (Mr. Massey), who have saved the San Francisco service for the City of Auckland. Every one of them practically admitted the source of their conversion, and I was pleased to see the way they brought it out. They did not forget their party and refrain from attacking some of our men, and every one of them also gave credit to the member of their own party who brought about their conversion. The honourable member for Palmerston evidently had his speech prepared before his conversion, and that part of it was a denunciation of the honourable member for Auckland City (Mr. Napier), who took an important part in connection with the negotiations for the Frisco service. After he had delivered himself of that speech he said a few words in favour of the service. But, so far as contributing to the

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nitely better if the speech had never been delivered. That was No. 1 of the converted members. Then we come to No. 2, who, I regret to say, is an Otago member. I do not often refer to Hansard, but I want the House to hear what the honourable gentleman said in connection with the question last year. I am quoting from Hansard for 1900, Volume 115, page 118, and Mr. W. Fraser's speech :- "I do not like to give a silent vote on an important subject such as this is, yet I shall not occupy the time of the House for more than a few minutes. The honourable gentleman who has just sat down said he hoped that provincialism and provincial jealousy would not be allowed to influence the minds of members. Well, Sir, I do not think that charge can be brought against me, especially in regard to this question, because ever since I have been in the House I have invariably given my vote for the Frisco mail-service. But to-night we are dealing with the question from a totally different aspect. In the past, although the steamers that ran across to Frisco were not wholly owned by any firm in this colony, there was always one or two vessels belonging to a New Zealand firm. It was very different then from the proposal now before us. Now, I wish to distinctly state what my position is. I do not sympathize with the whole of the amendments moved by the honourable member for Waihemo. It is only the last clause in his amendments which I desire to see carried. But I know very well this amendment will not be carried. I know it will be lost, and lost by a very large majority, and, having been so lost, that last clause cannot be put again. The last clause is intended as a direction to the Government, and proposes that which I am positive a majority of the members of this House desire to see done. It is this : that during the recess the Government, without binding the colony to anything, should obtain all the necessary information, and endeavour to bring down before the House next session some proposals to resuscitate the Vancouver service. That is what I want to see done ; and, therefore, I am thus bound to vote for these amendments simply because they contain one principle that I heartily approve of. They, I know, will be lost. Then, when the motion which has been moved by the Postmaster-General has to be decided on I shall certainly not record my vote against it. I am prepared to admit that during the next twelve months the arrangement that is suggested to the House is probably the best that can be made ; but I do not desire it to be charged against me hereafter that I neglected an opportunity of expressing my dislike to the continuance of any such service as we are now bound to accept temporarily. It is possible, though I am afraid it is not probable, that the conditions imposed upon the Government that none but American-owned vessels shall be allowed to carry on this trade, may be changed. I do not think they will be, but if they were changed so as to allow even one British-owned vessel to take part in the contract I should always be found voting to maintain the | VOL. CXIX .- 36. vote for the continuance of a service that is owned solely by American vessels. I feel bound to vote for the amendment moved by the honourable member for Waihemo in so far as it contains a principle that I approve of. I refer to the last clause of it down to the word ' Vancouver.' It reads as follows :- "(5.) That this House therefore recommends the Government to open negotiations with the Governments of Australia, Canada, and Great Britain with a view to establishing an all-British mail-service to England via Vancouver." "If this could be moved by itself I would not vote for the amendment of the honourable member for Waihemo, but I fear it cannot be done." Hon. MEMBERS .- It can be moved. "The CHAIRMAN .- I do not wish honourable members to be voting under a misapprehension. It will be quite in order, after the amendment is disposed of, for any honourable member to move that any of the words embodied in the amendment shall be added to the motion. "Mr. FRASER .- I am very glad to learn that, and I shall now, therefore, vote against the amendment of the honourable member for Waihemo, reserving to myself the right of further action later on." Mr. W. FRASER .- Will you allow me to say & word ? Mr. McNAB .- After I have done. Now, I come to the honourable member for Bruce, who was in the same position as the others. I see the member for Franklin is now in his place. I may tell him that during his absence a great deal of credit was given to him for the conversion of three votes, and that it is under-

stood to him is given the credit of winning for the City of Auckland the San Francisco service. I was also pointing out to these honourable members that he had won over, that their speeches had been prepared previous to their conversion, and that after their conversion they fired off a portion of the speech that had been previously prepared without remembering that afterwards a good supplement had been added to it in the lines of support of the San Francisco service. One honourable member so far forgot the position that he gave his speech against the service, while on a previous occasion he spoke in favour of it. The member for Bruce (Mr. Allen) did not fall into that mistake. He had a speech prepared in which he criticized the Postmaster-General, and, although the first part of it was admirable, he could not resume his seat without firing off to the House that portion of it that had been prepared against the Postmaster-General. He has resurrected a matter that really had nothing to do with the main portion of his speech. He also raised a very important question in connection with the San Francisco service, and I shall say a word or two about it. I may say I do not see eye to eye with him in regard to the federation of the English-speaking races. I look on that as a thing that will never happen. I do not believe the federation of England, or the British

<page>542</page>

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ever happen in this world, because as years go by the Americans have such an enormous number of the English-speaking race in America that no federation would be acceptable to them that did not shift the commercial and the financial centre of the federation on to American soil ; and that is a position which would never be tolerated by those colonies which are under the British flag, and I do not think myself that the Americans are going in that direction. I believe that is one of the points that brought about the greatness of America : that when she severed from Britain it was a complete severance, and that enabled her to bring under her sway States on the American soil that never would have joined hands with her if she had been a colony of the Mother-country. That policy, I believe, will be carried on always. However, that is taking me away from the point I wanted to refer to, as to what probability there is that any approaches of this colony to the Federal Government of America will be about an amendment of her navigation laws. It was mentioned and I expected the honourable member for Bruce also to refer to it—that an amendment had taken place with regard to Canada. That amendment applies to the Dominion of Canada ; and outside that amendment there is absolutely no provision in the navigation laws which allows the carriage of goods between American ports to vessels not flying the American flag. I may point out that until the Spanish-American war vessels had to be built or largely refitted in America in order to secure American registry, and that when Hawaii was taken numbers of vessels were registered under the Hawaiian flag by companies like the O. and O., trading to Hongkong, in order to become American when Hawaii would be annexed, and so to be in the position that they could secure an American registry. Quoting from the revised statutes of the United States, section 4347 :— "No merchandise shall be imported, under penalty of forfeiture thereof, from one port of the United States to another port of the United States in a vessel belonging wholly or in part to a subject of any foreign Power; but this section shall not be construed to prohibit the sailing of any foreign vessel from one to another port of the United States, provided no merchandise other than that imported in such vessel from some foreign port, and which shall not have been unladen, shall be carried from one port or place to another in the United States." That is the law which has caused all this difficulty in connection with Hawaii. An Hon. MEMBER .— Canada obtained some concessions ; why should not we ? Mr. McNAB .— I am going to deal with Canada, and what I have stated is an introduction to that. Canada is the only exception under this section that has been enacted by the United States, so far as I have been able to trace on an examination of the statutes. And what was the position of Canada? A great number of difficulties were raised between Mr. McNab which were natural, owing to the position of the two places. Honourable members will remember,

in regard to the St. Lawrence, the upper reaches of the river have British territory on one side and United States territory on the other ; but when you come down to the mouth of the St. Lawrence you find that it flows through British territory only, and is bounded on both sides by British territory. Now, it was the contention of the British authorities that American vessels trading in the upper reaches of the river, where there was American territory on one side and British territory on the other, could not come down the St. Lawrence and out to sea, because there was British territory on both sides of the St. Lawrence towards its mouth, and it was a British river. The British would not allow the American trade to go down the river. When it was afterwards discussed that this should be relaxed, and that American boats should have free access from the great lakes right out to sea, it was pointed out by the Canadian authorities that right down the St. Lawrence there were great numbers of rapids, and it was only by utilising the canals that had been built by the Canadians-constructed by the enterprise and the money of the Canadian settlers-that the trade could be carried from Lake Michigan and through the other lakes right out to sea. At the very same time there was another lot of difficulties which had arisen between the United States and Canada. There were the fisheries. I will just enumerate them : there were nine in all :- "1. The fisheries. "2. The free navigation of the River St. Lawrence, and privilege of passage through the Canadian canals. "3. The transit of goods through Maine, and lumber trade down the River St. John. "4. The Manitoba boundary. "5. The claims on account of the ' Alabama,' 'Shenandoah,' and certain other cruisers of the so-styled Confederate States. "6. The San Juan water boundary. "7. The claims of British subjects arising out of the Civil War. "8. The claims of the people of Canada on account of the Fenian raids. "9. The revision of the rules of maritime neutrality." All these questions were at one time in dispute between the statesmen of Britain and the United States, and advantage was taken of this to refer all to arbitrators for decision. By the Treaty of Washington, in 1871, a decision was come to in regard to these questions. Note carefully the questions which had arisen before the Americans made these amendments upon their navigation laws. It was not merely a question of trade between the Canadians and the Americans. It was a question of the fisheries, and the question of the boundaries of Canada. There were the old Alabama claims, and the question of claims arising from the Civil War, and one and all of these claims were referred to arbitrators for decision.

<page>543</page>

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introduced into the American law, and, without going through the length of that amendment, I will shortly state its provisions. In the first place, it does not give free passage and free trade between the Canadians and the Americans. It does not even give, without a very material qualification, reciprocity, as was mentioned by the honourable member for Bruce. I will read it in the words of the statute, and behind that nothing can go :- " All subjects of Her Britannic Majesty may carry in British vessels "-this is a proviso to the section I have already read-"without payment of duty, goods, wares, or merchandise from one port or place within the territory of the United States, upon the Saint Lawrence, the great lakes, and the rivers connecting the same, to another port or place within the territory of the United States." That is the first limitation, so that this only can be carried from places on the banks of the St. Lawrence, on the shores of the great lakes, and on the shores of the rivers connecting the same, to any other port or place within the territory of the United States; but even then there is a limitation. The further limitation is as follows : - " Provided, further, that a portion of such transportation is made through the Dominion of Canada by land carriage and in bond under such rules and regulations as may be agreed upon between the Government of Her Britannic Majesty and the Government of the United States." So when you come to consider the sum total of these two limitations, you find that the only trade that is an exception to this rule of the United States is trade that has its origin on the banks of the St. Lawrence, on the banks of the great lakes, or on the banks of the connecting rivers, and goes through the Canadian

canals on its road to the sea. By that means all that trade is compelled to pay 10.30. tariff to the Canadian Government, and that was the condition under which it was granted, and that is the limitation that is imposed upon that trade. For instance, you cannot get a Canadian to commence trade even on the banks of the St. Lawrence, outside the Canadian canals, and ship goods, say, to Boston or New York. They would not come under that exception. However, I do not want to dwell too long on that aspect of the case. I only want to point out to this House that, so far as any lesson can be learned from the experience of Canada with the United States, we can never hope to raise the condition of matters in this colony in regard to the United States as the Canadians did, when, in 1872, under the Treaty of Washington, they got an exception made of the ordinary navigation laws of the United States. It would be utterly impossible that circumstances could arise that would allow us to expect a modification of the navigation laws of America to allow British vessels to be allowed to trade between Hawaii and the United States; and, lest honourable members may think that, I would just like to ! argued before the arbitrators of America and Great Britain, given by the High Commissioners themselves. The statement from which I am about to quote is dated Washington, 4th May, 1871, and contains a synopsis of the discussion regarding this point of concession on the navigation laws :- "At the conference on the 6th March the British Commissioners proposed that the reciprocity treaty of 5th June, 1854, should be restored in principle, and that, if any considerable modifications in the tariff arrangements in force under it were made, the coasting trade of the United States and of Her Britannic Majesty's possessions in North America should be reciprocally thrown open, and that the navigation of the River St. Lawrence and of the Canadian canals should be thrown open to the citizens of the United States on terms of equality with British subjects." In regard to that contention the Commissioners note, "The American Commissioners declined this proposal." Then, it refers afterwards to the requirements of the American Commissioners, and virtually they refuse to allow reciprocity upon bare reciprocity lines ; and they put forward the contention on behalf of America that the Canadian Government should, before they obtain reciprocity, not only allow the Americans to use the canals by simply paying the same tariff as the Canadians, but they require, further, that the tariff should be a tariff fixed not only to cover the working expenses, and to cover ordinary depreciation, but that a small sum only should be paid by way of a sinking fund. They went even further, and provided that, if they granted reciprocity in regard to these canals, the Canadians should not only do what I have stated, but they should also deepen and enlarge the canals themselves. So much weight did the Americans lay upon the concession given to the Canadians in allowing them to come in as an exception to this Navigation Law. Before I leave this point I should state that the concession was not given to the whole of the Dominion, but only to those portions bordering on the great lakes in the interior, which would require to pass through the Canadian canals in getting to the sea. In regard to this question of the navigation laws, and the trouble which is now forced upon us by the United States dominions being extended as far as Hawaii, I would just like to place upon record a few opinions expressed by myself as far back as 1887, when I had not the honour of having a seat in this House -- opinions expressed at Christchurch. In the Lyttelton Times of the 10th December, 1897, the report says,-

" When Mr. McNab called at Honolulu on his way from America to Japan there was considerable excitement among the people there on account of the anticipated annexation to the United States. In this connection a point has struck Mr. McNab as being of importance to New Zealand. Under American law, he was informed, foreign vessels are not allowed to trade between any two points within the United States flag must fly over the vessel. Hence, when Hawaii is annexed to the United States no British vessel will be able to trade between One of the Honolulu and San Francisco. steamers engaged in the mail-service between this colony and the United States is under the British flag ; and it should be

considered when the mail arrangements are being reviewed whether we ought to subsidise a purely American line, especially in view of the alternative line to Vancouver. Another aspect of the case was that, by continuing to support the mail-service, this country would be subsidising a connection between the United States and one of the outlying possessions, assuming that Hawaii was created a territory." That last aspect of the case has not been presented to the House to-day-that is, subsidising an American line is virtually giving a subsidy to America to establish a connection with its outlying territory. The Lyttelton Times, in an article on the same day, referring to that interview, said,- "His (Mr. McNab's) alertness in considering the interests of this country in connection with passing events in other lands is also shown in his comments upon the Hawaiian situation. The considerations named by him arising out of the selfish shipping laws of the United States must, to a large extent, modify the policy of this country with regard to the San Francisco mail-service when the Hawaiian Islands are annexed to the great Republic; and they in the meantime constitute a sound reason for only a slight extension of the existing contract, so that the whole of the altered circumstances may be taken into account next year." So far as I am aware, that was the first reported result of what at that time I anticipated would come from the annexation of Hawaii by the United States, and the discussion to-night will show honourable members to what extent the anticipations which I formed at that time have been verified. When the Postmaster-General, if he succeeds in carrying these resolutions, goes into the question of detail I would suggest to him that some arrangement should be made under which the Americans shall not be able to charge a higher tariff between Auckland and San Francisco than between San Francisco and Auckland. In a paper laid on the table of this House-F. 6A, of 1898- I find it is there stated that from Auckland to San Francisco general cargo is carried at from £2 10s. to £3 a ton, while from San Francisco to Auckland general cargo is carried as low as 8 dollars to 10 dollars per 40 ft. cubic measure; so that if honourable members compare it they will see that the difference in the rate of the tariff comes to from 18s. to 20s. per ton-that is, per 40 ft. cubic measurement. And I hope when the Postmaster-General specifies the terms of this contract he will see that that exception in favour of the United States is not allowed any longer to prevail, or, if he is not able to have it abolished, he will endeavour to get the amount largely reduced. Sir, I have occupied the time of the House already longer Mr. McNab would like to mention that I thought there was a world of meaning in an interjection made by the honourable member for Waitemata, Mr. Monk, in answer to some remarks made by the honourable member for Napier, Mr. A. L. D. Fraser. When the honourable member for Napier stated that the Americans were training young men for their navy in the subsidised vessels of the Frisco service the honourable member for Waitemata interjected, "They are wiser than we are. They are training their young men." I think there was a world of meaning in that, because, while they are wiser than we are, and are training their young men, they are calling upon the colonies of Australasia to pay for that training. I have occupied the time of the House longer than I had intended, but having looked into the question of the exception of Canada to the shipping laws of America, and hearing the question referred to in the House, the splendid lead given to me by the honourable member for Bruce drew me to my feet this evening, and I hope I have not wearied the House in entering into the discussion of that aspect of the Frisco service. Mr. W. FRASER (Wakatipu) .- As a matter of personal explanation, Sir, I wish to say the honourable member for Maitai to-night endeavoured, by quoting from my speech of last year on the San Francisco service, to convict me of inconsistency. I do not think that honourable gentleman could have been in the House to-night when I was speaking, or else he did not listen to my speech. If he will read it in Hansard afterwards he will see the point I laid most stress upon was the advisability of keeping in view the Vancouver service. I did the same last year. I said I hoped that the Government, in making arrangements with Messrs. Spreckels, would not do anything to prevent our entering into a contract with the Vancouver Mail Company when the eighteen months or two years for which they were bound to go to Brisbane direct expired. My argument to-night was in favour of

the Vancouver service, and any one who chooses to read my speech in Hansard will see that it was so. Mr. ELL (Christchurch City) .- I will not delay the House more than five minutes. An Hon. MEMBER .- We cannot hear. Mr. ELL .- I am voting entirely unbiassed on this question ; and let me say this at the outset : that I extremely regret the remarks made by several honourable members with regard to America. I do not think, Sir, that we should regard America as a foreign country at all, and I am positively astonished that a number of members in this House should regard America as a foreign Power. America is distinctly friendly to us, and her aspirations and social life are very much akin to our own. Suffice it to say, however, with regard to that phase of the question, that I am entirely opposed to it, and I regret that any members of the New Zealand Parliament should be persuaded in any way whatever by it in casting their votes. It will not have any influence on my vote at all.

<page>545</page>

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pany are employing their men are very unfair as compared with the conditions under which our seamen are working; and I say this: For the sake of a few thousand pounds, or for the sake of a few days faster service, I do not think we are justified in spending money for the bolstering-up of a company that does not act fairly towards those whom it is employing. Further, our ships go to other countries, and trade there freely and are not interfered with, and the ships of other countries come to our country and trade here and are not interfered with; but we have in the shipping laws of America what we would term illiberal laws, and I do not feel justified in supporting the expenditure of the New Zealand taxpayers' money in giving a contract to a company which is trading under such exclusive and illiberal shipping laws as are in operation in America. I am not going to detain the House any longer, but my vote will be cast against the proposals. Amendment negatived, and motion agreed to. # IN COMMITTEE. Clause 1 .- " (a.) This House authorises the Government to enter into a contract with the said company for a renewal of the present San Francisco mail-service for a term of three years, subject to the following conditions." Mr. MILLAR (Dunedin City) moved to strike out all the words down to "term of." Sir J. G. WARD (Postmaster-General) said it seemed to him that in 1888 he was more far-seeing than the honourable member for Bruce. If the honourable gentleman would look at the proposals for 1888, and would #cc-zero review his (Sir J. G. Ward's) action on that occasion, it would be seen he then made a statement against the system of paying fixed subsidies to the San Francisco mail-service ; and, as a result of that debate, they succeeded in changing the system to one of payment on the basis of the weight carried ; and that has continued ever since. That had been a very good thing. He did not know what the honourable member's intention was in making that statement. If he wished to throw doubt on his (Sir J. G. Ward's) sincerity or bona fides now, he crossed swords with the honourable member at once, and would tell him that if he were now opposed to the continuance of the service as a service no influence or pressure from any quarter would deter him from taking his own course in opposing it. No member of the House had suggested a substitute that could be successfully established. They had talked of what might be done under certain conditions ; and those conditions, he would say at once, it was impossible to obtain at present. He wished to refer for a moment to another matter. Several suggestions had been made during the debate, and it had been shown by himself that, even if they favoured the proposals, they could not be put into practical effect. It seemed to him that some members were more anxious in their more concern than they had about any matter that had been brought before the House during this session. If the matter was one involving half a million, or a few millions, there could not have been more vigorous working carried on by certain members than had taken place for the last week or two on this question. He did not understand honourable members taking such strong exception to the proposals as had been made by some of them. The proposals were intended to give the colony the benefit of what was essentially a fast and efficient mail-service. The British steamer proposal contained in clause (c) was a subject which he had touched

upon before, and if the honourable member for Wellington Suburbs, Mr. Wilford, who had since criticized his statement, and who was not present at the time, had heard what he had stated he could not have jumped at the conclusion he had ; and he (Sir J. G. Ward) might say he had already referred to the causes of the irregularities of the existing service, and had pointed out that the service, after twelve months of trial, would be put on a proper footing in that respect and improved in others. He wished also to say that the Government were as much interested as any one in the colony in having regularity of service, and there was every reason to believe that there would be regularity. As for the new steamers, the fact that they had not kept time for the first six or twelve months was not unusual. An Hon. MEMBER .- They will never do it. Sir J. G. WARD was not so sure about that. Apart from the carriage of the mails, it was, of course, in the interests of the owners to carry on an efficient and regular service across the Pacific. If they did not do so, it would soon tell adversely on them, and there would be a withdrawal of the passenger traffic from the line. With regard to the remark of the honourable member for Wellington Suburbs, as to asking Mr. Spreckels to help to get a British steamer included, he would like to state that what he said was this-and any dispassionate person would realise that it was a desirable thing to do : that, in the interests of the shipping trade of this country, the Government ought to make a strong effort to have the highway between Honolulu and San Francisco opened to British-owned steamers, and that it was the paramount duty of the British Government to assist New Zealand in making strong representations to the Government in Washington to make the change to enable that to be done, and that paragraph (c) was intended to enable Mr. Spreckels to help in the same direction. There was surely no harm in our trying. An Hon. MEMBER asked if there had been any correspondence. Sir J. G. WARD said that representations had been made to the Imperial Government, but so far they had not been successful. One would not succeed in anything, however, if, when a rebuff was received, one stopped at that point.

