A.-2.

I will now proceed to make some comments upon the scheme for the information of your Prime Minister and his colleagues.

2. The Resolution on the subject which was adopted at the late Conference was as follows:—"That it is desirable to establish a system by which the several governments represented shall be kept informed during the periods between the Conferences in regard to matters which have been or may be subjects for discussion, by means of a permanent secretarial staff, charged, under the direction of the Secretary of State for the Colonies, with the duty of obtaining information for the use of the Conference, of attending to its resolutions, and of conducting correspondence on matters relating to its affairs."

I indicated my views on the subject in the following terms:—"I am prepared to say that we will endeavour, I think we shall succeed, to so separate the departments of this office that you will have in the office . . . a distinct division dealing with the affairs of the responsibly governed colonies"; And again "What we have in our minds to carry out, and hope to be able to carry out in the future, is that we should appoint a gentleman on our staff to be the Secretary for the Conference, not for one Conference only, but to continue the business as a member of the staff of the office and in a division of the office, as I said before, but that being his specific duty, thereby focusing all the business in the way which I think the members of the Conference in their various resolutions expressed the desire it should be."

- 3. Your Ministers are probably aware that the business of the Colonial Office has been arranged up to the present time mainly on geographical lines, though there is a General Department, to which certain matters common to all the Colonies are referred. This General Department I propose in future to strengthen and enlarge, but otherwise to make the line of division in the office one of status rather than of geography, and to separate entirely the work of the self-governing Colonies from that of the Crown Colonies and Protectorates. The only exception will be in the case of those Crown Colonies and Protectorates in the Pacific and connected with South Africa whose interests are so closely related to those of the adjoining self-governing Colonies that the conduct of their business at this office must necessarily be intrusted to the same hands. The Colonial Office will therefore in future be divided into three branches or departments, one dealing with the self-governing Colonies, a second dealing with the Crown Colonies and Protectorates, and a third—the General Department.
- 4. The first of these three departments will be known as the Dominions Department, the term being used to differentiate the status of the self-governing provinces of the Empire from that of the Crown Colonies. All the business of every kind connected with the self-governing communities will be included in its scope, though certain matters of general routine must necessarily be shared with the General Department; and the staff of the Dominions Department will, with the exception mentioned above, be in no way concerned with the Crown Colonies. All questions of emigration will be referred to this Department, and it will keep in close touch with the Commercial Intelligence Committee of the Board of Trade.
- 5. The Secretariat of the Imperial Conference will be linked to this Department, without being entirely merged in it. The Secretary will be a member of the Department, but he will also have his own special and separate duties; and he will have, as occasion requires, direct access to the Secretary of State. I suggest, as a matter of convenience, and also in order to emphasize his position, that on all matters of routine arising out of and connected with the Imperial Conference, the Secretary and the Colonial Ministries shall correspond directly with each other, the correspondence in all cases passing under flying seal between the Secretary of State and the Governor-General or Governor. I shall also be glad to learn to what extent your Ministers may desire to suggest that the High Commissioner or Agent-General in this country should act as an alternative channel of communication, as I am anxious to establish close and harmonious relations between them and the Secretariat. The Secretariat, either directly