

I do not know that I have very much more to add, except to say that we are anxious to meet you if we possibly can. If Australia makes up its mind to start something in the way of a local defence force, we are quite ready to give all the assistance we can to it. If New Zealand wishes to go on with the subsidy, again we are quite ready to arrange for that, or equally willing, if they prefer to go in for a submarine flotilla, to help in that. The same with regard to the Cape; we are quite ready to meet their wishes. If they in South Africa wish to try a submarine flotilla, we are quite ready to help. Also, in the meantime, I think we should be quite ready to try to arrange for a training ship for the naval volunteers, and so forth. But with regard to that, one particular point is that your volunteers are very desirous in South Africa to become a division of the Royal Naval Volunteer Reserve, and thereby obtain the name of "Royal." That depends, in the first place, on your passing an Act in your local legislature.

I do not think I could make a definite promise with regard to leaving a ship continually there. That is a matter for future consideration. Indeed, if this is to become part of the charge made on the subsidy, then I think as time goes on the expenses for a ship ought to be borne by the Colony as well.

Dr. JAMESON : As time goes on they will do very well for us, because we all say we ought to give more. In the meantime it will help with what we do.

Lord TWEEDMOUTH : We shall endeavour to carry on the arrangement with regard to a ship at present; but I would not like to pledge myself that for all time we should have a ship there. On the contrary, I think the proper thing would be that the training ship for your volunteers should be part of the Colonial force.

Dr. JAMESON : Out of the contribution ?

Lord TWEEDMOUTH : Yes; I think that is all I can say. If any of the Prime Ministers would now say what they think, if I can meet them in any way, I shall be very glad.

Mr. DEAKIN : Lord Elgin and gentlemen, as Lord Tweedmouth mentioned Australia first, perhaps I may be permitted to say that the Commonwealth will recognise the extreme fairness, and generosity, with which he has met us. In conceding perfect freedom, notwithstanding the existence of an obligation which has yet several years to run, you have shown that in every possible manner you desire to keep in close accord with the feelings of the outer Dominions. In Australia, for reasons which have already been put on record in the despatch which I had the honour of addressing to the Admiralty about two years ago, the existing contribution has not proved generally popular. It was passed because it was felt that some distinct recognition of our responsibility for the defence of our own country and of the Empire of which it is a part, was necessary, and though it did not take the form which commended itself most to the very large minority, possibly even a majority, of the electors we accepted that mode of co-operation until some better presented itself. Further consideration has convinced the public that the present agreement is not satisfactory either to the Admiralty, the political or professional Lords of the Admiralty, or to the Parliament of the Commonwealth. In your case you find yourselves to a certain degree shackled even by the very general restriction as to the