<page>546</page>

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them. Sir J. G. WARD said, No, he would not turn the other cheek to them, but he would face them with the old front, and make proper representations to the Imperial Government. It was as much the concern of the Commonwealth of Australia that they should be able to develop and to utilise the shipping trade to America and Honolulu as it was to us, and a united endeavour should be made to get this highway opened to the commerce of the colony, and there surely was nothing to find fault with in our invitation under clause (c) to Mr. Spreckels to work towards the same end. A good deal had been said about the Union Company in the course of the debate, but it occurred to him the time might arise when circumstances would compel that company to go for long-distance passenger traffic by sea, instead of merely keeping to the trade of Australasia ; and what more natural than for this country to ask the Commonwealth of Australia-which, he felt sure, was perfectly friendly to us, although some honourable members might not think so-to join in advocating and urging the Imperial authorities to induce the American Government to open this highway to our shipping? The Government by its proposals was trying to bring about the inclusion of one British ship in the service, and in doing that he believed they were doing what was best. They might not succeed, but that was no reason why they should not try. The honourable member for Franklin thought there should be two British ships included, and he should be very glad to see that, if possible, but there was no use in suggesting any purely imaginary and impossible contract. Great international affairs of this kind took time. This country wanted a contract, and, though they would like to go a little further and have our own steamers, still in connection with the matter they quite realised that, in dealing with great countries such as the United States, they ought not to disregard future possibilities, but should make the best arrangements possible at present, and let the matter of getting better terms remain for the future. They ought, in consort with Australia, to ask the Imperial

authorities to help them to open this highway for our shipping. Some honourable members treated this aspect of the proposal lightly, but he had no intention of dealing with it in that manner. There had been no such thing as light treatment at his hands. The Government were desirous of bringing about a better condition of affairs if possible, and to restore that condition of things respecting this service, which for a long period of years had given satisfaction to many honourable gentlemen who were now opposing it—namely, to effect the inclusion of at least one British vessel. Of course, there were difficulties ; but it appeared to him that one of the grandest things in the world was to face what was apparently impossible, and to do one's best to overcome it. It was necessary that he should speak to the question at this time, because some honourable members had been rather scrupulous—had not been enabled to speak in reply, and was now speaking, as it were, for the last time before a vote was taken. What he said was clearly having a mellowing effect upon the honourable member for Wellington City (Mr. Fisher) who would, no doubt, either soon retire home or else vote with the Government. He desired to say a word or two respecting what had been advocated by some honourable members : that they should have a direct subsidised service carrying their mails. If honourable members would go into details they would see that it was a mistake to suppose an effective Direct service could be arranged, and it was not possible to bring about such a service as the country required. There were difficulties in the way. He did not say there was not a possibility of their being able to overcome them, but it would be a most costly service. Had they been able to do it, he knew, from personal information from more than one of the responsible heads, that they would have had proposals of more than one kind to submit to us before now. Mr. BOLLARD (Eden) hoped honourable members would pause before they voted for this amendment. There was one feature of this question that had not been touched upon by any other member, and it was this : that all civilised nations endeavoured to get the quickest mail-service that was possible. Now, what did the honourable member propose by his amendment to do? To throw away the opportunity of getting the quickest service that was within our means. Did honourable members want this colony to be covered with ridicule in connection with this matter ? Did they want us to be proclaimed slow coaches, and behind the times, by every nation we had anything to do with, by giving up a mail-service that was well within our means, and was the quickest it was possible to obtain for this colony? He never heard of such a thing. He did not know what members were thinking about. They prided themselves on being foremost in the van of progress and in advance of every other nation, and yet certain honourable members suggested that they should give up the quickest mail-service it was possible to get for the colony, quicker by ten days than any other service they could establish. And for what cause? Simply that there was a little sentiment attached to it. Did other nations object to their mails going through a neighbouring country ? Not a bit of it. They wanted the quickest service they could possibly get. An Hon. MEMBER .- America does. Mr. BOLLARD said, Of course she would, and other nations in the van of progress would do the same. He asked members to hesitate before they cut this out. This San Francisco service had been said to be Auckland's "ewe lamb." The Auckland people did not care anything about the service beyond the fact that it was the quickest that could be got. If the Port of Auckland was the terminus. something might be said for the argument that it was all in favour of Auckland ; but Auckland

<page>547</page>

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of view the mail-service was of very little use to Auckland. But the Auckland people looked upon this as a colonial question, and Auckland, by its geographical position, must necessarily be the port of call. The Postmaster-General admitted that even if the Vancouver service were established Auckland would have to be the port of call, and the same with the Federal service. Honourable members were going to attempt to throw this service out—he hoped they would not succeed—simply because they talked about the English flag and giving it to a line of boats of our own. The thing was non-sense. Why did the people buy such

large quantities of American boots? He expected that if a great number of these honourable gentlemen examined their boots they would find them American-made. going to give up the quickest and cheapest service possible for the colony? We could not establish a Federal mail under £27,000 a year; and the Postmaster-General said the Frisco service could not exceed a maximum of £20,000; and he said, with all sincerity, that members should pause before they threw out the Frisco service. Mr. SEDDON (Premier) said he would like to help to guide the House on what he looked upon as one of the most important questions we had had to deal with for a very long time. He would briefly state what had led to the present situation, and it was the cutting-out of the boat of the Union Steamship Company as one of the three steamers in the Frisco service. If the service had been left as previously there would practically be no opposition to the proposal to renew the service. Then, we had the American shipping laws brought to bear, because there was no colonial steamer in the service, and that the service was not conducted as it was before because only American vessels carried the mails. He said this had led to a hostile feeling against the service. No single speaker attempted to prove that any other service was an improvement on the Frisco service as a mail-service, and he challenged any honourable member, having regard to the country to be served and the geography of this colony, to do so. Therefore, when they admitted the fact that the service could not be improved upon, they disagreed with matters of detail as to how the service was to be performed. The difficulty now simply was as to the manner in which the service should be performed. If members admitted that to be the situation, they must confess that it was that feeling which actuated, in a great measure, those who were prepared to vote against the proposals now submitted. There were some members who felt that the Government had not gone far enough. He might say that he was prepared to go further -and he and his colleagues had considered this matter, and they felt that there were honourable members who had not strong feelings on the matter, but who felt that they would not like to see the Frisco service lost to the colony. When he was in Australia the Australians said that New Zealand was fortunate in having been friendly towards it, because it gave New Zealand an advantage as compared with Australia, and they had shown that they were not favourable to it. They had withdrawn their support from it, and they would simply laugh at New Zealand if we were to cut off the Frisco service. He was not at all pleased at the attitude taken when we were asking that there should be a reconsideration as to the shipping laws of America as applied to our New Zealand service. He was of opinion, however, that reprisals would never do any good with a country like the United States. He would rather depend upon our giving what we considered a business-like subsidy, and make our representations when the time came later on when we could reconsider the matter. If the North Island Main Trunk Railway were completed, and the South Island could get its mails as they would in the course of a short time, he felt sure that the House would unanimously carry the Frisco mail proposals. Before we needed to renew the service that railway would probably be completed; and then what would be the position if they had driven away the Frisco service? They would then have the South Island members going on their knees and asking that this service should be brought back. The best thing to do at the present time was not to irritate. The best thing to do was to act as a business man would do. A business man would make the best terms under the existing circumstances. Later on, when the Vancouver service was free, then they would have the railway completed between Auckland and Wellington, and then, with other developments, the Australian Commonwealth and New Zealand could deal with the matter in a manner to the satisfaction of all concerned. At present they could not improve upon the San Francisco service. Because of some injudicious statements in the Press of Auckland, members of that House, as sound common-sense men having a grave responsibility, should not be influenced in trifling matters of that kind, but they should vote for what they believed to be in the best interests of the colony. His advice was to continue the San Francisco service. Mr. McGUIRE (Hawera) said he intended to vote for the San Francisco service for one year only, and he would therefore vote for the amendment proposed by

Mr. Millar, as he believed the proposals were the best in the meantime, but the advantage gained by the service was small. The increases were not sufficient to continue such an expensive service, and the Americans had not as yet, nor were they likely to, reciprocate and grant concessions. Other arrangements would have to be made by Vancouver, with the port of call at the most convenient centre for distribution of the mails. New Plymouth would be the shorter, and despatch of mails from that centre could be by sea and rail. It was not fair, however, to look at the matter entirely from a commercial point of view.

Concessions had already been granted in the penny postage and in a reduction of the

<page>548</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=588></url>

generally, and he thought the producers of the colony deserved some consideration. The Government, without an urgent mandate from the farmer, should make arrangements to subsidise a line of steamers via the Cape. If we were to increase the volume of our produce new markets would have to be exploited. The prosperity of this country did not depend on the merchant, on business people, but on the producers.

If the Government and honourable members had the welfare of the colony at heart, the interest of the producers would claim their first attention. If members of the House were desirous of coming to a division he would conclude his remarks. Hon. MEMBERS .- Divide, divide ! The Committee divided on the question, "That the following words be retained : 'This House authorises the Government to enter into a contract with the said company for a renewal of the present San Francisco mail-service for a term of.' "

AYES, 35. Allen, J. Hogg Palmer Bennet Houston Pere Bollard Pirani Kaihau Carncross Lang Russell, W. R. Carroll Seddon Lawry Thompson, R. Lethbridge Duncan Field Thomson, J. W. Massey McGowan Hall Ward Witheford. Hall-Jones McGuire Tellers. Hardy Mills Heke Monk Fowlds Herries Napier Fraser, W.

NOES, 28. Allen, E. G. Gilfedder Millar Arnold Graham Parata Barclay Hornsby Rhodes Buddo Russell, G. W. Hutcheson Laurensen Collins Tanner Colvin Mackenzie, T. Wilford. Ell McKenzie, R. Fisher Tellers. McLachlan Flatman McNab Atkinson Fraser, A. L. D. Meredith Smith, G. J. PAIRS. For. Against. O'Meara Symes O'Rorke Guinness Willis. Hanan. Majority for, 7. Amendment negatived, and words retained. Mr. MILLAR moved, That the word " three " be struck out, and "one " inserted. The Committee divided on the question, "That the word 'three ' be retained." AYES, 28. Bennet Hall-Jones Lawry Bollard Heke Lethbridge Herries Carncross McGowan Carroll Hogg Mills Duncan Houston Monk Fowlds Kaihau Napier Hall Lang Palmer Mr. McGuire Russell, W. R. Massey Ward. Seddon Witheford. NOES, 36 .- Fraser, W.

Parata Allen, E. G. Pirani Allen, J. Gilfedder Rhodes Arnold Graham Russell, G. W. Hardy Atkinson Hornsby Smith, G. J. Barclay Hutcheson Buddo Symes Collins Laurensen Tanner Colvin Mackenzie, T. Thomson, J. W. McLachlan Ell Wilford. Field McNab Tellers. Fisher McKenzie, R. Meredith Flatman O'Meara Millar. Fraser, A. L. D. PAIRS. For. Against. O'Rorke Guinness McGuire Smith, E. M. Willis. Hanan. Majority against, 8. Word struck out. Mr. MILLAR (Dunedin City) moved, That " one " be inserted.

Sir J. G. WARD (Postmaster-General) hoped that the House, having decided by a majority to delete "three," would not make the service an impossible or next to useless one by inserting "one." He would now suggest that the term should be made two years, and he would tell honourable members why. They had already said it was desirable to continue the service, and if they were going to ask any responsible company to make an agreement for one year there were difficulties in the way, on account of the term being too short. If, on the other hand, the term was longer it would be possible to impose a penalty for non-regularity of service, and if such a penalty was not fixed there was the liability that the service would be irregular. The mails would not come in up to time, and the Government would be powerless to impose any penalty for unpunctuality. Those members who had voted to reduce the term would do a great injustice to the country if they supported the proposal to insert "one." With a knowledge of the difficulties in the way of being able to bring about and so arrange matters in the best interests of the country, it was his duty to point out to members that it was undesirable to carry "one" in place of " three." If members

wanted to negative the usefulness of the San Francisco service, they would go in that direction by making it an almost impossible service if they fixed the term at one year. It would be unreasonable to ask the company to accept it for less than two years. He would appeal to honourable members to look upon the matter with the calm consideration that was necessary after the little excitement through which they had just passed, and to do what was reasonable and fair. Mr. FISHER .- Sir, Hon. MEMBERS .- Vote, vote, vote ! Mr. FISHER .- Will you vote, vote, vote, if I sit down ?

<page>549</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=589></url>

Captain RUSSELL .- Sir,- Hon. MEMBERS .-- Vote, vote, vote Mr. SEDDON .- Chair ! The ACTING - CHAIRMAN. - Honourable members must know that the honourable gentleman now on his feet has the right to speak. Captain RUSSELL (Hawke's Bay) had not the slightest intention of keeping the Committee for two minutes. The only point he wished to draw attention to was that during the past year, as honourable members must be aware, great strides had taken place in connection with marine engineering. What with mineral-oil engines and the turbine system, they could not tell what rate ocean steamers would be going in the course of a short time. He would have liked to see the contract for three years, because he believed at the end of that time would be the period when they should enter into a new contract, with consideration of the Vancouver route and improved marine engines. He believed there would be a revolution in ocean-going travel within three years, and that then would be the time for entering into a new contract. If they would not allow a period of three years, they should allow a period of two years. That would allow time for entering into a contract under the suggested altered conditions of fuel and propelling-power. Mr. T. MACKENZIE (Waihemo) would point out that the honourable gentleman who has just spoken was in favour of the longer term being granted. If there was to be this revolution in steam navigation, then that was a reason why Spreckels and Company should not get a long term. He did not believe that Spreckels and Company would have the least objection to retaining the service for one year. Mr. SEDDON (Premier) had only a few words to say, but he hoped honourable gentlemen would not be too impatient or too elated because of their victory a few minutes ago. They should be reasonable. An Hon. MEMBER .- You are not going to alter a single vote. Mr. SEDDON said that probably that was so, if they were not open to reason ; but he wanted to draw attention to one fact, and that was that the Vancouver service existed for two years. An Hon. MEMBER .- Eighteen months. Mr. SEDDON said, What was the use of tying them down to one year, when it would be nearly two years before that contract expired ? What arrangement could the colony make in the interim ? He would ask them to look at it as business men. If they gave but a twelve months' extension of the service, at the expiry of that time they would be preparing for a general election, and it would surely be better to have a contract extending over that period, so that with the first session of the new Parliament they would be able to deal with it. Honourable members might laugh ; but these were cogent reasons, in his opinion, why they should accept two years. It was of very little use for honourable members to support this amendment. They might as well have voted against it as to vote for a term of one year. The Committee divided on the question, "That ' one' be inserted." AYES, 34. Allen, E. G. Fraser, A. L. D. Parata Fraser, W. Rhodes Allen, J. Gilfedder Arnold Russell, G. W. Hardy Smith, G. J. Atkinson Hornsby Symes Barclay Buddo Hutcheson Tanner Laurensen Thomson, J. W. Collins Mackenzie, T. Wilford. Colvin Ell McKenzie, R. McLachlan Field Tellers. Graham McNab Fisher Millar. Flatman Meredith NOES, 30. Bennet Houston Pere Bollard Kaihau Pirani Russell, W. R. Lang Carncross Seddon Carroll Lawry Lethbridge Thompson, R. Duncan Massey Fowlds Ward Witheford. McGowan Hall Mills Hall-Jones Tellers. Monk Napier Heke O'Meara Palmer. Herries Hogg PAIRS. For. Against. Guinness O'Rorke Willis Hanan Smith, E. M. McGuire. Majority for, 4. Word inserted. Sir J. G. WARD said he would move now, That the words "and six months " be inserted after " one year." He could only ask members to give the Government authority

to do that which was feasible, and if members were not going to do that it would have been better to have indicated so in the first instance. Twelve months were next to useless, and it was no use doing a foolish thing. He therefore asked honourable members to agree to a period of eighteen months. Mr. J. ALLEN (Bruce) could hardly see that it was any use in taking the contract over next session if it did not get you into the one afterwards. The contract was from November to November, and six months more would take it to April, when there would be no Parliament. He said they should make provision next session. Mr. R. MCKENZIE (Motucka) agreed with the member for Bruce that if they made the term eighteen months they might as well make it two years. Mr. SEDDON said there were reasons why the term should be for eighteen months. They would be in the middle of the general election when the contract fell out if only a year was granted. He thought the additional time asked for was perfectly reasonable.

<page>550</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=590></url>

would meet in June next, and the Premier could then bring down resolutions to continue the contract for another twelve months. He failed to see the benefit of making provision for eighteen months when the Government could bring down resolutions next session to deal with the matter. Mr. FISHER (Wellington City) said that in March of this year Mr. Spreckels made a statement that, even if the New Zealand Government did not enter into a contract with him, he would run his boats all the same. The only difference was that he would not run to contract time. He (Mr. Fisher) voted for the one-year contract in the hope that, after the discussion in the House upon the resolutions, the constituencies would be better educated upon the subject than they were at present, and so the House would have an opportunity next year of reviewing the whole question for the Frisco service under more favourable circumstances. Mr. WILFORD (Wellington Suburbs) pointed out that on the 19th November, 1900, Mr. Spreckels wrote a letter to the Secretary of the General Post Office to the following effect :- " We shall be pleased to carry your mails for one year, but we decline to enter into any contract. We have been much disappointed at the running of our new steamship. We do not wish to be bound by a contract." Now, if these resolutions are carried in their present form, the Government would not be able to enter into a contract satisfactory to the colony under the present conditions. The Committee divided on the question, "That the words 'and six mouths' be inserted." AYES, 32. Hogg Palmer Bennet Bollard Houston Pere Kaihau Pirani Carncross Russell, W. R. Lang Carroll Colvin Lawry Seddon Massey Duncan Thompson, R. McGowan Field Ward Mills Witheford. Fowlds Hall Monk Tellers. Hall-Jones Napier Herries O'Meara Lethbridge. Heke NOES, 32. Graham Allen, E. G. Parata Rhodes Hardy Allen, J. Russell, G. W. Arnold Hornsby Hutcheson Smith, G. J. Atkinson Barclay Laurenson Symes Mackenzie, T. Buddo Tanner McKenzie. R. Thomson, J. W. Collins McLachlan Wilford. Ell Flatman McNab Tellers. Fisher Fraser, A. L. D. Meredith Gilfedder. Fraser, W. Millar PAIRS. For. Against. O'Rorke Guinness Smith, E. M. McGuire Willis. Hanan. his duty to give a casting-vote, and he should give his casting-vote with the "Ayes." When giving a casting-vote it was usual for the Chairman to give his reason. The resolutions had to be reported to the House, and if when that was done the House chose to reverse his vote it was open to them to do so. Amendment agreed to, and words inserted. Mr. G. J. SMITH (Christchurch City) said he wished to insert, after the word " newspapers," in section (b), a few words which he thought the Postmaster-General would accept. Those words were to the following effect : "and that the net rate of freight after deduction of all rebates and commissions charged for cargo between Auckland and San Francisco shall in no case exceed the net rate charged between Sydney and San Francisco." At the present time he was told the Sydney merchants were getting a cheaper rate of freight by the Frisco boats than the Auckland merchants were, and he thought it ought to be provided that in no case should the freight to New Zealand exceed that charged to Sydney. Sir J. G. WARD asked the honourable member not to move the amendment, but to allow the matter to remain in the hands of the Government. They were not undertaking an extended contract. If

they were voting for a long period of years it would be a different thing, but to make such a binding condition as the honourable member suggested might make them unable to get anything. He would be prepared to make proper representations on the matter. Mr. G. J. SMITH, by leave, withdrew the amendment. Sir J. G. WARD moved to add to subclause (b) the following words : " with a minimum of not less than \$15,000 and a maximum of \$20,000 per annum.' Mr. BUDDO (Kaiapoi) wished to point out the extraordinary allowance for carrying news- papers; it took from 3d. to 34d. to carry a weekly paper to the Old Country. Was that caused by the high rate paid to Spreckels and Company ? Mr. MILLAR (Dunedin City) would like to ask the Postmaster-General to reduce the minimum of £15,000, for this reason: that according to the estimate of the Postmaster- General of the weight carried last year the total amount paid was \$16,490. Now, there was evidence that as a mail-route the San Fran- cisco route was decreasing ; but the honourable gentleman desired to pay Messrs. Spreckels \$15,000 whether they carried the stuff or not. It seemed to him the only way the Postmaster- General could get value out of the \$15,000 would be to post the whole of the material by way of San Francisco. If a minimum of £12,000 was fixed, Mr. Spreckels would be paid very well. Sir J. G. WARD pointed out that they re- ceived £11,791 postages by this route. That was for the mails carried outward. His opinion was that for a valuable property of this kind, running such a service, £12,000 was really a

