

Tenth Day.
2 May 1907.

PREFERENTIAL
TRADE.
(Sir
James Mackay.)

we are ourselves, would be extremely obnoxious, not only to Indian opinion, but to Indian feeling.

Mr. DEAKIN : Is it obnoxious to Indian feeling that they are not engaged on ships in His Majesty's Navy ?

Sir JAMES MACKAY : No, I do not think so.

Mr. DEAKIN : Is not the Mercantile Marine a support of the Navy ? It is with no intention of discriminating in the least degree against Hindoos or any other people of the Empire, but solely with a view to the development of the Mercantile Marine in connection with the general sea supremacy of the Empire that our proposition is made.

Sir JAMES MACKAY : That is rather a matter for the First Lord of the Admiralty. He finds he has no difficulty in recruiting for the Navy.

Mr. DEAKIN : Read Lord Brassey and other critics.

Mr. LLOYD GEORGE : There is some difficulty in the British Mercantile Marine, but no difficulty in finding recruits for the Navy.

Mr. DEAKIN : But the Mercantile Marine is the support of the Navy.

Mr. LLOYD GEORGE : The real difficulty as regards the Mercantile Marine is that sailors prefer going to the Navy; and in the last few years we have added about 30,000 or 40,000 sailors to the Navy, and consequently the material we draw upon for the British Mercantile Marine has been constantly diminishing. That is our great difficulty.

Sir WILLIAM LYNE : I do not think that was thoroughly proved at the Shipping Conference.

Mr. LLOYD GEORGE : Pardon me, nothing was said about that at the Conference.

Sir WILLIAM LYNE : Yes, something was said about it.

Mr. DEAKIN : I only wish to make it clear at this stage that it is no reflection whatever upon the Hondoos or Lascars as sailors.

Sir JAMES MACKAY : I can assure you we are very glad to hear that. It is very acceptable indeed.

It is believed by the advocates of what is known as fair trade that this country (Great Britain) suffers severely whenever another country from whom she buys does not in a corresponding degree buy from her. In my humble judgment no greater delusion ever took possession of the human mind. If this doctrine were applied to the case of the trade between India and Germany, India and France, and India and the United States, Germany, France, and the United States, would have a serious grievance against India, as they all take from her much more than they sell her; but we hear of no such complaints.