

Beaumont is of opinion that a squadron thus mobilised and manned would not be able to meet on equal terms the powerful cruisers with highly trained crews that would be certain to be used against us, and that "for the present the safety and welfare of the Commonwealth require that the naval force in Australian waters should be a sea-going fleet of modern ships, fully equipped, fully manned with trained crews, homogeneous as to type and *personnel*, and under one command."

14. I am not prepared to recommend under existing conditions the establishment of an Australian navy. Even if it were established, I am afraid it would not be very efficient, for besides the enormous cost of replacing the fleet from time to time with more modern ships, there would be no change for the officers and crews, who would go on year after year in the same ships, subject to the same influences, and, I fear, with deteriorating effects.

V.—THE PERMANENT NAVAL DEFENCE OF THE EMPIRE.

15. In regard to defence, we must altogether get rid of the idea that we have different interests to those of the rest of the Empire, and we must look at the matter from a broad common standpoint. If the British nation is at war, so are we; if it gains victories or suffers disasters, so do we; and therefore it is of the same vital interest to us as to the rest of the Empire that our supremacy on the ocean shall be maintained. There is only one sea to be supreme over, and we want one fleet to be mistress over that sea.

16. We are bound also to consider and to fully realise that we belong to a nation which for centuries has been mistress of the sea, and that the position we occupy in Australia to-day in being all British territory, and having always enjoyed peace and security, is absolutely attributable to the protection given us by the British flag.

17. We are accustomed to travel about the world for the purpose of trade or in pursuit of pleasure, and to feel when we visit foreign countries that our lives and property are secure and in specially safe keeping. We then realise fully the great privilege and advantage of being a British subject, and feel proud when we see the flag of our Motherland everywhere in evidence ready, willing, and able to protect us.

18. Our aim and object should be to make the Royal navy the Empire's navy, supported by the whole of the self-governing portions of the Empire, and not solely supported by the people of the British Isles, as is practically the case at the present time. It is, I think, our plain duty to take a part in the additional obligations cast upon the Mother-country by the expansion of the Empire and the extra burdens cast upon her in maintaining our naval supremacy.

19. If a proposal were adopted that the Empire should have one fleet maintained by the whole nation, every part contributing to its support on some plan to be mutually arranged, probably on that of the comparative trade of each country, and not necessarily on an uniform basis of contribution, what a splendid idea would be consummated, and what a bulwark for peace throughout the world would be established! Besides which, we would be doing our duty to the Mother-country, which has been so generous to us during all our early years.

20. If the Federations of Canada and Australia and the Colonies of South Africa and New Zealand were to agree to this great principle of one fleet for the Empire's naval defence, then the question of contributions and all other matters connected with it could be afterwards arranged by mutual agreement. I cannot think that for Canada and Australia to each have a few war-ships, and the Cape and New Zealand a few also, each independent of the other, is a plan suited to Empire; such a plan would seem to be in accord with the actions and sentiments of a number of petty States rather than in accord with the necessities and aspirations of a great free united people.

21. If such a plan can be brought about, it would be necessary for the "British Dominions beyond the Seas" to be adequately represented at the Admiralty, and I feel sure this could be arranged on a mutually satisfactory basis. In time of war there could not be any division of responsibility, and until a more extended federation of the Empire is established that responsibility would have to rest upon the Imperial Government.

22. It would be advisable that means should be provided for training boys in Canada, Australia, and other places, and for the drafting into the navy of a certain number annually, and greater facilities might possibly be given for officers entering the navy. By these means the *personnel* of the navy would consist to some extent of British subjects from different parts of the Empire, and this might in time have the effect of a greater personal interest in the navy being taken by the people living outside the British Isles than has hitherto been the case when all have been recruited from the Mother-country.

23. Great Britain spends annually on her army and navy about £50,000,000 (not including the South African war), or about £1 5s. per head of her population. If the Australian Commonwealth contributed in the same proportion it would amount to something like £5,000,000 a year; whereas our entire military and naval defence vote does not exceed £300,000 a year, or only about 4s. per head of our population.

24. It may, of course, be said that in building up another Britain in the Southern Hemisphere, thus providing another home for our countrymen, and by extending British influence and trade, we have been doing a greater work for the Empire than by contributing towards Imperial naval defence; but I think the time has gone by for us to use such arguments, as both duty and stern necessity require that we shall stand shoulder to shoulder with the Motherland in the determination to maintain inviolate the integrity of the Empire. That this is the sentiment deep-rooted in the hearts of the Australian people has, I am proud to say, been shown during the South African war, which we have made our own, proving unmistakably to the world that our interests in war as well as in peace are indissolubly bound up with the country from which our fathers came, and to which we are all proud to belong.