<page>551</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=591></url>

but a three-weekly service, and he did not think the minimum of £15,000 was by any means too much. It had been suggested that the outward mail-matter was decreasing, but the fact was that it was increasing, as between 1900 and 1901 it is estimated there will be an in- crease of 7,000 lb. weight of letters, and an increase in books and newspapers. The de- crease had been in the inward mails, conse- quent upon the Imperial authorities diverting portions of their mails owing to the irregu- larities in the running of the service; but that was a matter over which we had no control ; and the carriage of the mails from England did not cost us anything. We had not to pay for the carriage of the mails from England, but only for the mails to England. The figures that had been given were based upon the -estimated weights, and he would suggest that the minimum be left. Mr. HUTCHESON (Wellington City) thought it would be very unsatisfactory to fix the mini- mum at £15,000, because, whatever the cha- racter of the service was, then the Postmaster- -General could be compelled to divert as much mail-matter as possible from the other services, in order not to lose on the minimum amount -of the guarantee. He thought it would be inad- visable to make the minimum £15,000. Sir J. G. WARD said, if they fixed the minimum at £12,000 they might not be able to make the arrangement at all. As to divert- ing mail-matter by the Federal line, mail-matter would cost 12s. a pound by that route, unless we could come in on a population basis, and, as a matter of business, unless correspond- ence was specially addressed they would send it by the San Francisco route, paying 7s. 6d. a pound. Mr. MEREDITH (Ashley) said it appeared to him that if the amendment of the Post- master-General was carried it would neutralise the effect of the following subsection- (c). " Mr. HUTCHESON (Wellington City) moved, That " £15,000" be struck out, in order to insert " \$12,000." Words down to "minimum " inserted. The Committee divided on the question, " That ' £15,000' be next inserted." AYES, 38. O'Meara Heke Allen, E. G. Palmer Allen, J. Hogg Hornsby Pere Bennet Pirani Houston Bollard Russell, W. R. Kaihau Carncross Seddon Carroll Lang Thompson, R. Colvin Lawry Thomson, J. W. Lethbridge Duncan Ward Massey Fowlds Witheford. Fraser, W. McGowan Tellers. Hall Mills Monk Field Hall-Jones Herries. Napier Hardy NOES, 26. Buddo Fisher Arnold Collins Flatman Atkinson Fraser, A. L. D. Ell Barclay Graham Meredith Tanner Laurenson Parata Wilford. Mackenzie, T. Rhodes Tellers. Mckenzie, R. Russell, G. W. Hutcheson McLachlan Smith, G. J. Millar. PAIRS. For. Against. O'Rorke Guinness Smith, E. M. McGuire Willis. Hanan. Majority for, 12. " £15,000" inserted, and the following words also inserted ; "and the maximum £20,000 per annum." Mr. G. J. SMITH

(Christchurch 12.30. City) would like to know what sort of accommodation had been provided for the mail-agent and his assistant on the new boats. He said the accommodation in the " Alameda " and " Mariposa " was a disgrace to civilisation, and he would like to see provision made in the contract for suitable and decent accommodation for these officers. Sir J. G. WARD could assure the honourable member that on the new steamers the accommodation for the mail-agents was first class. Mr. MILLAR (Dunedin City) said that in the previous contract there was a provision that the ruling rate of wages should be paid. He wished to know whether a similar provision had been made in this contract. Sir J. G. WARD said that we could not regulate that matter. The difference now was that we had no British-owned steamer in the service. Resolution agreed to. Resolution No 2 .- " That, in the event of it being found impracticable to arrange a contract for the three-weekly San Francisco service on the foregoing terms, this House authorises the Government to enter into negotiations for establishing a three-weekly or a four-weekly Vancouver mail-service, subject to the following conditions." Sir J. G. WARD moved, That all the words down to and including the words "foregoing terms " be struck out. Amendment agreed to. Resolution 3 .- Federal mail-service. Agreed to. Resolutions, as amended, reported to the House. On the question, That the resolutions as amended be agreed to, Mr. FISHER (Wellington City) said,-I wish to say only a few words which I deem to be fitting to such an occasion. It is right before the subject finally closes that we should pay a tribute to the member for Franklin, Mr. Massey, for the valuable assistance he has given to those interested in passing these resolutions through the House. Without his assistance the resolutions could not have been carried, and it is well now to contrast his action with the action of others, whose advocacy would have damned the proposals outright. I opposed the proposals in toto, and I know who were our really formidable opponents. The

<page>552</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=592></url>

palm of his hand. Mr. G. W. RUSSELL (Riccanton) .- There is one other remark that should be made. In addition to the member for Franklin, the Maori vote has on this occasion, as on previous occasions, altered the destinies of this country. Mr. McNAB (Mataura) .- I think it is rather unfortunate that after a very fine debate, and a contest carried on with the very best of spirits, an element of friction should be introduced on this occasion. I have had occasion to oppose the resolutions' so far, and was just about to congratulate myself and honourable members on the friendly feeling that has been manifested, and I think we might well have agreed to the resolutions without introducing a disturbing element. Mr. HUTCHESON (Wellington City) .- Following the strain of the last speaker, Mr. McNab, and in order that we should adopt the suggestions made by him, I now move, That this House, as it has done on former occasions, rise and conclude by singing " Hail, Columbia !" or perhaps the " Star-spangled Banner." I think that would be a fitting conclusion. Mr. HERRIES (Bay of Plenty) .- I think the member for Riccarton has made a very unjustifiable attack on our friends of the Maori race. The three Maori members who voted for the San Francisco service are Auckland members, and, like other Auckland members, they voted solid for the mail-service which is the best for the colony. The other Maori member, belonging to the South Island, voted with the South Island people against the proposals. I say it was quite right of them to feel the same in regard to this matter as did the other members from Auckland Province, and to vote accordingly, and it is unfair to make attacks on them. Mr. SEDDON (Premier) .- I think, beyond simply expressing the feeling so well expressed by the member for Mataura, we might let the matter end. I feel sure that the Maori members will understand that the general opinion of the House is that they have freedom to vote and speak and act as well as any other member in the House. We might as well say that the southern Maori member, who, as honourable members well know, is a Government supporter -he voted with the other side and opposed the resolutions ; and if some one had mentioned that, what would have been said by the member for Riccarton and other members about it ? I think, myself, that all

members have been well canvassed, and this matter has been well thought out, and members had made up their minds as they believed was in the best interests of the colony. I am satisfied in my own mind that a mistake has been made in altering the term of years, but the opinion of the House was that it should not be so long as we originally proposed ; but that having been done, and as the contract now stands, we must do the best we can, and the Government will endeavour to do that. I felt a little sore over it at one time during the evening, but, under the circumstances, I do not think we are justified in looking round to see who we can blame for our disappointment. Mr. Fisher I regret that the honourable member for Riccarton has made the remarks he has about the Maori vote in this House. They were made in a very ungenerous manner, and in such a manner as would never be reciprocated by the Maoris. The Maori members for the North Island belong to the Auckland Provincial District, and have just as much reason in respect of their vote on this question as the European members. I am extremely sorry that a fair fight such as this has been, which has resulted in a fair compromise between the parties, and which has been carried on in a fair spirit from beginning to end, without any personal element being imported into it, should have been so marred by the tone of the honourable gentleman's remarks, which I can hardly find words to describe. I hope that on future occasions he will see that he has more ground to support any statement he makes than the one on which he has based this statement. Mr. HORNSBY (Wairarapa) .- May I be permitted to say that all through this debate I have sat silent, but have voted, as I believe I ought to have done, in the interests of this colony and in the interests of the patriotic feelings I have in regard to the nation to which I belong? I should not have risen to speak except for the unfortunate remarks of the member for Riccarton, and I say it gives me pain to hear any member of the House trying to bring into this country the very thing the member for Wellington City (Mr. Hutcheson) deprecated in regard to the American people- that racial difference which has caused much misery and trouble in that country. We have admitted the Natives to equality with ourselves, and it stands recorded in the history of our nation that the Maori race is the only native race which is admitted to the fullest equality with the European; and it is to the credit of the British people that this is so. We admit them into this House by virtue of the votes of their own people, and we are here all equal as representatives of the people. It matters not what is the colour of his skin or what his origin, the moment a man takes the oath of allegiance to His Majesty and takes his seat in this House he is entitled to all the rights and privileges of membership. I hope the day will never dawn in New Zealand when we shall cast any aspersion on a member of the Native race simply because he happens to be an aboriginal native of the country. The reflection is one not only on the Maori members who voted on the side of the Government, but a reflection on Mr. Parata, the member for the South Island, who voted against the Government, and I hope and trust the member for Riccarton will reconsider his words and express regret that he has been led into the expression of such a sentiment in this House. Mr. PARATA (Southern Maori) .- Sir, I think I have a right to reply, on behalf of the Maori members in this House, to the ungenerous remark made by the honourable member for Riccarton. I consider the honourable member's remark was quite unjustified in its application.

<page>553</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=593></url>

myself. I may say, for myself, that I voted in the way I thought was the proper way. Certain resolutions were brought down to this House in 1888, and to-night I have carried out the views I expressed in this House at that time. I have all along acted according to my convictions, and that is the attitude I took up in this debate, and voted accordingly on the late division. It is nothing but natural that the Maori members from the North Island should lean towards the interests of Auckland and support the San Francisco mail-service. An Hon. MEMBER .- Why ? Mr. PARATA .- Well, it is only natural they should do so. Their homes are in the North Island, and, of course, every one looks to his own interests when it is not conflicting with duty. I regard the remark as a slur on the Native race. We always vote in the way we feel,

and in the way we consider best in the interests of the Maori race and the land-the land of our birth. Is this all the thanks I am going to get because my brother members voted in another direction? I think it is unkind, and that it is wrong, that remarks of the kind should have been made. When a matter comes before the House in which I am inter-ested I do not care one iota whether members speak against it or not. For myself, I always vote according to my convictions, no matter whether those convictions should be against the Government or for the Government. I am prepared to go before my people at any time, whether they are half-castes or Maoris, and state the reason why I voted in a certain way at any time, and I am certain they would sup- port me. Of course, there are different views to take and different feelings to consider. To- night everything had gone off well, and the hatchet should have been allowed to lie buried. The Government did not attempt to force the Maori members, but practically told us to vote as we thought best. It was not a no-confidence motion. The European members had their fling, and it is only right that we should finish up well. We gave and we took, and there is no reason why the whole thing should not have ended pleasantly. Mr. MCLACHLAN (Ashburton) .- Sir, with the honourable member for the Southern Maori District, Mr. Parata, I regret that remarks have been made that will lead the House and the country to think that feeling has been shown in this matter. As far as I am con- cerned, I wish to say there has been no friction at all between other members and myself. I am quite at one with other members on the matter. Mr. R. MCKENZIE (Motueka) .- Sir, I think the divisions that have taken place and the attitude of members show quite clearly that at least 75 per cent. of the taxpayers of the colony are deadly opposed to the San Francisco mail- service, and I am sure it must be admitted that at least 95 per cent. of the taxpayers of the colony are opposed to the J. D. Spreckels foreign company and contract. How- 1.0. ever, what do we find? When two- House work to try and keep the Government on the right track on this question, we find the Opposition changes its ground and comes to the rescue of the Government. Call them His Majesty's Opposition ! who assist in keeping the mail-service from being put on a proper basis. They are as pliable, supple, and spine- less as so many lamprey eels. The Opposition assists the Government every time. From the time they commenced to abuse their leader and ultimately deposed him they have been going from bad to worse. Now we have this unholy alliance between the Ministers and Opposition, by means of which this contract is to be forced upon us for two years. It ought to have been renewed for one year only, and then we could have well reviewed it next session. Now we can do nothing until after the next election, and then I hope we may have something better than the obsolete, spineless Opposition now on the opposite benches to meet the Government and review its misdeeds. Mr. A. L. D. FRASER (Hawke's Bay) .- I should not have risen to speak if it had not been for a remark made a few moments ago by one of the honourable members sitting near. He said, "Fraser, I regret very much to find you have been carried away to a great extent this evening by your feelings on this matter." Well, after I had considered what he said for a few moments I came to the conclusion that he was correct; and I think that many other honourable members have been carried away in a similar manner, and possibly on the spur of the moment one has done and said things one should not. I take this opportunity of ex- pressing my regret if unintentional offence has been given ; and I would especially like to say a few words with regard to the Natives. What have we been doing ? We have been trying all we knew to get them on our side. I have done my best to get Mr. Kaihau, and also Mr. Wi Pere. I tried even to get the latter to pair, but he declined when he discovered that the proposed "pair" was down south and could not attend. That says something for his astute- We have endeavoured to frustrate the ness. San Francisco mail-service, and we have been unsuccessful. Let us accept our defeat with equanimity, and extend to the victors the hand of friendship and congratulation. And when we adjourn, Sir, this evening there is another place where we can say to them "Kia ora." Mr. KAIHAU (Western Maori) .- Sir, I feel I ought to say something in regard to the remarks that fell from the honourable mem- ber for Riccarton reflecting upon the capacity of the Maori members of this House to decide for themselves how they shall

vote ; not that I personally am troubled in the least about what he said, because it is a common habit of people who have been worsted to cry out in that manner. However, I do not consider it necessary to say very much in reply to his remarks, because I hope that every member in this House, like myself, knows how he votes and why he votes. Now, with regard to the statement that has this moment been made by the

<page>554</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=594></url>

that he used his best efforts to get me to vote with him on this present occasion, what he has said to the House is perfectly true. He did do his best ; and a good many other persons besides the honourable member for Napier have approached me in regard to this matter, and have endeavoured to obtain my vote on their side. But, Sir, there are interests of other persons to be considered by me which I must put before the interests of those members who try to persuade me to exercise my vote in a particular direction merely to oblige them, and those persons are my constituents. I refer both to the European and Maori residents in my district. I have a duty to discharge to them, and, no matter what attempt may be made to tamper with me or influence my opinions, I shall vote as I consider right. say, further, that any member who speaks as the honourable member for Riccarton has spoken is not worthy of being replied to. He has got a head on his shoulders, and so have I, and I hope so has every other member of the House, and that we all use our heads, as I do, for the purpose of thinking for ourselves. Mr.

WITHEFORD (Auckland City). - I merely wish to congratulate the House upon having come to so statesmanlike a decision upon this matter, and I would also like to congratulate members upon the courtesy and good temper which has characterized this discussion throughout. I think it must be a matter of pride to us that, on a question upon which opinions were so evenly divided, the debate has been carried through with so little heat or feeling. and in such a thorough gentlemanly manner. Mr. G. J. SMITH (Christchurch City) .- I do not think the honourable member for Riccarton has given cause for the censorious remarks that have been passed upon him. I do not think any member of the House has any personal feeling against any of the Maori members, and I am sure it is not that feeling which actuated the member for Riccarton. Let me go back a few years. I have not had so long a parliamentary experience as some of my fellow-members, but I may explain that when I came into the House in 1894 I was then told that it had been customary with the Maori members, on all questions solely affecting the European race, to vote two and two-two for the Opposition and two for the Government. I do not know personally whether that was the custom, but it was manifest to members that on many occasions legislation was introduced and passed, practically on the Maori vote, materially affecting the welfare of the English-speaking people in this colony. And while paying all deference and respect to the ability shown by the Maoris, still they have not the experience or knowledge of the wants and wishes of the European race ; and when we are dealing with questions affecting our own people peculiarly, then I think that when a proposal is accepted or rejected by a majority composed of the votes of the Maori members they may see the reason of our feel- Mr. Kaihau stand very clearly in what position the Maori vote is to be. If it is understood that on all questions the Maori members exercise their vote simply as members of the House, we shall understand where we are. But if the old arrangement is to continue -that is, that on general questions the Maori vote is to be. divided-on Native questions, of course, they will vote solid - the House will understand. that position also. I confess that I sometimes have felt irritated, not in connection with this particular debate but in previous sessions of the House, when in some question upon which I felt very strongly, and upon which my constituents felt very strongly, I was defeated by the vote of the Maori members. I do not think that members ought to reply to the speech of the honourable member for Riccarton in the way they did. He simply stated that the question had been carried largely by the Maori vote. I say that is a fact. If the Government claim the right to have the Maori vote exercised on their

behalf the House should under-stand that. I only rose to state what was the position prior to 1894, and if that position is to be departed from it will be a good thing for the House to know it, and to consider the question generally. Mr. T. MACKENZIE (Waihemo) .- I do not intend to delay the House at great length. The House should be grateful for being congratulated by the honourable member for Auckland City (Mr. Witheford), and I think the honourable gentleman might have added that the interests of Auckland were largely helped by the calm and pleasant manner of Mr. Fowlds, who has been a very great factor in connection with this vote. Of course, we cannot overlook the influence of the powerful Whip on the Opposition side; but I think Mr. Fowlds, who has not advertised himself as the other two Auckland members have, has had more to do with securing the service than the methods of the other two representatives. Therefore I think it necessary now to mention the fact, and Mr. Fowlds's name in that connection. He does not talk about the "mailed fist," or raise the ire of the colony by injudicious communications. My object in rising was this : that, although it is not at present much considered, yet I think this colony in the future must have a direct mail-service of its own. That is the view I take. I know it is not regarded at the present time as possible ; yet we have heard the opinion of Captain Russell, when he said that there is a very great change coming in connection with maritime speed, and I think, as I have said before, the question of a week is not of very great importance for the delivery of mails. There is more made of it than there should be. Cheap cable communication is the great factor of the present and the future. The vessels conveying our produce Home are, as a rule, slow-going boats, and there is ample time, even in the ordinary Federal service, for all mail-communication requirements. But what I do think is this : that as we are developing in this country now

<page>555</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=595></url>

that is, going into poultry-rearing-and knowing that our pork and, at any rate, our hams and bacon are to be excluded from the Australian market, we must find an outlet in the Home markets. In addition there is fruit and other industries that we are going in for, and in order to place these delicate products in the Home market we must have a smart direct service. There is also the question of butter and cheese, and one of the great drawbacks in connection with our dairying industry is irregular communication between here and the Home-country with these consignments. We want these articles placed in the Home market in about forty days, and the greatest point in this connection is the one I am now going to touch upon. It is this : In the export of pork and poultry to the Home-country you must ship under some system of chilling, and convey the products under a chilling process. An experiment was recently tried in the Argentine by which products were successfully conveyed to London under a process of chilling in thirty-two days ; and I think it is quite possible for us to have a forty days service, and to use that forty days service for sending products Home under a chilling process. If we succeed in doing that cheaply we shall be able to pay a much increased cost of freightage for the conveyance of these choice products, because when chilled foods are opened in the Home-country they are absolutely equal to any of the Home-produced articles, and will bring about Home-grown prices. Therefore I think that the members here who represent in the truest manner the interests of our farmers will keep more prominently before their eyes the best system of produce transit, rather than the quickest method of paper transit service. The one means our material life and prosperity ; the other is only contingent on the success of the former. We should insist in connection with our mail-services that there shall be a smarter connection for these delicate products in the markets of the world, and we shall have attained a very great deal, and I hope the Postmaster-General, with his known enterprise, will go into this question. I believe it is one that must attract the attention of the House. I would just like to say, in conclusion, that I hope, although our products have been excluded largely from Australia by the Federal tariff, that this country will not take up any retaliatory attitude at the present time or at any future time. Mr. DEPUTY-SPEAKER. - That question cannot be gone into now. No

tariff is involved in this question. Mr. MEREDITH (Ashley) .- I have listened to the remarks made by honourable members in this debate, and I am satisfied that the representatives of the people in this House have given a clear indication to the Govern- ment that it is the wish of the people of this colony to discontinue as soon as possible the mail-service via Frisco, and the Government will do well to take this as an instruction from the House, so that when the eighteen months embodied in the resolution expire, an arrange- that time, so that no further renewal of this contract will be necessary. Our mails should be carried in vessels carrying the old flag. I be- lieve in the all-red line. Sir, I think it is an unfortunate circumstance that overtures were not made by the Government to the Union Company and to the New Zealand Shipping Company, two companies with their headquar- ters and proprietary in New Zealand, and which have rendered valuable services to the colony. We should encourage home industry in ship- ping as well as in every other industry, and I hope the Government will not lose sight of that. All things considered, I believe the best mail-service will be the Federal service, and next to that a direct service with the Old Country, calling at South Africa ; and, next to that, I would like to see the Vancouver service. I hope that before next session the Government will have a postal scheme prepared, so that when the House meets members will be able to fall in line with the recommendation of the Government to convey the mails of this colony in British vessels. Mr. G. W. RUSSELL (Riccarton) .- I desire to make a personal explanation. It is due to myself to state that in the remarks which I made and which have been commented upon by various members, I did not make nor did I intend to pass any personal reflection on any member of the Native race in this Chamber. I used no words which could be understood as implying such a personal reflection in any shape. I said that in this, as in other things, the desti- nies of this country have been altered by the Maori vote. My objection is that the votes of the Maori members are brought in in connection with matters that are almost exclusively of interest to Europeans when it suits the Govern- ment that those votes should be brought in. Mr. SEDDON .- I rise to a point of order. Is not the honourable member exceeding a per- sonal explanation ? Mr. DEPUTY - SPEAKER. - I think the honourable member is now going beyond a per- sonal explanation. Mr. G. W. RUSSELL .- With regard to the remarks of the Native Minister, I will only say that when I meet my constituents I shall be prepared to go into this question fully. Sir J. G. WARD (Postmaster-General) .- I think the explanation of the honourable mem- ber to some extent is more unfortunate than his first statement. It means that, if you are not to allow representatives of the Native race to vote upon questions of European concern, then, logically, the European members ought not to vote on questions of Native concern. Why, the very reason for the representation of the Native race is that they should take an intelligent interest not only in Native affairs, but in all matters which come before us for our consideration, whether it be concerning the Natives themselves or whether it be concerning the Europeans. An Hon. MEMBER .- How many times have they voted this session ?

