We are parties to this agreement to the extent of £75,000 a year—we pay one moiety of that, the Imperial Government subsidises to the extent of £90,000, so it is clearly a matter for arrangement if possible with the other parties to the agreement. All I can say is, I shall go to the Conference with my own mind clearly made up as to the kind of labour it is desirable to get on these boats, and shall use my best endeavours throughout the Conference to get white labour to carry our mails. I do not know that I can say any more.

Mr Davis expressed satisfaction on behalf of the deputation at the answer given.

After the Minister's reply, and the business of the deputation had practically closed, Mr Davis, M.P., alluded to a remark of Mr Cook's to the effect that he could not understand why the Company employed black labour in preference to white, except on the score of cheapness.

Mr Davis remarked: It is not so much even on the score of cheapness that the P and O Company carry black labour crews. They do not give the black seamen anything like the wages the European gets, but they carry such an enormous number of hands that it makes their bill come very close up to that of the Orient liners. I have been in the Orient and P and O boats, both, and in the P and O, they have to carry so many quartermasters to do the steering and to take up positions of trust because they cannot afford to run the risk of their ships being lost by placing an Asiatic at the wheel or on the look-out. Whenever they come within a certain distance of land, a European quartermaster has to go on the look-out, and it is him they have to depend on. Then they carry white men to do the steering; I was one of them, I was in the Oceanic and the Cotopaxi, and we summed up the number carried on those vessels approximately. They were each about 4100 tons, and the number of hands carried on the Oceanic was so far in excess of the number on the Cotopaxi that actually the wages sheets did not show much difference: for while the Cotopaxi was fully manned with her 20 A.B's., her quartermasters, 2 boatswains' mates, and boatswain, the Oceanic had something like 45 hands at lower wages. The black labour is useless in times of danger. I have myself seen a sail blown away in a light squall while the yard was covered with coolies who could not get it in, 30 or 40 of them, when about a dozen white men went up and secured it without trouble.

I would also point out that the British Admiralty have decided, in certain vessels, the *Himalaya*, Australia, Victoria, and Britannia, on the new lines that the Admiralty is going to run, to have them manned by Naval Reserve crews. It shows that the Admiralty is fully alive to the fact that it will not suit to have them manned by coolies, and if it does not suit the Admiralty it should not suit our colonial Governments.