

days when we discuss Pacific strategy generally, but it will certainly bulk increasingly largely in all our minds as the years go by.

STATUS OF INDIAN SETTLERS.

Now, I have only one other topic which I wish to refer to, because I do not want to trespass too long on the attention of the Conference—it was raised by Mr. Srinivasa Sastri this morning—the question of the Indian settlers in some of our Colonies; and no doubt that problem also occurs in South Africa to a certain extent. I think there is only one ideal that the British Empire can set before itself in this regard, and that is that there should be no barrier of race, colour, or creed which should prevent any man by merit from reaching any station if he is fitted for it. At any rate I do not feel able to adopt any lesser statement of principle in regard to the Colonies; but such a principle has to be very carefully and gradually applied, because intense local feelings are excited, and there is no doubt that extraordinary social stresses arise when populations are intimately mingled in some of these new countries and brought into severe economic competition. The question reaches its most acute form in Kenya. These matters are now being discussed, and I hope to find a means of overcoming difficulties in the application of the broad principles.

TANGANYIKA TERRITORY.

There is one other point which I should mention, that is the Tanganyika Territory, which was acquired in the war. It was wrecked in the war, and we had to form an entirely new Administration over the whole place. We have endeavoured to equip it with a Government not inferior to the German Administration which it had replaced, with the result, in the present year, we shall have a considerable deficit on the Colony's administration; and I am very sorry to say that of the £1,500,000 which I asked for, the Chancellor of the Exchequer was unable to afford to give me more than £914,000, and I am afraid that in a year or two the state of the Tanganyika Territory will compare unfavourably with its progress and prosperity when it was in the hands of our late opponents. However, we will do the best we can.

I think, Prime Minister, although that is not by any means all I could say, because, frankly, I could go on all night talking of these places one by one—I think that gives the members of the Conference a view of that other enormous section of the British Empire which at any rate ought to be present in our minds for the completeness of the discussion which is now in progress.