<page>556</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=596></url>

to vote as they think proper. They are re- sponsible to their own constituents for what they do or do not do, and the honourable mem- ber has not seen any impropriety in himself doing his best to secure a majority in the direc- tion he wished in connection with these resolu- tions which have been carried against him to-night. I do not think he should attempt to make any invidious distinctions such as he has made in reference to the course the Natives thought proper to take, more especially as one of the Native members voted on the same side as himself. But I rose, really, to say that the whole of the debate upon these proposals has been of a particularly agreeable character, and I think members generally, whether they dis- sented from the resolutions or whether they supported them, have said nothing during the course of the debate that any of us have reason to regret. I was sorry the honourable member for Wellington City (Mr. Fisher) saw fit to make the short and curt satirical statement he did. Mr. FISHER .-

What statement ? Sir J. G. WARD .- The statement regarding the assistance of Mr. Massey, which has been very cordially given. Now, I hold in my hand the division-list upon the same question in 1888, and I am very much concerned to find that the honourable gentleman, who then occupied a high and responsible position in the colony, when I wanted him to vote to abolish the fixed subsidies upon the San Francisco mail-service did not vote, and he did not pair. Then, I moved, and carried by a majority of eighteen, resolutions to abolish the system of subsidy which had hitherto obtained, giving us connection with the San Francisco mail-service. Mr. FISHER .- If you will read your own speech you will see that you stated that I voted against your resolution to abolish the San Francisco service. Sir J. G. WARD .- No, I did not. Mr. FISHER .- Well, I happen to have your remarks in my own proof. Sir J. G. WARD .- I have made no such statement. I am speaking about what the honourable gentleman said to-night, and I would not intentionally do him any injustice. only say that he did not vote nor did he pair on that occasion to which I refer. The honourable gentleman's activity now is in very marked contradistinction to his retirement from the House in 1888 when I was moving to do something to reduce the very heavy subsidies which were then paid in connection with the San Francisco mail-service. "Inconsistency ! thy name is inconsistency." Mr. FISHER .- Your satire is done so pleasantly that I do not mind. Sir J. G. WARD .- Then, the honourable member for the Buller finds fault with the Government because some honourable member opposite supported the Government in connection with these resolutions. Surely the honourable member does not mean to say that upon this question there has been any attempt to And, again, referring to the 1888 debate, if the honourable member will look at the division-list he will find that myself and others on the same side of the House were voting with our strongest opponents, and some members on our side of the House joined with others opposite in return and voted against us. What the House has done now is what they believe to be in the best interests of the colony. We have been anxious to have a continuance of the present mail-service on fair and reasonable lines in the colony; and why there should have been, after an excellent debate conducted with singular good feeling, any feeling now introduced I do not know. I only assure honourable members that the Government have done what they believe to be in the best interests of the colony as a whole. We have brought down proposals we deemed best under the altered circumstances, and which we thought we could carry. The member for Ashley was quite mistaken when he assumes that we have not communicated with other companies. If he looks at the correspondence which has been laid on the table he will see that we communicated with the New Zealand Shipping Company; and I may say I had personally more than one interview with the head people connected with the service with a view of seeing whether it was possible to bring any suitable proposal down, and I was assured that it was impossible to do so during the continuance of the service with the Queensland Government. There is no use saying we have not tried to bring about an independent service with this company. We have done our best. The position has been rendered a difficult one through circumstances connected with the United States navigation laws, over which we have no control, and it has, I consider, been approached very fairly. Honourable members have been canvassed very hard by those anxious to carry the proposals against us; and those who have supported them have exercised an independence and cast their votes in a way which I think, on the whole, has given the best solution of a very difficult question. Mr. FISHER (Wellington City) .- I deprecate the practice that has crept in of making personal explanations on every possible occasion ; I but I think it necessary to say, in answer to the honourable gentleman, that it is his inconsistency of which I complain. I did not vote either way on his motion to abolish the San Francisco service in 1888. That motion which he proposed in 1888 to abolish the Frisco service was carried ; and, in 1889, he complained grievously in the House that his resolution of 1888 had not been given effect to ; yet now he himself proposes, as Postmaster-General, that this needless and costly and, in one sense, humiliating contract should be fastened upon the colony for a further period of three years, although it is well known that the people of

the colony as a whole are opposed to it. But it is the price the country has to pay to secure the Auckland vote in this House. Sir J. G. WARD .- I would just like to say,

<page>557</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=597></url>

as the honourable member made a statement \--- regarding myself, about having abolished the service in 1888 and inconsistently supporting it since, that if he will look up the records he will find that by a majority of eighteen my resolution was carried ; but the San Francisco service has continued ever since, and if the decision which was carried by a majority of eighteen in the House had been to abolish it entirely, then it would not have been continued. What I was then opposed to, and would be still, was the fixed-subsidy system. In my opinion, they were excessive in their amount. I have never opposed the San Francisco service merely because it was the San Francisco service. I consider such a course would be a narrow and short-sighted policy. The honourable member's statement shows he has not a proper conception of what took place then, or he is trying to put me in an improper position now. Motion agreed to. The House adjourned at twenty-five minutes to two o'clock a.m. (Saturday). HOUSE OF REPRESENTATIVES.

Monday, 21st October, 1901. Maori Lands Administration Bill-Pariroa Native Reserve Bill -Inspection of Machinery Bill - Fisheries Encouragement Bill - Education Boards Election Bill-Hospitals and Charitable Aid Boards Election Bill - Trustee Bill-Public Trust Office Bill- Chatham Islands County Bill-New Zealand Ensign Bill. Mr. DEPUTY-SPEAKER took the chair at half- past seven o'clock. PRAYERS. MAORI

LANDS ADMINISTRATION BILL. On the question, That this Bill be read a second time, Mr. G. W. RUSSELL, said, I raise the point of order, that this Bill has not been introduced by message from His Excellency the Governor. Mr. DEPUTY-SPEAKER .- I have not had time to go through the Bill in order to see whether it requires to be introduced by message from His Excellency the Governor or not ; but, being in charge of a Minister, if it is necessary that it should be introduced by message from the Governor, that message can be brought down at any time before the Bill goes through its final stages.

Therefore I rule that the Minister is quite in order in moving the second reading now. Mr. CARROLL (Native Minister) .- Sir, I do not think that there are any appropriating clauses in the Bill within the meaning of those terms, and that it need not be brought down by message from His Excellency the Governor. I wish to consult the feelings of members generally in the House who are particularly interested in this Bill, and who have very good grounds for concernment in the questions involved. Many, I know, though presumably - opposed to this measure, will give valuable assistance in the later stages with a view to improving it if effect is given to the motion which I will announce presently. It is my intention to move the second reading of the Bill pro forma, in order to have it referred at once to the Native Affairs Committee for consideration. From that Committee I expect its speedy return, and any differences of opinion in respect to its merits, et cetera, will then, I trust, be removed. With these few remarks, I move the second reading of the Bill as suggested. Mr. R. THOMPSON (Marsden). - I would like to suggest to the honourable gentleman that, as section 9 is a repealing clause, and repeals a number of the clauses in the Act of last year, perhaps it might be advisable if, when this Bill comes before the Native Affairs Committee, the clauses which are to be repealed were set out in the margin, so that we may know exactly what we are doing. Mr. CARROLL .- I shall be only too glad to insert marginal notes to the clauses in the Bill, so as to give every available information to honourable members. Mr.

HOUSTON (Bay of Islands) .- I should like the Minister to state when he wishes this to be referred to the Native Affairs Committee. The Committee meets to-morrow morning. Mr. CARROLL .- I propose, That this Bill be referred forthwith to the Native Affairs Committee, and that the Committee deliberate thereupon to-morrow. Bill read a second time. PARIROA NATIVE RESERVE BILL. Mr. CARROLL (Native Minister) said this was a small Bill affecting a piece of land which was situate in the district of Patea, and at the present time occupied by the Natives. It was the subject of a promise made in 1873 by the then

Native Minister, Sir Donald McLean. The promise was that this land should be reserved for the use, occupation, and education of the members of two tribes, called the Ngati-tupito and Ngatiringi. Somehow or another the promise seemed to have been lost sight of for many years, and the land was treated as Crown land-which it was, technically -- and leased to Europeans for a time. Consequently, it came under the administration of the Public Trustee, and rents accruing therefrom have been received by him and paid into the Public Account. It was now thought advisable that the promise made by Sir Donald McLean in years gone by should be fully given effect to, and for that purpose the Bill was necessary. The measure proposed to vest the land in the Public Trustee, who would hold it on behalf of the proper owners. The Native Land Court was directed to ascertain the owners of the land who were the beneficiaries, so as to secure to them for all time the benefits of the said land. In clause 2 the Public Trustee was given power to issue occupation licenses to each owner who might be adjudged by the Native Land Court to be so. The amount of money from rents which had already accrued and been paid into the public fund was somewhere about £600. It was only right that that amount should be

<page>558</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=598></url>

paid to the Native owners in accordance with their interests as defined by the Native Land Court. He moved the second reading of the Bill. Mr. HEKE (Northern Maori) assured the House that the question was an old-standing one. The position had been fully described by the Native Minister. It was a subject that had been urged on some members of the House by the Native owners, and the Bill was a necessary one to enable the Native Land Court to ascertain the beneficiaries and the owners, and also to allocate the different interests that each Native owner was entitled to. It also gave a means by which the Public Trustee would at any time be able to pay over to each owner his proportion of the rents. Mr. HERRIES (Bay of Plenty) had no doubt the explanation made by the honourable gentleman was in accordance with fact, and that the Bill simply fulfilled a promise made by Sir Donald McLean. It seemed rather late in the day, however, to fulfil a promise made so long ago. Though the Bill seemed innocent enough, there were, he considered, some clauses that demanded more explanation than the honourable gentleman had given. There was a new system of land-tenure stated in the Bill, called an "occupation license." It did not state how long that license was to last, or whether it was in any way transferable to any one. There was a provision that on the death of a Native owner the license held by him might be renewed to such successors as the Public Trustee might see fit; but he (Mr. Herries) did not see what standing the holders of these occupation licenses could possibly have, because the whole of the land was vested in the Public Trustee in fee-simple, and apparently the holders of the licenses were simply tenants at will. He hoped that when the Bill was in Committee some further clause would be added expressing what was meant by "occupation licenses." The clauses seemed to him to be very crudely drawn, and not at all to express perhaps what the Minister intended. He had never heard the term "occupation license" before, and believed it was never used in the colony except in connection with mining matters. He looked at clause 3 with great suspicion. That clause said that all rents that had accrued in respect of the lands were to be paid by the Colonial Treasurer to the Public Trustee, and by him paid to the beneficiaries. It seemed to him they were getting the whole of the money that had accrued beforehand in rents. Why were not they informed of what the rents were, whether they were owing by Natives or by Europeans? It seemed to him not in accordance with the general trend of Government legislation with regard to Natives to hand over a sum of money, which the Minister had stated at £600, to the Natives. It was generally held that any sums of money that were owing to them should be kept in reserve by the Public Trustee for their benefit. Now it was proposed to hand the cash bodily over to these Natives. He believed the Natives were competent to handle money; but that Mr. Carroll was not the general idea of the Government, and the sudden accession of this £600 of money to a few Natives might cause trouble. He trusted the Minister

would explain why it was intended to hand the money over to the Natives. Why was it not given to the Public Trustee for the improvement of the property, or invested for the benefit of the Natives? Then, it seemed to him that clause 3 was an appropriation clause. Of course, after the ruling just given, that the Minister could at any time bring down a Governor's message, all he would do was to call attention to the fact that they were appropriation clauses, and ask whether they were brought down by Governor's message. Mr. DEPUTY-SPEAKER said he would give the same ruling on this Bill that he had given previously. As the Bill had not been brought down by Governor's message, he would look into the question, and, if he found it necessary to do so, would intimate the fact to the honourable member in charge of the Bill before the Bill proceeded a further stage. Mr. G. W. RUSSELL (Riccarton) had only one or two remarks to make in connection with the Bill. He would like the Minister, in replying, to state whether the promise made by Sir Donald McLean was on record, and what evidence there was of the promise. He concluded that it would be something more than a verbal promise, and that some record of it would be found in the department. It would be very satisfactory, when the House was asked to vest a valuable block of land in certain Natives, that the record of the promise should be given to the House. The honourable member for Marsden suggested it should be attached to the Bill, but he would not go so far as that. Still, when twenty-eight years after a promise was given the House was asked to legislate to hand over lands in this way to certain persons, authorising the Land Court to ascertain who the beneficiaries were, and to hand to them moneys that had accrued from rental, the House should be assured absolutely and definitely of the nature of the promise ; and the record of it, if there were any, should be given to the House. He had nothing further to say excepting to emphasize what had already been pointed out by the member for the Bay of Plenty, and that was that it seemed a very undesirable and a very loose way of doing things that an important Bill of this kind, which clearly dealt with the lands of the colony, and which also contained appropriation clauses, should not have been brought in in the proper way and introduced by Governor's message. Mr. MONK (Waitemata) desired to ask the Minister if this money had been appropriated out of the consolidated revenue, or whether it was money already in the custody of the Public Trustee. It Mr. A. L. D. FRASER (Napier) said there was one subsection in this measure that might point a moral and adorn a tale. They found that for twenty-eight years past this question had been, like Mahomet's coffin, floating in space. If the Pariroa Native Reserve had been

<page>559</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=599></url>

singular, it might have been possible that the Government had just discovered the point, but to his knowledge the Government had not introduced and passed " Washing up " Bills dealing with Native disabilities for five years. If those interested had to wait for twenty-eight years before such legislation was dealt with- and he regretted very much that the Natives should not have been obtaining benefit from their land-possibly they might die in poverty, as many of them were now doing, owing to the neglect of the Government in not bringing down workable legislation to meet such cases. It was not enough for the Native Minister to say that they had done their best with respect to this matter, because the Government had not given those interested the consideration they were entitled to. Two months ago he pointed out in the House to the Premier and the Native Minister that, although he had urged that these matters should be dealt with session after session, yet nothing had been done. They were now within a fortnight of the end of the session, and he thought the Native Minister should give the House an assurance that to-morrow at the very latest they would have a "Washing-up " Bill introduced by Governor's message. Leaving that part of the subject, he might mention that there was one provision to which he would like to draw the attention of the Native Minister, so that the honourable gentleman might deal with it when the Bill went into Committee. Subsection (2) of section 2 said, " The said lands shall be held in trust by the Public Trustee for the exclusive use and occupation of the members of the Ngatitupito and Ngatiringi

Tribes." It should be provided in the Bill that the successors according to Maori custom or usage should succeed to the deceased owners of the block, because it was only a matter of time when there would be none of the members of these tribes in existence. That was not provided for in subsection (4) of section 2. The same difficulty had arisen in the Karamu Reserve, in Hawke's Bay, in respect to which litigation had been going on for years, owing to a difficulty in the interpretation of that Act. It stated practically that the land was to be held for the benefit of the Ngatibori Tribe, as stated in this Bill, and the result had been continuous litigation and great expense. He would throw out the suggestion to the Native Minister to amend the clause, so that the wording of subsection (2) might be altered from "for the exclusive use and occupation of the members of the Ngatitupito and Ngatiringi Tribes " to "for the exclusive use of members of those tribes and their successors according to Maori custom and usage." Finally, he would remind the Native Minister of what he had already stated with respect to introducing and passing a "Washing-up " Bill, and he would be obliged if the Native Minister would give an assurance that it would be brought down to-morrow. Mr. R. THOMPSON (Marsden) hoped 8.0. the Minister, in his reply, would give the House a little more information in regard to clause 3 than he had done so far. He failed to see why this £600 of accumulations of twenty-eight years should be handed over as a gift to the Natives who were now living for them to spend as they liked. He held that this \$600 should be added to the trust, and invested by the Public Trustee, instead of handing it over to the Natives. An Hon. MEMBER .- They are entitled to it. Mr. R. THOMPSON said, At any rate, before this money was handed over, the House should have the fullest information as to what claim the Natives who were living now had, because he thought they should, as far as possible, protect the interests of those who were to come after. Mr. McGUIRE (Hawera) wished to know who had been leasing the land in this Bill, and he would also like to know the whereabouts of the \$600 that was to be handed over to the Natives. Was it in the hands of the Public Trustee or had it been paid into the consolidated revenue? As to the promise made by Sir Donald McLean, was it a written promise or oral? When and where was the promise made ? If any evidence of the promise could be produced, time should be no bar. He would be glad to have information on the several points. Mr. CARROLL (Native Minister) said it was very gratifying indeed to hear honourable members commenting on this Bill, and to hear them expressing their anxiety that everything indicated in this measure respecting the lands and the rights of the Natives should be carried out in a straightforward and careful manner. The anxiety displayed in that direction did honourable members credit. He was inclined to think, however, from one or two expressions that had fallen from some honourable members, that their object was not so much the settlement of the equities as the immediate question of raising impedimenta to the Bill. But the matter was plain enough. The departments of the Government were perfectly satisfied, after all the investigations that had taken place, that this was land that should properly and genuinely go to the Natives, and in that view the Natives have been allowed to remain in occupation of the greater part of it all these years without the Government ever thinking of disturbing their possession. The honourable member for Hawera would bear him out when he said that the Natives had been residential there for years. Beyond the promise made, and the assurance and guarantee given by the late Sir Donald McLean that the land would be secured to them, there had never been any legislative effort in the direction of securing the land to them. In the course of many years portions of this land had been made use of under the general administration of the West Coast Reserves Act, and the department, knowing the strength of the claim on the part of the Natives which entitled them to this land, reserved the revenues which had accrued, so that some day it could be handed over to the proper Native owners. It could not be handed over heretofore because the individual owners of the land had not been ascertained.

<page>560</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=600></url>

now ? Mr. CARROLL said it was in the Public Accounts. An Hon. MEMBER .- Do the rents come from Maoris or pakehas ? Mr. CARROLL said, From pakehas; but the Government could not pay it out, and could not settle this question until they gave power to the Native Land Court, as was proposed to be given here, to investigate that land and ascertain the title of the Maoris, so far as the two tribes mentioned in the Bill were concerned. He thought the Government were taking a proper course in saying that the £600 should be paid to them. It should have been paid to the Natives long ago, but the Government did not know who to pay it to. They knew the tribe, but could not pay the money to the tribe ; they had to pay it to the individuals, and they proposed to give that money to them immediately the Court had performed its part of the work and found out the individual ownership. With respect to the occupation licenses, which appeared a new phase of these matters to the honourable member for the Bay of Plenty, he might tell the honourable gentleman that "occupation license " had an interpretation under the West Coast Settlement Reserves Act ; and he might tell the honourable gentleman also that the Public Trustee, in the administration of these reserves, had leased under occupation licenses to Natives alone an area of 15,203 acres out of the lands under his control, so it was no new form of tenancy. An Hon. MEMBER .- For what term ? Mr. CARROLL said, For various terms, according to the circumstances necessitating the action. The Public Trustee had to see, at any rate, wherever the Natives wished to occupy land for their own use and benefit, and, where it did not interfere with the European tenants, that they should have some ; therefore he gave them land under occupation licenses, the revenue from which was redistributed among them according to their interests and shares in the land so occupied. In regard to the suggestion of the member for Napier, that some provision should be made in this Bill whereby the descendants might succeed after the present owners, he would suggest that the interpretation of the word " Maori " would come better in a general Bill than in this, and when the Maori Administration Amendment Bill was before the Committee the honourable gentleman then would have an opportunity of moving in the direction indicated by him. He did not disagree with the principle himself. He thought it was a right one, provided, of course, proper safeguards were added, so that no injustice should be done in matters purely affecting tribal interests. The promise made by the late Sir Donald McLean was made publicly before an assemblage of the whole of the West Coast tribes. It was made in the light of day. Records were kept of some of these promises that were made, but unfortunately, in the interests of the Natives, he was sorry to say that records had not been kept of some of the very had found sufficient evidence to assure them that the promise in regard to this particular piece of land was absolutely made by Sir Donald McLean. Mr. A. L. D. FRASER asked if the Minister would tell them if there was going to be a " Washing-up " Bill. Mr. CARROLL might inform the honourable gentleman that they had in hand not a " Washing-up " Bill, but one that was called a " Native Equitable Claims Adjustment Bill," which would be introduced this week. It had taken some considerable time to sift out such matters as should go into the Bill and those that should not. The work had not been an easy one, and the honourable gentleman himself admitted that accumulations of about five years of equities had been going on and required to be dealt with now; and all he could add was that accumulations of equities in connection with Native affairs for five years would require a very stupendous Bill to deal with the same. He could assure the honourable gentleman, however, that the Bill was almost ready, and would be introduced, he thought, this week. Bill read a second time, committed, and reported.

INSPECTION OF MACHINERY BILL. Mr. W. FRASER (Wakatipu) asked the Minister for Public Works, before taking the committal of the other Bills, to take the second reading of the Inspection of Machinery Bill, which stood at No. 33, and allow it to be read a second time, so that it might also be committed. It was an important Bill, and affected an important industry. It was found that the Act passed last year did not really meet the needs of that industry, and, in fact, it made it almost impossible for a dredging company to comply with it without inflicting great hardship to the men in charge of the engines, and involving that industry in needless expense. He would

ask the Minister to allow that Bill to be taken out of its order and committed with the other Bills. Mr. HALL - JONES (Minister of Marine) quite recognised that the Bill mentioned was what might be called an urgent Bill, and if it was the wish of the House he would do what the honourable gentleman wished. Consent given. Mr. HALL - JONES (Minister for Public Works), in moving the second reading of the Bill, said that the Bill was required for the purpose of removing some objections to the Act of last session. Since the foundation of the colony it had been open for any person to drive an engine on land without holding a certificate ; but last year the House decided that all engines over a certain horse-power should be in charge of the holder of a certificate. There had been some little difficulty, inasmuch as some of those entitled to certificates who had been driving for a time were not aware of the law, and had not had time to make application for certificates within the time prescribed by the statute.

<page>561</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=601></url>

where the work was carried on in shifts. It was right that a certificated first-class engineer should be in charge of a dredge ; but it was never his intention, nor that of the House, that for each shift there should be in charge of that shift a man with a first-class certificate. As a matter of fact, he was informed they could not obtain sufficient men who were holders of first-class certificates to take charge of the shifts on dredges. The object of the Bill was to remove these difficulties. The 2nd clause provided that, in the case of a gold-dredge, the holder of a first-class certificate must be in general charge of the dredge, but in the case of others in charge of shifts a second-class certificate would be sufficient. Clause 3 provided for an extension of time, in order to allow those who had been drivers in the past and had not had time to obtain service certificates, to apply for them. The provisions of clause 4 were an omission from the previous Bill. A case had occurred where a man had been in charge of a marine engine. The vessel was wrecked, and the engine had been erected to drive the machinery of a saw-mill. According to the Act of last year the man who had been driving the engine at sea could not be permitted to drive the same engine on land: Clause 4 was to meet such a case. Bill read a second time, and committed. # IN COMMITTEE. Mr. HALL - JONES (Minister of Marine) moved the following new clause : - " Notwithstanding anything contained in this Act or the principal Act, any person who has for not less than three years been in charge of an engine the cylinder of which exceeds in area one hundred and forty-four circular inches shall, after having received his second-class service certificate, be entitled to be examined for a first-class certificate under this Act." Clause agreed to. Bill reported, and read a third time. EDUCATION BOARDS ELECTION BILL. IN COMMITTEE. On the motion of Mr. HALL-JONES (Minister for Public Works), the following new clauses were added to the Bill :- "1A. (1.) Not later than thirty-eight days before the date of the election the Returning Officer shall, by advertisement in a newspaper circulating in the district, notify the number of vacancies, the date on which nominations will close, and the date on which the election will be held. "(2.) Nominations shall close at five o'clock on the afternoon of the twenty-second day before the date of the election. "(3.) No person shall be eligible as a candidate for election unless he is nominated in writing by at least two electors, and the nomination-paper, bearing the candidate's consent in writing, is received by the Returning Officer before the nominations are closed. before the date of the election the Returning Officer shall notify in manner aforesaid- "(1.) The number of members to be elected ; "(2.) The full name of every duly nominated candidate ; and "(3.) The day on which the elections will be held, and hour at which the poll will be closed ; and shall also forward to the Chairman of each School Committee in the district a sufficient supply of voting-papers for the use of such of the electors as are members of that Committee. "]c. The two last preceding sections are in substitution for sections seven and eight of the principal Act, which sections are hereby accordingly repealed. "4. (1.) In the case of every extraordinary vacancy the election shall be held on a date to be fixed by the Board, being not later than the fiftieth day after the vacancy occurs. " (2.) This section is in substitution for section six of the principal Act, which

section is hereby accordingly repealed." Bill reported and read a third time. # FISHERIES ENCOURAGEMENT BILL. IN COMMITTEE. Clause 2. -- "(1.) The bonus which is authorised by 'The Fisheries Encouragement Act, 1885,' to be paid for canned and cured fish shall, notwithstanding anything in that Act to the contrary, be paid for the year ending the thirty-first day of August, one thousand nine hundred and two. "(2.) During the three years next after the last-mentioned date a proportionate part only of such bonus shall be payable, that is to say, - "(a.) For the year ending the thirty-first day of August, one thousand nine hundred and three, one-half of the respective rates of bonus authorised to be paid by the said Act shall be payable ; and " (b.) For the year ending the thirty-first day of August, one thousand nine hundred and four, one-half of such rates so authorised ; and "(c.) For the year ending the thirty-first day of August, one thousand nine hundred and five, one-fourth of such rates. "(3.) From and after the last-mentioned date the bonus aforesaid shall altogether cease to be payable." Mr. HALL-JONES (Minister of Marine) moved, That subsection (2) be struck out. Subsection (2) struck out, and motion as amended agreed to. Bill reported, and read a third time. HOSPITALS AND CHARITABLE AID BOARDS ELECTION BILL. Mr. HALL-JONES (Minister for Public Works), in moving the second reading of this Bill, said it had been frequently brought under the notice of the Government, both by

<page>562</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=602></url>

made from outside, and there appeared to be a general wish that the Trustees, or those who had charge of the management of our hospitals, should be elected by those who had to bear the cost of these institutions. At the present time the members were elected by the members of County Councils and Borough Councils, and the proposal in the Bill was that, instead of the Boards being elected by the representatives upon those bodies, they should be elected by the general body of electors. For this purpose the rolls for the Councils and boroughs would be used, and those who were entitled to elect the members of County or Borough Councils would under this Bill elect the members of Hospital and Charitable Aid Boards. That had been done with a view to minimising any difficulties that might occur. If a separate roll were compiled that would increase the expense; and they could not take the parliamentary roll, because the boundaries were not the same. By taking the roll for the counties and the boroughs they had in the simplest and most economical form arrived at a means of electing the Boards by the people of the several districts. That is the simple explanation of the Bill. The present members would continue in office until the new members were elected under the provisions of this Bill; and it is proposed to hold the elections on the same day as that on which the members for the county or borough are elected, so as to entail practically no additional expense and yet obtain representation by the local electors. Mr. J. ALLEN (Bruce) said he would like to ask the Minister a question, and he regretted that the Right Hon. the Premier was not present, because the question had been put to the Premier early in the session. He wished to ask whether the Cabinet had really considered the representations made to them by the Otago and Southland members in respect to the Medical School in Otago and the Dunedin Hospital. He did not know whether the Minister for Public Works was present on that occasion, but it was pointed out that the Dunedin Hospital was in a peculiar position in respect to the Medical School. The question of the representation of the Medical School on the Board of Trustees, and how they were to be selected, was put to the Ministry, and it was suggested at that time that four members should be appointed to the Board by the University Council. In this Bill there was no reason why an amendment should not be inserted to give effect to this. What was required was that the Medical School should be represented on the Board, and for this reason : they were interested in the hospital, because the students had to attend the hospital for their teaching. At present the staff of the Medical School could only be selected for the honorary medical staff of the hospital by the existing Board of Trustees, and they would not of necessity select

those medical men who were teachers at the Medical School. They had, as a matter of fact, elected them of late years, but instances had occurred where they refused to take the recommendation of Mr. Hall-Jones leave the teachers off the staff of the hospital. The deputation asked the Hon. the Premier-and he thought the Hon. Mr. Walker and Sir Joseph Ward were also present-that some amendment of the law should be brought down to provide for the representation, for four members to be elected by the University Council. He thought the amendment might well be placed in this Bill, and he hoped the Minister would assent to a clause for this purpose. The Medical School of Otago was in the interests of the colony as a whole, and not of Dunedin alone, and something should be done to place it on a better footing. He admitted there were certain difficulties in connection with the matter, but they were there to overcome difficulties and do such things as would be in the best interests of these young men, who were being trained for a great work. He hoped the Minister would consult with his colleagues, who had had this question before them, and have a clause drafted to place in this Bill. Mr. BOLLARD (Eden) said he believed this Bill to be a great improvement on the present mode of election, but he would like some more information. The Minister had not given them sufficient information in introducing the Bill. The local bodies who elected members to the Hospital and Charitable Aid Boards now did not all go out of office at the same time. For instance, the members of County Councils held office for three years. As for the members of Road Boards where the Counties Act was suspended, a certain portion of them retired at the end of the first year, and another portion retired at the end of the second year, and at the end of the third year there was a general election. What he wanted to know was whether, in districts where Road Boards elected members of Hospital and Charitable Aid Boards, the members elected under this Bill would hold office for three years. He thought they should hold office for three years, for very often members who were just beginning to understand and get into the run of the work which it took them the first year to do-were thrown out in an election, and new members took their place; while if they were elected for three years and, he thought, a portion of them only should retire, say half, at the by-election, there would be still a chance of new members being elected, and the system would be of much greater advantage than the present one. As he read the Bill there was no provision in it as to whether a certain number should retire at the end of the first or the end of the second year, or whether they should hold office for three years. He would like the Minister to give them some explanation on that point. Mr. HERRIES (Bay of Plenty) said, Although this was a very small Bill it brought about what would practically be a revolution in the system of election of Hospital and Charitable Aid Boards. He did not think the Minister had given them a satisfactory reason for the necessity of this revolution. The old Act had worked very well. In the Waikato district, in which he lived, he had heard of no complaints

<page>563</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=603></url>

these Boards. At the same time, it might be fairly reasoned that as the County Councils and boroughs elected the members of the Hospital and Charitable Aid Boards, and as they themselves were elected by the people in the first instance, therefore this was a system of popular representation, and a very convenient one too, because it saved the trouble of an election; and arrangements were sometimes entered into by which certain members of local bodies-of those who lived near to the place where the Hospital and Charitable Aid Board met - were elected to it, so as to save the travelling-expenses the Board would otherwise be put to. There were objections to the present Act, but they were chiefly owing to the size of the districts, which this Bill did not affect. At the same time, clause 5 of the Bill, unless it were amended, would be practically unworkable, because, as the honourable member for Eden had pointed out, the period for which members of various local bodies were elected were different. Borough Councils were elected for two years, and County Councils for three years, and therefore unless this clause were amended it would be impossible to have the Board elected at the same time as the local bodies, because

their terms differed. There was one clause that he strongly objected to, and that was clause 4, which said,- " Every person who is entitled to vote at the election of a member of a local authority shall be deemed to be an elector under this Act, and shall have one vote, and no more." That would be an insidious attempt to do away with the present county franchise. The present franchise gave up to three votes, and this seemed to him to be an attempt to do away with the property vote in the county elections. He had never heard any objection in the country districts to the manner of election of the Hospital and Charitable Aid Boards, and the present was a very convenient way of electing them, though he had heard objections to the size and unwieldiness of the district. It had stood the test of time and gave satisfaction, and under those circumstances he did not think it should be changed without very good reason being given. He hoped the Minister would give some reason for the proposed change, and explain how he was going to dovetail in the various methods of election of local bodies. Mr. BENNET (Tuapeka) could not see how this Bill was to be worked properly. In the Tuapeka County there were three boroughs, and these three boroughs had only one vote amongst them, and he could not see how they were going to arrange to vote for an election. The present Act seemed to work very well, and there had never been the slightest complaint. By this Bill too large representation would be given in proportion to the amount paid. He would like the Minister to tell them how the electors were to arrange the vote. Mr. MASSEY (Franklin) said this Bill involved an important alteration of the existing law, and, like previous speakers, he would have been better satisfied if the Minister had given intended. Members of Hospital and Charitable Aid Boards were at present elected by County and Borough Councils, and in places where the Counties Act was suspended they were elected by the Chairmen of the Road Boards. He was willing to admit that the latter form was not altogether satisfactory. A very important point was raised by the honourable member for Eden as to the length of time that members of these Boards were to be elected for. It was not quite clear in the Bill, and he hoped the Minister in his reply would tell them what was really intended, and that in Committee he would have a clause prepared dealing with this particular part of the subject. Mr. COLLINS (Christchurch City) said that the revolution in the method of electing members of the Hospital and Charitable Aid Boards enacted by this Bill was one which had been demanded by a majority of the people of the colony. At the same time, the Bill required some effective alteration before it could become a workable measure. He was not quite clear as to who, under the Bill, would be eligible as a candidate for office ; nor could he see in the Bill any provision for nominating candidates. Clause 5 said that every election under the Act should be held on the same day and in the same manner as in the case of members of the local authority. One could quite understand that ; but no provision was made as to who should be eligible as candidates for election. Mr. MASSEY said the original Act did that. Mr. COLLINS did not think so. Clause 7 of the original Act provided,- "For every such district there shall be a District Board of administration, to consist of the following members : namely, one member for every borough and county respectively in the district having less than eight thousand inhabitants, and two members for every borough and county respectively having more than eight thousand inhabitants. The said members shall be elected by the Councils of the boroughs and counties on the fourth Wednesday in November in each year, and shall come into office on the first Wednesday in December ensuing next after their election." There was no provision at all, therefore, for 'an election such as would be demanded under this Bill ; and it would be necessary to say who should be eligible for election to the Hospital and Charitable Aid Boards. One of the first things he did on coming to the House was to bring this matter under the notice of the House, so that women should be eligible for election to these Boards, and he would still like to see that reform carried out and embodied in the Bill. If the Bill stated that any one who was eligible to vote was also eligible for election it would meet the case ; but, as drawn up, the Bill was so incomplete that he very much doubted if an election could take place under its provisions. Mr. T. MACKENZIE (Waihemo) said the member for the Bay of Plenty was of opinion there was no necessity for this Bill. The

honourable gentleman had also said the pre-

<page>564</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=604></url>

and that in the large centres of population men were, because of the expense of sending representatives from the country, usually elected to the positions. Mr. HERRIES said he did not use the word "usually." Mr. T. MACKENZIE said, at all events, the honourable gentleman meant that they were elected, and in portions of the colony he was familiar with they were usually elected locally. Well, the fact that they were so elected usually threw the election of members of the Hospital and Charitable Aid Boards to men who were located near the institution, and by that means country districts did not get the representation they ought to obtain. The men in the city adopted city interests, possibly unconsciously, and they had not the same interest in the country districts that representatives would have if they were sent down from the country districts to the periodical meetings. He thought that was an indication that there was some necessity for the measure. Then, the present system was not sufficiently in touch with the people. The Trustees became almost perpetual, and many times little interest was taken in the election by the delegates; the positions became close corporations. To show the lack of interest now taken, he might mention an election of Hospital Trustees that took place last year for a large provincial district, and only five delegates attended, and these five persons nominated three of those present for Trustees, and two of whom were elected. No one could say that showed an interest that would keep the public institutions in touch with the people. He thought clause 4, to which the honourable member for the Bay of Plenty took exception, was an excellent clause. He believed in the principle of voting contained in that clause for the election of Hospital and Charitable Aid Boards, and especially the question of Hospital Trustees. The poorer people were just as much and a great deal more interested in the manner in which public institutions were managed than were the people who at the present time enjoyed a plurality of votes, because the latter were well off, and did not require to go into public hospitals. He therefore strongly supported this clause, and he hoped the honourable gentleman would take this view of this matter. Mr. HERRIES. - They are more interested; they get money, and the others find it. Mr. T. MACKENZIE said that, in a case of this sort, the working-people were deeply interested. The question of contribution, he believed, was a serious one; but when they considered that those who were well enough off, and who contributed perhaps more individually, never themselves, fortunately, had to go into these institutions, they would see how essential it was that the poorer people, who had to go to the institutions, should have a proportionate voice in the selection of the managers of these institutions. When members considered the electoral roll of the boroughs and counties-and counties as now constituted were Mr. T. Mackenzie the Counties Bill was not going to pass this session-they would see it was not too wide a franchise at all that was contemplated in this measure. He also heartily indorsed the opinion voiced by the honourable member for Christchurch City (Mr. Collins), that women should be on these Boards. An Hon. MEMBER. - They can be put on now. Mr. T. MACKENZIE said the honourable gentleman said they could be put on now. He knew that under the present franchise they were never put on these Boards. An Hon. MEMBER. - They are. Mr. T. MACKENZIE said, Well, they were not on the Boards with which he was familiar. He considered that came quite within the scope of the duties that might be better performed, he believed, by women on these Boards. Now, there was just one little matter he would like to say in connection with this subject, as he might not have another opportunity of alluding to it. He noticed at a recent meeting of the Dunedin Hospital Trustees a statement was made by the Chairman, and he found it necessary to telegraph to that gentleman as follows :- "J. Robin, Esq., Octagon, Dunedin. "18th October, 1901. " Re Hospital: Before dealing with the matter, kindly inform me whether you are correctly reported in Times, seventeenth, reading: 'He felt it his duty to the Hospital and nurses to declare that Mr. Mackenzie made that statement knowing it was absolutely untrue.' "THOMAS MACKENZIE." That referred to a statement

about the improvement in the condition of the Hospital. He received this telegram from the Acting-Chairman :- " Thomas Mackenzie, M.H.R., Wellington, "19th October, 1901. "YES, report quite correct, but in heat of moment I said what I did not exactly mean. Should have said only statement was absolutely "J. ROBIN." untrue. He then wired again,- "J. Robin, Esq., Octagon, Dunedin. "19th October, 1901. "YOUR telegram just received. It will satisfy me if you will make an early correction in the papers in accordance with the terms of your telegram, as I cannot allow it to go uncontradicted that I stated what I knew to be untrue. "THOMAS MACKENZIE." true. He wished to show what that statement was based upon. On the 30th September he made this statement in the House :- "He knew already that as a result of his statements great good had been done. He had received another letter only to-day in which the writer stated that very considerable improvement had already taken place in that institution, and he was glad to hear it." He might say in this connection that when he made the statement that " He knew already

<page>565</page>
<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=605></url>

had been done," he alluded to the public interest taken in it, and also to the fact that an improvement was to be introduced by bringing the election of Hospital Trustees more in touch with the public, and giving the public a more direct voice in the management. He had here the correspondence he had received upon which he based his assertion that an improvement had taken place, which he would submit to the Minister. He might say, too, in connection with all letters he had received, that he always quoted these letters, and left the public to judge. This is what he had said of their merits. previously :- " He had received sheaves of letters in connection with the Hospital mismanagement in certain cases, but for the truth or otherwise of these statements he, of course, was unable to vouch." Therefore he merely gave and based the statement on the letters he had received, and he would not have alluded to it again just now only he had received no reply from the gentleman he sent this telegram to. The Chairman had not as yet signified to him that he would comply with his wishes. He had sent the first telegram away on the 18th, and received a reply on the morning of the 19th from the Chairman withdrawing the more serious reflection. Yet, although this was now late in the evening of the 21st, he had not as yet wired and agreed to correct his statement through the Press. There was, therefore, time to acknowledge it, although, of course, not much. he (Mr. Mackenzie) might not have another opportunity of alluding to this subject he thought he would make it quite clear on this occasion. He congratulated the Hon. the Minister for having introduced this measure. He believed the public would welcome it. He also felt sure that the expenditure of the heavy sums paid for charitable aid would be more closely scrutinised. It seemed to him that the honourable gentleman might have reasons for not electing lunatic asylum trustees within the scope of these elections, but in the absence of expert knowledge it seemed to him that it would not be at all a bad thing if some men controlling lunatic asylums were to be elected by the public. He would say no more as to this. Perhaps there were reasons why it should not be so. He indorsed what the honourable member for Bruce had said in connection with the representation of the Medical School ; and he also thought, in connection with the Dunedin Hospital, that, instead of placing a young doctor who had just gone through the University in charge of the Hospital as house surgeon, they ought to employ a well qualified medical man who was recognised as a man of high attainments and who had had considerable experience in practice. He believed if they were to do that, very much greater confidence would be felt on the part of the public towards these public institutions. Mr. G. W. RUSSELL (Riccarton) regretted that he could not join in the chorus of support that this Bill had received from members of the form of electing the Hospital and Charitable Institution Boards. The change was so drastic and would involve so much expense that he was surprised honourable members did not see what was implied in it. At the present time, as honourable members were aware, these Boards were elected from the local bodies. The Bill proposed that they should bring about direct election at the hands of the ratepayers, and of persons who were entitled to

have their names enrolled as voters. "Every person entitled to vote at the election of a member of a local authority shall be deemed to be an elector under this Act, and shall have one vote, and no more." He took it that the whole County of Selwyn, of which he represented a part, would under this Bill periodically elect two members of the Hospital and Charitable Aid Boards. Look for a moment at the expense involved in that. There would necessarily be increased expenditure, because, in the first place, there would be the expense of printing the voting-papers. An Hon. MEMBER .- What does that mean ? A matter of \$5. Mr. G. W. RUSSELL asked, Did the honourable member know how many electors there were throughout the County of Selwyn ? There were seventeen Road Boards in the district, and they extended from Kaiapoi in the north, past Springheld towards the West Coast, and in another direction south until they reached as far as Rakaia. Instead of the simple method now adopted by which the Council elected its two members on the Board, they were going to bring in a system by which the whole of the road districts throughout the county, and the people themselves, were to have the responsibility thrown upon them of electing the members of the Hospital Board. Although the elections were to be held on the same day as the elections for the local authority, the Hospital Board would be debited with one-half the entire cost of the whole elections. The principle of direct election might be wise in small boroughs, but for a large district it was quite a different matter. The proposal involved an increase of expenditure. In the second place, what circumstances had arisen that rendered this system of election necessary ? He believed the whole agitation in connection with this proposal originated in Christchurch, almost exclusively from a certain small section of the community who were disappointed because the local bodies declined to put up two ladies on the Hospital Board. He admitted that ladies performed useful service on such Boards, as the sympathetic element in woman rendered her especially adapted for work on such bodies. But was the election of ladies going to be rendered easier and more certain by a Bill of this kind? He thought not, because women would usually be more likely to be elected by persons of their own sex; but under these proposals it would nearly always be the men who would go to the polls, and naturally they would elect men connected with the Road Boards or County Councils to whom in the

<page>566</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=606></url>

Under this Bill, with the enlarged franchise, there would be actually less probability of women being elected than under the present system. Under the present system pressure could be brought to bear on suburban Councils and boroughs close to cities, and the result had been in one or two cases in Christchurch that ladies had been put in. Another point was that this Bill went in a direction which they all recognised from time to time. There was a kind of feeling that the public mind should be kept in a constant state of ferment, and the idea seemed to be that in the election of these bodies by a subsidiary method the influence of public opinion was lost. He did not think so. His opinion was that, while it was right that there should be rapid and frequent appeals from this House to the constituencies on large questions, the more you could simplify the machinery of the election of local bodies the better. So far as the Hospital and Charitable Aid Boards were concerned, it was doubtful if the change proposed would improve the present system. Those elected were nearly always members of the local bodies, who had experience of public affairs, and from the districts represented by the bodies the Board drew its money. Also, the members of these bodies were familiar, in a large number of cases, with the persons who received aid, and were often able to advise the Charitable Aid Board as to the bona fides or otherwise of applicants for aid. There was another thing to be borne in mind -that in a number of cases the Counties Act was not in operation. Take, for example, the Ashley County. There the Act was not in operation. This Bill prescribed that the election of members of the Hospital and Charitable Aid Board was to be held on the same day as the election for the local authority. Now, as a matter of fact, the elections to Road Boards were in May, and to County Councils in November. That was another defect which he wished to

point out. The member for Avon told him there were eleven counties. in the colony in which the Counties Act was not in operation ; consequently, in these districts the electors for the Road Boards would be a constituency for electing two members to the Hospital and Charitable Aid Board for the entire county, thus involving still more expense. However, to hark back, a year or two ago an enlarged franchise was passed for the boroughs ; and what had been the effect of that ? Would anybody say that, with all the efforts made in certain cities-Christchurch, for example -- in endeavouring to place people on the roll, the increased number of people who voted in the last election for the City Council was a justification of what was predicted would follow ? They were told that once the enlarged constituency was given a tremendous amount of interest would be taken in public affairs. They were told the enlarged constituency was going to revolutionise the whole aspect of public affairs, so far as the local bodies were concerned. Had it done that ? Of course not. This would simply be the means of introducing a disturbing element, and would Mr. G. W. Russell expecting. He did not wish to detain the House further in connection with this matter, and, speaking for his own district, he said there was no request whatever for this measure, and there was no desire for the enlargement of the constituency for the election of these Boards. Mr. W. FRASER (Wakatipu) had listened with a certain amount of amazement to some of the speakers who had spoken on this Bill. They could not surely have read the Bill for themselves, for one and all seemed to think it was going to revolutionise the manner in which the Boards of Trustees which managed hospitals and charitable institutions were elected. It did not affect them at all. It simply referred to the election of the District Charitable Aid Board, and it was only when there were no separate institutions in a district that the District Board had anything to do with the management of a hospital. Where there was a separate institution the District Board had no more to do with the management of that institution than the members of this House had. Clause 7 of the Act of 1885 provided the manner in which members of District Boards were elected. Sections 47 and 48 of the same Act provided for the manner in which Trustees of separate institutions were elected-namely, they were elected by the members of contributing local bodies, and by the persons in each district who contributed not less than 5s. Now, this Bill did not propose to interfere at all with the elections of Boards More than one for separate institutions. honourable member had referred to the enormous benefits that were to be conferred on the country because they were going to improve the machinery by which members of Hospital and Charitable Aid Boards were to be elected. Now, this Bill did not do anything of the sort. He agreed with a very great deal of what had fallen from the last speaker, and he did think instead of simplifying this matter the Bill was going to complicate it. It would not have the effect of doing what some seemed to desire-namely, that ladies should be appointed to these Boards. He did not know that the presence of ladies on the District Boards would be a very great benefit, for District Boards in most instances had very little to do with the direct management of the institutions. He quite saw, however, that there were good reasons why ladies should be elected on Boards of Trustees directly managing these institutions ; but this Bill, as already shown, was not going to help that. He thought no measure affecting such a large question as the management of hospitals and charitable institutions should be proceeded with in a hurry. He would suggest to the Minister that he should take the second reading of the Bill that night, and then allow the Bill to be circulated through the country, and thus get an expression of opinion on it. In its present form he did not think he could support the Bill. The Bill provided for two kinds of electorates-the counties and the boroughs, in each of which there was a different franchise. It would be better to pass

<page>567</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=607></url>

would be on the same footing. No one, however, supposed for a moment that the Counties Bill was going to be passed this session, and that was another reason for not proceeding with this Bill this session. Mr. ELL (Christchurch City) expressed surprise at the attitude assumed by the honourable

member for Riccarton. If his memory served him right, he was on a platform with him in Christchurch when there was a big discussion on this very question, and complaints were made as to the management of the Charitable Aid Board, and recommendations were then made as to the Boards being directly elected. The honourable member knew that for years there had been a fight going on in Christchurch to get women on the Boards, with the result that one was elected, and was still a member. An HON. MEMBER -Do you think they will get on under this Bill ? Mr. ELL said he did. He believed public opinion was in favour of women being on these Boards, and, if public opinion had the opportunity of expressing itself, public opinion would put women on these Boards. The Bill might not go as far as he would like it to go, but he would accept it as a measure that was, at any rate, in the right direction. At Home a fair proportion of the members of the Boards of guardians were women, who were elected directly by the district electors. The same applied to the School Boards. He would certainly like to see women on the Charitable Aid Boards in this colony. The Christchurch Charitable Aid Board had said they welcomed the presence of a woman on their Board ; her services, they considered, were of immense benefit to them. As to the statements made by the member for the Bay of Plenty, he agreed with the member for Waihemo that, as the matter was one particularly affecting the poorer classes, the franchise should be made as wide as possible. The honourable member for the Bay of Plenty must surely know that out of the Consolidated Fund 24s. in the pound was given to the local authorities by way of subsidy. In fact, more money was paid out of the consolidated revenue towards the expense of hospitals and charitable institutions than came out of the local taxpayers' pockets. That was certainly a strong argument why the franchise should be widened considerably more than it was at present. Mr. FIELD (Otaki) agreed with those members who had spoken in favour of the Bill passing its second reading and then being circulated among the local bodies, so that next year everybody's mind might be ripe to legislate on the question. The measure introduced a decided innovation in the method of the election of local bodies-namely, the one-man-one-vote principle. That was a matter of consequence ; in fact, it was of vital importance. It was a burning question in elections of the kind, just as it was in the case of the election of County Councillors. The Bill was in an incomplete, not to say in a crude, state, and would require a good deal of attention in Committee. Take, tions,- " From and after the passing of this Act all elections of members of a District Board under section seven of the principal Act shall be held according to the provisions of this Act." Well, section 7 of the principal Act was divided into two parts, and there was nothing in the new Bill to say what portions of that section should be repealed, and what portions should not be repealed. In fact, the new Bill provided two methods, standing side by side, for the election of members of Hospital and Charitable Aid Boards. It was quite unusual in a new Bill not to provide a statement of what should and should not be repealed. That was one matter that required attention, and there were a number of others. It was a very short Bill ; whereas a very long Bill would be required to meet the purpose. Furthermore, the Minister had not impressed upon the House sufficient reasons to indicate the necessity for it. He had not heard any complaint from any local body as to the present method of election. The only members of local bodies to whom he had had an opportunity of mentioning the Bill at all had expressed themselves decidedly against it. He thought the Minister should be content to get a second reading, and then have the Bill circulated, with a view to its being maturely considered before next session. Mr. BUDDO (Kaiapoi) said he had no objection to this alteration of the law to put the election of members of Hospital and Charitable Aid Boards into the hands of the whole of the ratepayers, though he was not aware of any strong public feeling for a change from the present system. There were some country districts which would scarcely come under this Bill, such as Ashley County. The local bodies under the present Act had been able to get representatives from country districts who did very well ; but there were few who cared to take up the work. Where the Counties Act was in suspension the difficulty was got over by calling a convention of the local bodies to appoint those gentlemen who had

the time to spare. Now, where the Counties Act was in suspension-such as the Ashley County-there was no machinery in this Bill to provide for the election. It seemed to him that this Bill would almost require to be redrafted to meet the circumstances he had mentioned, and if the Minister was going on with the Bill he would point out that the Bill ought to be referred to a Committee-he would suggest the Counties Committee. At all events, it would be a very difficult matter at this time of the session to pass this Bill, which required several amendments ; and he hoped that if the Bill was to be proceeded with measures would be taken to make it as perfect as possible. Captain RUSSELL (Hawke's Bay) would like to point out to the House that, though in theory the proposal in this Bill might appear sound, in practice it would not work. It was a notorious fact that, except on rare occasions, you could not get local elections carried out with any vigour at all. You could not get

<page>568</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=608></url>

or Road Boards, or even Municipalities, or even a Mayoral election. It was a matter of great difficulty, without some popular cry, to induce the people to abandon their apathy about local elections for a short time. The result was that, as a rule, one-half of the electors on the electoral roll did not take the trouble to attend to local elections. They had another illustration of this. It was held, he believed, by both sides on that very perplexing question of licensing elections, that unless you had the poll of the licensing elections taken on the same day as the general election you would not have representative voting. Well, if on so burning a question as a licensing election, and with the little trouble involved by municipal elections, you could not get the people to record their opinions, was it likely that the election of two persons to a Hospital and Charitable Aid Board, about which, as a rule, very little interest was manifested, would compel people to the polls? Was it likely that those people who were specially anxious to see women elected as members of Hospital and Charitable Aid Boards would see their wishes given effect to under this Bill ? He did not think so at all. However right in theory it might be - and he had grave doubts about its being right in theory -to consult the people on every paltry question in the country, practically it would be found they would not attend. He cordially agreed with honourable members who had urged that the Bill should be postponed till next session. He did not think they ought to pass the second reading of the Bill. Passing the second reading of a Bill was affirming its principle, and therefore if they did not intend to affirm the principle of a Bill they should not pass its second reading. He did not think any person, Minister or member, who introduced a Bill ought to be paid the empty compliment of the passing of the second reading of his Bill unless the House by a fair majority was of opinion that the principle involved in the measure was a right one. He did not think such was the case in view of the fact-he would not say the fact, but the possibility, that was a better word-that there might be a new Local Governing Bill next session, he thought the less tinkering there was at local government institutions the better. He wanted to see a comprehensive Local Government Bill dealing with all local questions, and he thought this matter ought to wait till Parliament was prepared to deal comprehensively with the whole question ; and the time for doing that would be indefinitely postponed if they kept on increasing the number of small governing bodies and altering the methods of administration. If Parliament was genuine in its desire to deal with the local government system, the only way was to leave individual matters alone until all could be dealt with. He did not think they would get a Counties Bill this session, and they were not advancing the solution of the question by increasing the number of counties and tinkering with the elections. For his part, he hoped the House would not agree to Captain Russell's suggestions were to be dealt with, let them be submitted to a conference of the local bodies. Let the whole question be threshed out in Wellington by a conference of delegates from the local governing bodies, and let them submit a matured scheme to the House, and in that scheme he would say let them have the benefit of the experience of practical men who had to administer the Act. Then possibly they might arrive at something satisfactory ; but so long as they

dealt with the matter empirically, attacking it piecemeal, they would only be going from bad to worse, and postponing the day-which he hoped would soon come-when they would have a better system of local government. Mr. BARCLAY (Dunedin City) said the principle of the Bill was a good one. It had been objected that even if the franchise was given, as was proposed under it, but little interest would be taken in the matter of the election, and the case had been cited of elections for Mayor, Councillors, et cetera, where very few votes were recorded. He did not regard that as a sound argument, because, even if small interest were taken, it did not follow that a bad Board or a bad Mayor would be elected ; and the great point was that if a point arose which vitally affected the institution the people should have the opportunity and power of exercising their votes in regard to it. The Bill was not complete, as it did not, so far as he could understand, deal with "separate institutions." There was no provision in the Bill which gave any other franchise in respect to the election of the Trustees or Governors of these separate institutions than existed at present Clause 46 of "The Hospitals and Charitable Institutions Act, 1885," provided that, -- "Every such incorporated institution as aforesaid shall be governed by not less than six nor more than nine Trustees, to be elected by the contributors for the time being to such institution ; together with not more than five other Trustees, who may be elected by the local authorities for the time being contributing to the funds of the institution. " A local authority shall be deemed to contribute to the funds of a separate institution when it contributes any sum to the District Board for the purpose of the same being paid to the separate institution." The franchise by which the Trustees who governed these separate institutions were elected did not seem to be touched by the Bill, and as there were a considerable number of them in the colony, he thought to make the Bill complete they should be included in the scope of the measure. He was astonished to hear the member for Riccarton, who had himself introduced a Bill to enable women to occupy any office now occupied by men, object to this extension of the franchise, which would enable a very large number of women to vote in regard to this question, and perhaps to place one of their own number on some of these Boards. The honourable gentleman's

<page>569</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=609></url>

under this Bill would vote for the same persons for the Hospital Boards as they would for the local bodies. He did not think that would be the case at all, and he would endeavour to show how, in his opinion, women would have a better chance of being elected to Hospital Boards under this Bill than they had now. The electors under this Bill would be both men and women ; they were both men and women now, but when they elected members of the local bodies, such as County Councils, Borough Councils, and so on, very few women ever sought for or desired a seat. Very few women ever wished or desired to be elected to Borough or Town Councils. There might be an improvement, perhaps, if sometimes they did have women to sit on these bodies, but very little desire seemed to be evinced by women to occupy seats when an election took place to these bodies. Clearly, then, the women naturally enough had voted for the male candidates ; there was little or no competition. There was no desire that any women should sit on them, and consequently women as well as men voted for male candidates ; but when it came to Hospital and Charitable Aid Boards -when it came to Trustees who had a hospital in charge-then it was a different matter. If women were to vote direct for the members of these Charitable Institution Boards, in which they were greatly interested, it was quite probable they might elect some of their own number upon them. He would like to add a word to what had been said by the member for Bruce, Mr. Allen, in respect to the Hospital in Dunedin in connection with the Medical School there. The Medical School in Dunedin had been so far a singularly successful school. It had turned out a number of very excellent medical practitioners-medical practitioners who were recognised as excellent men by the profession and by the country generally. These men were scattered up and down the colony ; they were doing exceedingly good work, and they were very much appreciated by the people. Now, there was a danger that this school

in Dunedin, owing to certain requirements-owing to certain disadvantages under which it laboured-would not be able to complete the course of its students so efficiently as the Home universities could. As a result of these disadvantages the students, after getting part of their course there, were getting into the habit of going Home to finish. The result was that the number of men turned out completely qualified in New Zealand was decreasing, and was likely to decrease, unless further opportunities were given to them for clinical study, and certain other branches of study that were necessary for their diploma. To obtain these things it was advisable that the University Council should have some intimate connection with the Hospital, and it was suggested that in Dunedin, at all events, the University Council there ought to have the opportunity of nominating or electing some of the Governors or the Trustees of the Dunedin Hospital. He did not think there was any very serious objection to it, so long presentatives on the Board of Trustees. He thought the people of the city would be very well pleased that it should be so, and he thought, on general grounds, for the sake of the benefit to a school which was a credit and honour to the country, and in which a considerable amount of public money was sunk, a step of that kind ought to be taken. In order to do that it would, of course, be necessary to introduce some clause to that effect in the Bill now before the House. He did not know that it was necessary at this time of day to argue on the principle of the popular right involved in such a question as this. It had been well said that the people who might at some future time chance to be inmates of a hospital had as much or more interest in the proper control and upkeep than anybody else. He would support the Bill, and did not see any reason why it should stand over until next session. Mr. LANG (Waikato) said he would like to again bring under the notice of the Minister the case of the Waikato Hospital. It was not his intention to go into details, for the Government had been furnished with all the particulars of the case. He only wished to point out that a large number of patients came from Rotorua and the King-country to the Waikato Hospital, and, as there were no local bodies in those districts, no one contributed to the funds. A large number of co-operative workmen were employed on the North Island Main Trunk Railway, and, when illness or accident occurred, almost without exception they were taken to the Waikato Hospital. In the old days the contractors contributed largely to the funds, but since the co-operative system was introduced the Government had failed to contribute anything. He hoped the Government would introduce legislation this session to deal with this matter, or, failing that, that they would place a sum on the supplementary estimates for it. Mr. McNAB (Mataura) indorsed the remarks of those honourable members who asked that some provision should be made regarding the control of the Dunedin Hospital. As one who had had intimate knowledge of the Medical School at Dunedin, he might say he thought they were voicing the opinions of all well-wishers of the Otago University in asking that special provision should be made. It was not the object of the Otago University to get control of the Dunedin Hospital ; but in arranging for lecturers in the various subjects of medical knowledge it was found that, unless they had those who were also appointed lecturers in the Hospital, a great loss of teaching-power would be the result. It would be advisable, in the interests of the Hospital, and also of the Medical School, that those who had control of the Hospital and those who had control of the Medical School should have between them the right to appoint surgeons and physicians and professors in the various departments in the Dunedin Hospital. He hoped that when the Bill got into Committee the Minister would keep an open mind on the matter, and would

<page>570</page>

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accept proposals that had for their object the advancement of medical teaching in Otago, and would not lose sight of the proper control of the Dunedin Hospital. Mr. TANNER (Avon) said it was a singular thing, with regard to the matter under consideration, that the Charitable Aid and Hospital Departments together annually cost the colony £60,000 or £70,000, and yet the former was never reported upon to the House. Every petty department of the public service annually presented a report to Parliament, but the whole of

this vast sum was spent year after year under the ægis of an official who during the last fifteen years had drawn £20,000 from the funds of the colony, and yet the House was never informed of the working of the Charitable Aid Department. In Committee he would ask permission to attach a new clause to the Bill making it compulsory on the Minister in charge to annually present a report to the House with regard to the operation of the Acts affecting this branch of the public service. Another point he wished to call attention to was this : With regard to the Hospital Boards, which administered funds half the total of which came from the coffers of the State, he might point out that members of the House had the right to inspect gaols, lunatic asylums, and other public institutions, and it was within his own knowledge that the officials of hospitals had refused permission-as a right-to members of the House to inspect those buildings. Members of the House had been under the impression that whatever institution was subsidised by the State, or kept up by the money of the State, was at the discretion of members to visit and inspect within reasonable hours. He knew that that assumed right had been disputed, and successfully disputed, by the officials of a large public hospital in the colony, and that was not one of the things that made for publicity. Mr. T. MACKENZIE .- They do not want publicity. Mr. TANNER said he knew they did not, and he knew, in common with many other members of the House, that if a large flood of light could be thrown on these institutions more satisfaction would be given to the general public, because the general public were deeply interested in the management and administration of these institutions, and looked to members as a safeguard. In these days, when scientific treatment of the highest character could only be obtained in the public institutions by a vast section of the population of the colony, it was a matter imperative on the House that the administration in these places should be of the best character, and that it should bear the test of God's daylight. And he was sorry to say this was not the case in all these institutions at the present time. Publicity, publicity, publicity : why, it was the true safeguard of all administrations ; but the hospital authorities had an impression that the more they could shield their administration from the public gaze the easier their lot became. With regard to the Bill, he had always been of opinion that all the Mr. McNab | positions which dealt with public administration, except in special cases, should be filled by men elected by the popular vote, and that women should not be debarred from seats on these Boards. He knew feeling had been excited in various districts in this colony on the subject. It might be that the contention of the honourable member for Riccarton might have some modicum of truth in it-that it might be rather a clumsy method of achieving the object they had in view. All the same, he must point out that if the public, as he believed them to be, were deeply interested in the efficient management of these institutions, the public must give itself a little trouble in order to elect the members who controlled them. Mr. G. J. SMITH (Christchurch City) said he understood the principle of the Bill to be the question as to whether the government of Hospital and Charitable Aid Boards was in touch with the people of the different localities, or whether some amendment was required. Now, as to whether the demand for an amended system of government was general or not, he could not say, but he could say that, as far as the City of Christchurch was concerned, there had been attention given to this subject, and there had been a demand that the government of these institutions should be brought more directly in touch with the people. As to the inspection of hospitals, referred to by the member for Avon, he had not had much experience, but he had had the pleasure of going over the Christchurch Hospital, and he believed in that institution they welcomed the closest inspection, and offered every facility for members or public men seeing how the place was conducted. Mr. TANNER .- They recognise no right. Mr. G. J. SMITH did not know that the right of a member to go into a good many public buildings was recognised. As a matter of fact, by courtesy they might be allowed to inspect, though the right to do so might be denied. Now, the objection he had heard raised to this Bill was that we should wait for the Local Government Bill. Well, if we were going to wait for the local Government Bill we would wait a long time. Since 1893, to his knowledge, we had been anticipating a Local Government Bill-we had been promised a Local

Government Bill. He believed & very good Bill was drafted this year and referred to a special Committee, but he understood there was considerable doubt as to whether there would be even a small remnant of that Bill returned from the Committee : and, that being so, it seemed to him almost hopeless to get a Local Government Bill through the House unless there was a special session of Parliament to deal with it. In the meantime the hospital and charitable aid system was going on, and the matter required dealing with. In regard to some of the hospitals in the colony, there had been a difference of opinion as to the management, and the people had demanded that they should be more directly represented on the Boards of management ; and this Bill, he took it, simply affirmed the principle that the election

<page>571</page>

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of members to Hospital and Charitable Aid | sibly, in the Bill. There were, he believed, forty- Boards should be more direct than it was at the present time. With that object he had every sympathy, and would therefore support the Bill. The member for Otaki complained of the drafting of the Bill. That was an objection we often heard in the House. We were told every year that the business of the House was well forward, and measures ready to be introduced, and yet towards the close of the session we found evidence in these Bills that there had been a great deal of haste in their compilation. This Bill might need amendment in Committee, but it was quite possible for the Committee to amend it and make it a workable measure. The Minister in charge of 11.0. the Bill was anxious that the principle of direct representation should be affirmed, and that the Committee should assist him to make it a workable measure by dealing with it clause by clause. . The Bill itself was simple, and he had no doubt the House would pass its second reading and proceed to consider it in Committee. Mr. HOGG (Masterton) thought that this Bill, though a simple one, was likely to prove beneficial. In the past, he regretted to say, but little interest had been taken in many of the hospitals. Some of them had been to a large extent exclusive institutions, and this was chiefly due to the fact that the Board of management or Trustees were not elected on a popular franchise. They were elected by local institutions or by a few subscribers, and it was well known, with regard to certain country hospitals, that the Trustees virtually elected one another. Now, if the Trustees or the Board were elected on a broad franchise, it followed that the people would take a larger interest in these institutions than they had hitherto done. It was very desirable that the management of some of them should be improved, both in connection with contracts and other matters. There had in some cases been a great deal of laxity in the control over the expenditure. What happened was this : A good many small townships had their own hospitals, and these hospitals were brought into competition with each other. Under the present system, seeing that they had only to make a levy on the local authorities, the cost of maintaining these institutions was becoming heavier and heavier. No longer satisfied with the buildings or with the sites they possessed, every new set of managers, emulating the proverbial broom, wanted them altered. They wanted other sites, and in place of wooden buildings they wanted to substitute stone or brick. Hence some of the institutions hitherto pronounced efficient were now being carried on in such an elaborate way that they were going to be a source of very heavy expense to the taxpayers of the colony. To correct that, the sooner they were placed under popular control the better it would be for every one concerned. The only way in which they were likely to insure good results for the patients, and an efficient management, was by popular control. There was one defect, pos- three hospitals in New Zealand, and out of that number twenty-two, or more than one-half, were incorporated institutions managed by Trustees. He was not very sure that the Bill made provision for institutions of that kind. It dealt with united institutions, but apparently did not take into consideration the necessity for reforming the franchise with regard to the election of Hospital Trustees apart from Charitable Aid Boards. He hoped, when the Bill was in Committee, that the omission would be taken into consideration, and, if there was any necessity for it, that the Bill would be so amended that the same popular franchise would be made to apply to the

management of every hospital in the country. Mr. R. THOMPSON (Marsden) said he had been listening for some time to the various speakers, and had noticed that not one of them had a good word to say of a member of a Hospital Board. He had never had the honour of being a member of a Hospital Board himself, but he knew that it was a very thankless position, and that in many parts of the country it was difficult to get any one to take it. He thought that those who had been doing good work in this district would think it very hard that member after member of the House should get up and speak slightly of the work they had been doing for many years. He might say he had listened attentively to the speech of the member for Dunedin City (Mr. Barclay). He was unable to understand what the honourable gentleman was talking about. He talked about all sorts of things except the Bill. Then, the member for Maitland talked about medical schools, and he could find nothing of the kind in the Bill. Whether it was intended to make a new Bill of it in Committee he did not know. Other members had gone in the same direction, and had never touched upon the Bill at all. He failed to see what better Boards were to be got out of this Bill than at the present time, as it contained the same franchise, and did not propose to alter it. In the North he knew there was considerable trouble in getting any person to go on a Charitable Aid Board. He was rather surprised at the member for Avon complaining that members of Parliament were not permitted to visit these institutions. He had no personal experience of this kind, but he must say that members were too fond of poking their noses into places where they had no right, and very often presumed on their position in this respect. He thought it was for the medical officer to say whether patients were fit to see strangers or not, as patients might be in such a condition that the admission of visitors might injure them. There was not very much in the Bill, but he failed to see the necessity for it. Mr. HALL - JONES (Minister for Public Works) must confess that he had been somewhat surprised at the reception which this Bill had met, because he had expected support from some of those who opposed the Bill - he expected that a hearty support would be given by them to the measure. Now, what was the Bill ?

<page>572</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=612></url>

critical time of a man or woman's life, the managers of the institution in which he was placed should be responsible to the electors of the district for his safety and comfort. Now, was there any more critical time in life than when overtaken by a serious illness or accident -and those who visited our hospitals and saw the patients would understand the position ? They had an instance given to them in that House not many weeks ago of a man suffering from a serious illness who was not provided with the necessary conveniences which he should have been supplied with. He believed the statement of the honourable member for Waihemo to be correct, and he ventured to say that no such instance as they had heard of then would have occurred if they had had as managers, or as the Board of managers of that institution, men who were elected by the electors of the district. An Hon. MEMBER .- Why did not you agree to an inquiry ? Mr. HALL - JONES said the honourable member knew why the Government did not give an inquiry. Any member of that House, or any man or woman in the colony, might at one time or another be an inmate of a hospital, and be suffering from something by which his life and the future of those dependent upon him might be at stake. He thought there could be no difference of opinion but that, at whatever cost, our hospitals should be provided with every convenience and every appliance for the comfort of the inmates of the institution. The ratepayers of the colony had to find the money for these institutions ; and was it not right, therefore, that they should elect those who managed these institutions? To many men-to most men-it was more important to have the election of members of Hospital Boards on a broad basis than it was to have members of that House elected on that basis; because a man's money and his possessions might depend upon what took place in that House, but his life was at stake in the hospital. Certain objections had been raised to the Bill. It had been said that the members of the Hospital Boards were at present elected by the representatives of the people. But, to follow out that system with

regard to that Chamber, suppose you had the members of that House elected by the representatives of a local body --- An Hon. MEMBER. - Who elects the Legislative Council ? Mr. HALL-JONES .-- The representatives of the people through the Ministry of the day, and the general opinion throughout the colony . as that they had a Legislative Council now more in touch with the wishes of the people than they ever had before, and honourable members knew it. Now, in electing a member of a County Council or a Borough Council what did they look for ? They looked to obtaining a man as & representative who had a knowledge of road-construction, of bridge-construction, or, on the other hand, he might be a good business-man, in- Mr. Hall-Jones lings, and pence. Then, what man should be 1 elected to look after the care of the patients in a hospital ? They wanted a kindhearted, a humane, and also a business-man as & member of a Hospital Board ; whereas on a Borough Council they wanted a business- man. With regard to those who said that the present system was perfect, and capable of no improvement, and that it was right to leave the election of such Boards to some six or seven members of a County Council or to some ten or twelve members of a Borough Council, instead of leaving it to the electors of the whole district, he said that they did not understand the wishes of the people of the colony. During the present session petitions had been presented, and he had had scores of letters from all parts of the colony, asking that such a proposal should be brought forward, and members from various parts of the colony had also brought the matter under his notice, and the result was the Bill they had now before them. Now, the provisions of the Bill were extremely simple. It provided that the Boards should be elected in the same manner as local bodies were elected now. Instead of the members of the County Council or the members of the Borough Council appointing a representative, they had the whole of the people of a district electing the representatives, in the same manner in which the members of the County or Borough Council were elected. In the machinery clauses everything was provided for, barring, perhaps, one thing, and that was, Who should be eligible for election to the Boards ? Now, if honourable members would look at clause 5 they would see that it read as follows :- "Every election under this Act shall be held on the same day and in the same manner as in the case of members of the local authority ; and it shall be the duty of the local authority to do all such things as are necessary, or as the Governor by regulations prescribes, for the proper holding of every such election as often as occasion requires." What did that mean ? What was the manner in which the members of local bodies were elected ? They were nominated, notifications of their nomination were given. ballot-papers were printed, there was a day for their election, and there was a day for their being returned as members of the County or Borough Council ; and all this applied, under clause 5, to \---- the members of Hospital and Charitable Aid Boards. The member for Dunedin City (Mr. Barclay) and the member for Bruce had raised a question that had not occurred to him -- that 1 was, the election of representatives by members of Medical Boards. He was very doubtful of the advisability of this being done. It was entirely new to him, and he did not see why they should be specially represented, seeing that they were not contributors to the cost of these institutions. Mr. BARCLAY said that in Edinburgh the University had that privilege. Mr. HALL-JONES thought the honourable member would find they were under a different

<page>573</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=613></url>

New Zealand. Where they had so large a part of the cost borne by the State, he was of opinion that only those should be members of a Board who were elected by the people. The member for the Bay of Plenty had objected to the " one man one vote." As he (Mr. Hall-Jones) had said before, seeing that all classes were so interested in these institutions, it was only right and proper to say that there should be "one man one vote " on this question. With regard to the question raised by the member for Avon, he would point out that there was a report laid upon the table each year referring fully to the hospitals of the colony. Mr. TANNER .- Yes ; but not to charitable aid. Mr. HALL - JONES said the honourable member would find in

that report the receipts and expenditure in connection with charitable aid, but there was no special report. Now, with regard to the case mentioned by the honourable member for Riccarton about the Selwyn electorate, it was a large electorate, with a population of something over thirty thousand ; but if, as provided in the Bill, the election of the member of the Board was held at the same time as the election of the member for the County Council the only additional cost would be the printing of the ballot-papers, and for that he believed the whole cost would not be more than from £5 to £7 10s. for the whole county. A Returning Officer had to be appointed for the election of members of the County Council, and the only extra cost for the election under this Bill would be the cost of the ordinary advertising and the printing of the ballot-papers in connection with this matter. He was confident that the Selwyn County would not grudge the £5 or £10, cost of printing ballot- papers. Honourable members had suggested that the Bill should be held over till next session, because the Counties Bill would not be passed this year. Why not pass this Bill now, and, if the Counties Bill did not pass this year, include it in that Bill next year? The Act would have had a year's trial, and any amendments which were found to be necessary could then be embodied. He hoped the House would not oppose the second reading, but would even allow the Committee stage to be taken that night. Bill read a second time. TRUSTEE BILL. On the question, That the amendments made in this Bill by the Legislative Council be agreed to, Mr. SEDDON (Premier) said the amendments made by the Council seemed to be that they had included a clause with respect to property which trustees were not allowed to include at present in trust estates. He was not sure that it was a wise thing, and he should think, if amendment was necessary, it should only have been done by order of the Court. It should have been safeguarded so that the Court might order it. He would move, That the House disagrees with the amendment, with the VOL. CXIX .- 38. believed it should be safeguarded. Motion agreed to. Mr. SEDDON moved, That Mr. Atkinson, Mr. McNab, and the mover be a Committee to draw up reasons. Motion agreed to. PUBLIC TRUST OFFICE BILL. Mr. SEDDON (Premier) said that the amendments necessary in this Bill were of a purely technical character. In the operation of the existing law it had been found inconvenient and conducive to loss, and unless a change was made some estates were bound to suffer. There were many estates of a certain class that came into the hands of the Public Trustee, who desired to sell. The majority of those interested desired that a sale should take place, as it would be in the best interests of the estate. Some of the beneficiaries, however, might be in the Old Country or elsewhere, and could not be communicated with or become parties to the sale, and, in the meantime, as the law now stood, the Courts could not order a sale, and thereby there was a loss to all concerned. The Public Trust Office, in the course of its administration, had found it was necessary. The Board itself was composed of men who had only the one interest at heart -they wished to do the best possible in the interests of those concerned - and he thought it would be safe to amend the law in the direction indicated by the Bill, and allow the Board, under the circumstances, to dispose of a property. He might give a case in point : Under the law at present, a land might become burdened with noxious weeds, and if it was not cleared heavy charges might be made against the estate ; while if the land could be disposed of at once it would be in the best interests of those concerned, and would relieve the Board from a loss which was caused as the law now stood. He moved the second reading of the Bill. Mr. HERRIES asked if the honourable member would explain the clauses of the Bill. Mr. SEDDON said he would do so. There were only three clauses in the Bill, and their object was simply to give the Board power to dispose of the property. At present no sales would take place unless the parties interested were consenting parties. That was all that was in the Bill. Mr. G. J. SMITH (Christchurch City) said he had followed the Premier's remarks very closely, but did not understand the intention of the measure from the speech delivered. The marginal note of section 24 of the Public Trust Office Consolidation Act of 1894 was : "Where next of kin cannot be found, Trustee may pay residue of estate to widow." That seemed to be a totally different clause from the one the Premier was speaking about. Mr. SEDDON. - No. Mr. G. J.

SMITH said the Bill before the House said :- Section 2 .- "The principal Act is hereby amended as follows : (1) As to section twenty-

<page>574</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=614></url>

original enactment, saving only as to anything heretofore lawfully done under the same section or any rights heretofore created thereby." Well, it seemed to him there ought to be good reason given for proposing to amend the section in the direction indicated. If the next of kin could not be found, surely the residue of the estate should be paid to the widow. Mr. SEDDON said she would only get her share, her third. Mr. G. J. SMITH said, If no other next of kin could be found- Mr. SEDDON said, That was the difficulty. As far as the widow was concerned, they could deal with her, but unless they found the next of kin the whole thing was hung up. Mr. G. J. SMITH said, As he read the Act, if they could not find the next of kin the Trustee was to pay the residue of the estate to the widow. Mr. SEDDON said, No ; the Court would not issue the order. Mr. G. J. SMITH said that was the effect of the section proposed to be repealed by the amendment. Then, section 27 of the Act of 1894 dealt with the general powers of the Public Trustee, and the proposed amendment would have to be carefully considered. The Bill was a technical one, but he thought it would be well that some of the members of the legal profession should give members information on the point. Captain RUSSELL (Hawke's Bay) said he was, unfortunately, unprepared to make a speech on the Bill. The honourable member for Christchurch City spoke of the Bill as a purely technical Bill ; it seemed to him to be quite the reverse. He had before him the provisions of clause 27 of the original Bill, which they were invited to repeal, and he would ask the House to remember that the right honourable gentleman in introducing the Bill gave no reason whatsoever for the alterations. There was a mere alleged necessity, but members had not heard any special cases which were so hard that it was necessary to introduce legislation to effect a change. Now, he found that the proviso to clause 27, which was to be repealed, gave ample power to deal with an estate by order of a Judge of the Supreme Court, which could be granted on the application of the Public Trustee. By this Bill, so far as he had been able to understand it after a most perfunctory reading of it, the Public Trust Office Board might order an estate to be sold, and apparently there was no procedure to especially safeguard the interest of infants the beneficiaries of the trust. That was, that, without any appeal to the Supreme Court, the property might be dealt with. Surely in dealing with a trust property there could be no great hardship when so little delay was involved as an appeal to the Supreme Court, and before the Supreme Court good reasons could be shown for dealing with the estate. Mr. SEDDON .- That is the trouble ; there is no power to do so. Captain RUSSELL said that was a question Mr. G. J. Smith would appear to him that where there was power given to the Supreme Court to deal with a question, surely it was unwise to take that power away from the Court and vest it in the Board of the Public Trustee. He should prefer very much to have the sanction of a Judge of the Supreme Court after the case had been argued, if there was any necessity for argument, rather than that the Board which was administering the trust should have the power itself to dissolve the trust. He thought a great principle was involved in the departure from sound principle by superseding the Supreme Court and placing absolute power of sale in the hands of a comparatively irresponsible body. Mr. W. FRASER (Wakatipu) said he was surprised that the House had displayed such equanimity in the approval of this Bill. It was a most important departure. The Act which they were working under said distinctly that the Public Trustee should not exercise the powers under section 27 without an order of a Judge of the Supreme Court. The House was going to repeal that, and to say that in the future the Public Trustee should not exercise these powers without being authorised by the Public Trust Board. Well, he might be wrong, but he did think that a Judge of the Supreme Court would be a far better person to decide a question such as this than the Public Trust Board. When an order of the Supreme Court was required there was an opportunity given of going into the matter thoroughly, and

publicity would be given to it ; but, if it was left to the Board alone to decide, no one would know anything about it. The Public Trustee would refer to the Board, advising that it was necessary to sell the land in question, the assent of the Board would be given authorising it, and the thing was done. When a property was placed in the hands of the Public Trustee it ought to be conserved better than that, and one should know that the Trustee could not at any time deal with it by way of selling the land belonging to the trust without the authority of a Supreme Court Judge. That was a great safeguard, and yet the House was quietly going to allow an Act to be passed removing that safe- guard. Mr. SEDDON said the honourable member knew perfectly well that the Court only sat periodically, and that there might be an interim during which it was material something should be done. An Hon. MEMBER .- The Court sits twice a week. Mr. SEDDON said there were times when the Court did not sit. He was not one who wished to take any power away from the Court, but, when it was reported that it was in the best interests of an estate that the Board should have power to dispose of an estate or property, why should they sacrifice the best interests of those concerned ? The law as now interpreted was that they must consult the Court, or obtain the consent of the whole of the bene- ficiaries. This was impossible, as many of

<page>575</page>

<url><https://babel.hathitrust.org/cgi/pt?id=uc1.32106019788261&seq=615></url>

whilst others were under age. He had cases quoted by the office, and if he showed those cases to honourable members there would be none who would hesitate for a moment. It had been held that the whole of the parties must consent, and when one was a child of twelve years of age the estate had to be kept -- An Hon. MEMBER .- The Court can give consent. Mr. SEDDON said, No; that was why he wanted to amend the Act. At the present time until the youngest child came of age the rule was that no order could be made. He considered the interests of those concerned ought not to be sacrificed. There was no clashing between the Court and the Public Trust Office, and no taking away from the Court power ; but authority for realisation, which at the present time the law did not give, was given, and the want of this, the Public Trustee assured him, caused serious loss. The Board consisted of business-men, and was not likely to order the realisation of properties unless in the best interests of the parties. Honourable members knew the composition of the Public Trust Board, and, taking the constitution of the Board, they could not suppose that it would be likely to do what was unwise or improper. If they found in the working of an institution like the Public Trust Department there were difficulties, then in the best interests of those concerned they should remove them. It lay on those opposing the measure to show that there were good grounds for refusing what the Public Trustee and his legal advisers said was necessary. He could give cases. There were cases in which the parties could not consent because they were not of age, and the result was that the property was injured. Bill read a second time. CHATHAM ISLANDS COUNTY BILL. Mr. SEDDON (Premier), in moving the second reading of this Bill, said at the present time there was no local government at all in the Chatham Islands, and this Bill was to introduce the same system of local government there as prevailed in the colony. A Bill had been drawn up last year to deal with this question, but the machinery had been found to be altogether too elaborate, and the Government considered the best way to meet the difficulty was to allow the present Counties Act to apply. Mr. PARATA (Southern Maori) said it appeared that the effect of this Bill would be to impose taxation on the Natives, while the Natives themselves would get no benefit at all from it. As this Bill very closely affected the Natives, he asked Mr. Speaker to rule whether it should not be translated into the Maori language. He asked the Deputy - Speaker's ruling. Mr SEDDON said he had no objection to the postponement of the Bill if the honourable members desired it. It was, however, really in the interests of the Maoris. Mr. DEPUTY-SPEAKER said, If it was admitted that the Bill affected the Natives the Bill must be interpreted ; it would therefore stand over till the following day. NEW ZEALAND ENSIGN BILL. Mr. SEDDON (Premier), in moving the second reading of this Bill, said it amended the Bill of last session in the direction

indicated by the Imperial authorities. As passed last session the Admiralty took exception to it, because it meant that any vessel registered in New Zealand would be able to use the ensign as the New Zealand flag. Whilst this was contrary to Admiralty rules and conditions, they asked that the matter should be reconsidered. They never intended it to be so ; they claimed the right to use the flag on New Zealand steamers. That had been given by the Admiralty in 1869. They wanted it to be the flag of the colony, and to prevent what sometimes happened, when the New Zealand flag had been used for advertising and other purposes, which placed the flag in a position they did not like. The Bill of last session was not refused, but in a very courteous way it was pointed out that there were difficulties in the way, and this Bill was to remove those difficulties. The Government thought the best course was to bring the Bill down. They claimed their right under the charter of 1869-namely, so far as New Zealand steamers were concerned, they could use the flag without having upon it the disc which had been ordered by the Board of Trade in respect to other steamers. Mr. FISHER (Wellington City) said there was a flag with a blue ground and with what pretended to be the Southern Cross on it placed on the wall in the library building, and he understood that that flag was exhibited in all our public schools as the flag of New Zealand. First of all, the flag did not correctly represent the Southern Cross. Mr. SEDDON must confess that he did not accept any responsibility for what was posted up in the lobby. Mr. FISHER said it was an official representation, he understood, of the New Zealand flag, issued by the Education Department. Mr. SEDDON .- That is only on paper. Mr. FISHER said he would like to know who the ignorant person was who designed the flag which was intended to place before the school-children of the colony a representation of the Southern Cross. Any New Zealand child taught to believe that that flag, which was ordered to be posted up in the schools, contained a true representation of the Southern Cross would grow up in a state of ignorance ; and if the child went to any other country and said that that was the Southern Cross it would be asked, "My dear child, where were you educated ?" And the child would reply, " In a State school in the Colony of New Zealand." Of course, it had nothing to do with him (Mr. Fisher), but it had something to do- Mr. SEDDON .- Are the stars not in the right position ?

<page>576</page>

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were five stars in the Southern Cross, and not four, as shown in the flag, and the Cross, whether composed of four or five stars, was not in the right position. He did not want to meddle in the matter ; it was sufficient for him to have called the Premier's attention to it, and, having done that, he was satisfied. He would say, in conclusion, that the Southern Cross, according to his reading and according to his observations of the heavens, was correctly represented by the five stars on the cover of the last issue of the Review of Reviews. The five stars of the Cross were there placed in the proper position ; but the map hanging up in the library, and which was also hung in the public schools for the education of the children attending those schools, was a stellar abortion. Mr. G. W. RUSSELL (Riccarton) said there was only one point he wished to call the attention of the Premier and the attention of the House to. He gathered from the newspaper reports that the right of the Commonwealth to have its own flag had been recognised by the Imperial authorities. Now, New Zealand was an independent State, and whatever right was conceded to the Australian Commonwealth should be conceded to New Zealand, which stood on equal terms with respect to the Empire. Therefore he hoped the Premier would give the House the assurance that in dealing with this matter he would not neglect the claim of New Zealand to stand equal with the Australian Commonwealth, and that, whatever rights were admitted to the Commonwealth so far as their flag was concerned, would be conceded to New Zealand. Mr. HERRIES (Bay of Plenty) said this Bill was brought down last session, and he did not think the Premier had explained why the Bill had now to be reintroduced. If members would look at the despatches sent Home to the Secretary of State for the Colonies they would see the reason why the Bill which was The passed last session did not eventuate.

right honourable gentleman was advised by the Administrator of the Government, the Chief Justice-the Governor was away at the time- that he ought to put in a certain clause, but the Premier steadfastly refused to do so. The Administrator of the Government warned him that if he did not put in the clause in the way he suggested the Colonial Office would oppose it, and the Bill would be disallowed. It was natural enough that the Premier should neglect that warning, thinking that he knew better than anybody else what should be done. The Bill was sent Home, and, as Sir Robert Stout prophesied, Her Majesty's assent was not given to it, because the clause in question was not drawn up in accordance with the suggestion of the Colonial Office. Through the obstinacy of the Premier the Ensign Bill was lost to the colony, and now the honourable member had introduced another Bill. He had not had time to look through it, as Bills had been going through the House to-night like meat through a sausage-machine; but unless the clause was drawn up in some way that would accord issued to Governors it would meet with a like fate when it reached the Colonial Office again. He trusted the Premier had taken advantage of the warning which was given by Sir Robert Stout. There was a very voluminous correspondence on this matter, which was also very interesting. He did not know whether honourable members had read this correspondence. Mr. MASSEY. - Between the Premier and Sir Robert Stout ? Mr. HERRIES said, Yes, between the Premier and Sir Robert Stout. An Hon. MEMBER. - Where is it ? Mr. HERRIES said the honourable member would find it in A. - 1, page 18. It was not necessary to read the whole correspondence. Mr. SEDDON. - Read the last paragraphs of the Secretary of State's letter on the question you have just now raised. Mr. HERRIES said, Perhaps the Premier, in his reply, would read it, and they would check it to see if he was right. Mr. SEDDON had thought the honourable gentleman had read it. Mr. HERRIES said he may have read it. He had read all the despatches, but he could not put his hand on it just at the present moment. But here was the last memorandum of Sir Robert Stout to the Premier :- " Memorandum for the Right Hon. the Premier. "THE Deputy Governor begs to acknowledge the Premier's memorandum (No. 134) of the 18th instant referring to the New Zealand Ensign Bill. "2. He will transmit the Bill to the Right Hon. the Secretary of State for the Colonies for submission to Her Majesty. He will forward the memoranda that have passed concerning the Bill. "3. He much regrets that the suggestions he made have not been accepted. "4. If the clause he suggested, which was in the form that the circular despatch from the Right Hon. the Secretary of State for the Colonies requested should be followed in the case of Bills to be reserved, is 'precisely to the same effect as the clause to which exception has been taken,' he is at a loss to conceive why his suggestion should not have been accepted. He cannot understand how any 'great constitutional principle can be involved' when both clauses have 'precisely the same effect.' "5. He has made his objection and his suggestion for three reasons : (a.) He considered, though he thought it had been done inadvertently, that in the Governor's absence the prerogative and functions of the Governor were being interfered with. (b.) He thought the request in the circular despatch referred to, which was agreed to by all the colonies (New Zealand included) in 1884, might have been acceded to. It seems to him but scant courtesy to extend to the Imperial authorities that this small and admittedly formal request should be denied, and that a new practice should, sixteen years after the colony had agreed to the request, be set up, and that

<page>577</page>

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desired. (c.) He was under the impression that the clause had been inserted through inadvertence by the draftsman, and that the circular despatch of 1884 had been overlooked. It appears that he was in error in that respect. He must assume that, as 'a great constitutional principle' is involved, the Parliament knew this, and deliberately refused to accept the form of clause recommended by the Secretary of State for the Colonies. He thinks he should have been informed that this was intended to be done, and not left him to discover it after he had taken objection to the wording of the "ROBERT STOUT. clause. "

Government House, Wellington, 19th October, 1900." The clause in the Bill was as follows :- "4. This Act shall be reserved for the signifi- cation of Her Majesty's pleasure thereon, and shall come into operation on a day to be fixed by the Governor by Proclamation in the Gazette : Provided that such Proclamation shall not be made unless it contains a statement that Her Majesty has been pleased to approve of this Act." Whereas the clause might have read,- "This law shall not come into operation unless and until the Officer Administering the Government notifies by Proclamation that it is Her Majesty's pleasure not to disallow the same, and thereafter it shall come into opera- tion upon such a day as the Officer Administer- ing the Government shall notify by the same or any other Proclamation." Sir Robert Stout, in his despatch to Mr. Chamberlain enclosing the Bill, says :- "You will observe in my memorandum to the Premier, No. 107, that I warned him that I would not be surprised if the assent of Her Majesty were refused to the Bill: He has chosen to run that risk. There would, I be- lieve, have been no difficulty in getting the House to agree to the clause in the proper form if a message had been sent to the House recommending it." What he wanted to point out was that the clause which the Premier insisted on putting into the Bill in spite of the advice of the Deputy Governor, and which he reserved for 'Her Majesty's consent, was again inserted in this Bill, and the Bill would be again rejected, and his friend the honourable member for Waitemata would not be able to hoist that glorious ensign of which he talked so much. The Premier would then come down and say that the Bill was rejected because of some dis- pute with the Admiralty. He had heard that the Premier had stated that the previous Bill was rejected because of some dispute with the Admiralty about the flag being hoisted at sea ; while the plain fact of it not being allowed was that it was not in proper form as set down by the Secretary of State for the Colonies ; and he was warned by Sir Robert Stout, the Deputy Governor, that that would take place when the Bill was sent Home. In spite of that, the Pre- mier sent the Bill Home with the objectionable served. Mr. MONK (Waitemata) said there was one thing in the Bill with which he was not satis- fied. If the last clause in the Bill was right, it was still a repetition of the error which it was stated caused the Bill to be disallowed by Her Majesty. It was stated in the correspondence which took place that the clause of the Bill, which read thus : "This Act shall be reserved for the signification of Her Majesty's pleasure thereon," did not comply with the formula required by the Home authorities. The language that was required, and which was not in the Bill, was as follows : The Deputy- Governor writes- "This is not in accordance with the clause re- quested by the Right Hon. the Secretary of State for the Colonies in his despatch circular dated the 20th June, 1884, to be used in such cases. It was as follows : 'This (law, Act, Ordinance) shall not come into operation unless and until the Officer Administering the Government notifies by Proclamation that it is Her Ma- jesty's pleasure not to disallow the same.'" If that clause had the effect, which they all understood it had, of preventing the Bill being approved of last year, it was being repeated in the Bill of this session, and therefore this Bill would also be disallowed. Evidently the au- thorities in the Old Country or the Deputy Governor had asserted that the phraseology or the language at the end of the Act was such as would not meet with the approval of the Home Government, who deemed the language used in the Bill of last session as an innovation on the part of the colonial authorities, and not in compliance with the phraseology they had by despatch authorised the New Zealand Govern- ment to use. Therefore it would, as the Bill was being passed with a repetition of that language, simply meet with the same result, and would not receive the assent of His Majesty the King. Mr. ATKINSON (Wellington City) did not quite understand the Premier's explanation why the Bill did not receive the Royal assent. Apparently it had not been refused the Royal assent and it had not received the Royal assent. The 1st clause of the preamble read :- " Whereas the Bill intituled ' The New Zea- land Ensign Act, 1900,' has not received the Royal assent, it having been pointed out by the Admiralty that the flag therein described could not be used on ships except under an Admiralty warrant." The effect of the objection was apparently the same as the recommendation made by the senior member for Wellington City (Mr. Hut- cheson) when the New Zealand Ensign Bill of 1900 was before the

House. The honourable gentleman said :- " I submit the Government ought to retain the blue ensign with the Southern Cross ; and, if it is necessary to make a distinction, let the New-Zealand owned and registered merchant vessels continue to wear the red ensign of old England-that is, the red ensign-without disc or any other blot to sully the flag on which we

<page>578</page>

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Nothing better could be done than to make the New Zealand ensign sacred from the advertising fiend, and to say it shall be the national emblem to all citizens ashore or on sea in the Government steamers ; and for uniformity in the mercantile marine still use the red ensign." It seemed to him the effect of the view taken by the Admiralty was substantially the view urged on the House by the senior member for Wellington City last session, because, failing the warrant of the Admiralty, the red ensign would continue as before to be the flag of the mercantile marine. As honourable members would notice, clause 2 said,- " The said ensign shall be the recognised flag of the colony for general use on shore within the colony and on all vessels belonging to the Government of New Zealand or which are from time to time permitted under an Admiralty warrant to use the same." So that until the Admiralty warrant gave the sanction for the use of the flag on our mercantile marine the red ensign would continue to be the flag, as was stated last year by his colleague, Mr Hutcheson. The Premier would remember that last year great attention was paid to the preamble, which outlined the history of the flag in New Zealand. The only other point was whether we ought to do anything with "The New Zealand Ensign Act, 1890," which remained on the statute-book-of course in a state of suspended animation, as it had been passed but not assented to. Should we not clear it out of the road when this Bill passed ? He did not know what was the practice with regard to Bills that had not received the Royal assent, but he should think that, after legislation on the same matter in the next session, it would be advisable to wipe the Bill out altogether. Mr. SEDDON (Premier) said he was very much amused by the remarks made by the member for the Bay of Plenty, who said that the reason why the Bill had not received the assent of Her Majesty was owing to the objection taken by the Deputy Governor. Now, he would tell the honourable gentleman that that had nothing whatever to do with the matter, good, bad, or indifferent, and in the despatch received on that point all the Secretary of State for the Colonies said was that the language in the Bill was all right, but as a matter of preference he preferred that used by Lord Derby on the point. He might explain that this despatch had been received after the 31st March, and it therefore had not been presented with the other despatches, but he would undertake to lay it on the table. Mr. ATKINSON. - Have you used that language again ? Mr. SEDDON said, Certainly he had. He intended the Imperial authorities should realise that the Parliament desired them to know that it would be unwise to attempt to dictate what particular language should be put in a Bill. So far as this phase was concerned, the funny part of it was that if members looked at the despatches-A .- 1, page 18-they would Mr. Atkinson facing-sheet was this :- " For the Right Honourable the Premier. "SECTION 4 of this Bill seems to invade the prerogative of the Governor. I doubt if the two Houses ought to put in a Bill that it should be reserved. It is for the Governor to express his opinion on the subject in accordance with the law. "ROBERT STOUT, Deputy Governor." Now, if members looked at the bottom of the page they would see this note :- "This memorandum was inadvertently omitted when the other enclosures were sent with the despatch, but has since been forwarded to the Secretary of State." The Deputy Governor sent on his (Mr. Seddon's) memorandum, but omitted to send what had led to the controversy, and it was only when that was discovered at some later period that it was sent forward by His Excellency the Governor. It would seem to him that it was an unfortunate inadvertence. But, when brought under his notice, the Secretary of State only said that he preferred the language used in Lord Derby's despatch, but as the meaning was the same he took no exception thereto. He did not question the right of this Parliament to put in a Bill a provision that the Bill should be reserved for assent. When

preparing the Bill he anticipated that if any change was made in the language of the clause reserving the Bill different from the language of last year, that would immediately be pounced upon as the reason why the Bill was not assented to by the Imperial authorities. He believed that was a complete answer on that point. He was not going to permit this. Ours was a self-governing colony, and we had our rights as a free people. It was not for the Imperial authorities to say what our language should be. An Hon. MEMBER. - They can disallow it. Mr. SEDDON said he did not question the power of the Crown to disallow it, but it was not for the Imperial authorities to attempt to force on Parliament the wording of any clause of a Bill. No one believed more than he did in maintaining the Imperial connection ; but the moment they touched the prerogative of this Parliament he, for one, should say, No. . Mr. W. FRASER (Wakatipu). - It is not the question of prerogative of Parliament : it is a question of expressing a thing properly. Mr. SEDDON said the point was this : It was the question of the Governor saying, " Take back the Bill and amend it." Was not that an invasion of the prerogative of the House? He would say, Let him try it. The Queen's representative had no right whatever to do that, and it bordered on being a breach of privilege. Captain RUSSELL (Hawke's Bay) desired to call attention to the fact that the Right Hon. the Premier was speaking disrespectfully of the representative of the Crown. Mr. SEDDON replied that it was not a question of disrespect. If there was an invasion of

<page>579</page>

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tive of the Crown it was the duty of Mr. Speaker and of every member of the House to see that there was no such invasion of their privileges. Captain RUSSELL .- It is your duty to protect His Excellency in this House. Mr. SEDDON replied that he was not commenting on His Excellency, but on a despatch which had not been sent at the time, but which was now public property and in possession of the House. This had been used in debate. Who had brought it up ? An Hon. MEMBER -You did. Mr. SEDDON said the honourable member was wrong. It was the honourable member for the Bay of Plenty who had brought it up, by saying that the reason why it was disallowed was that the language used in the Bill was not in accordance with what the Acting-Governor said should be used. The reason why the Bill was held over he had already explained The Admiralty claimed that no colony had a right to use the blue ensign-that it had the prerogative in respect to the use of this flag, and that it was only given to yachts and to colonies on application to the Admiralty ; and that if they made this flag the flag of the colony, and that was assented to by the Crown, then vessels belonging to New Zealand could fly the flag without application to the Admiralty or the consent of the Admiralty. And, then, they said it could only be used by the Naval Reserve, and not by merchant vessels. That was the ground the Admiralty gave for not assenting to the Bill ; but they had forgotten that in 1869 they gave the colony the right, so far as New Zealand steamers were concerned, to use that flag, and the Board of Trade since, with the consent of the Admiralty, arranged to have the #cc-zero flag with something embossed upon it. What had struck him was this : The first Bill was general in its application, and it was only intended to be used as a flag on shore for schools, public buildings, and as a flag for New Zealand. The difference between this Bill and the one introduced before was that the flag was to be used for land purposes. This flag was to be used so far as New Zealand steamers were concerned, but, in respect to other steamers, application had to be made to the Admiralty before it could be used. That took away the objection of the Admiralty, in his opinion, and that was why the Bill was introduced. Now, with regard to the question raised by the member for Wellington City (Mr. Fisher), who said that the design exhibited in the lobby was incorrect, great pains had been taken to get the position of the stars mathematically correct, and the information was exactly copied from the Admiralty official book, and therefore there was no error in the position of the stars. With regard to the small fifth star, which was sometimes discernible, that was not as a rule placed on the flag. An Hon. MEMBER .- It is on the Australian flag. Mr. SEDDON said, That was so, but as a rule that small star was

omitted. The Education 1 the stars upon the flag mathematically correct. If he was not mistaken, the member for Waite- mata and the member for Wellington City (Mr. Hutcheson), who . ere authorities on flags, had said that the stars generally placed on the flag were wrong, and that their position as indicated on the design now in the lobby was correct. However, the point was this : He understood they wanted to have a New Zealand flag. They had this design, and the Bill went through, and on a slight technical ground, on the advice of the Admiralty, the matter was held over. Rather than press the matter he thought it better to meet their objection by t is Bill, which he had no doubt would receive the Royal assent. Bill read a second time. The House adjourned at half-past twelve o'clock a.m.