A.—4.

united Empire or we are nothing. Now, who is to say from what quarter dangers will come to any of us? It comes now from the East and to-morrow from the West. But from whatever quarter it comes we meet it as a united Empire; the whole of our strength is thrown against the danger which threatens us. If some Dominions say, "We are not in any danger—you are; you pay; we will not, or cannot, contribute towards naval defence," an impossible position is created. I cannot subscribe to such a doctrine. It is incompatible with the circumstances of our relationship to Britain and to each other; it menaces our safety and our very existence; it is a negation of our unity.

I need hardly say that I do not believe that the Dominion quota for naval defence should be expressed in terms of a money contribution, but in terms of Dominion navies. This is a point upon which the Admiralty has expressed itself very strongly, and the suggestion of monetary contribution is not to be seriously considered. In any case, we shall be able to discuss the matter when naval defence

is being dealt with.

STATUS OF DOMINIONS.

I have nothing further to say on those matters to which you referred yesterday, but reference to one other point may be permitted. It is well that we should know We ought not to discuss things in the dark. each other's views. suggested that a Constitutional Conference should be held next year. It may be that I am very dense, but I am totally at a loss to understand what it is that this Constitutional Conference proposes to do. Is it that the Dominions are seeking new powers, or are desirous of using powers they already have, or is the Conference to draw up a declaration of rights, to set down in black and white the relations between Britain and the Dominions? What is this Conference to do? What is the reason for calling it together? I know, of course, the resolution of the 1917 Conference. But much water has run under the bridge since then. Surely this Conference is not intended to limit the rights we now have. Yet what new right, what extension of power, can it give us? What is there that we cannot do What could the Dominions do as independent nations that they cannot do now? What limitation is now imposed upon them? What can they not do, even to encompass their own destruction by sundering the bonds that bind them to the Empire? What yet do they lack? Canada has asserted her right to make treaties. She has made treaties. She is asserting her right to appoint an Ambassador at Washington. Are these the marks of slave States, or quasi-sovereignty? In what essential thing does any one of the great self-governing Dominions differ from independent nations? It is true there is a sentiment, a figment, a few ancient forms: there is what Sir F. Pollock calls the figment of the right of the British Parliament to make laws affecting the Dominions. Supposing the British Parliament should make a law to-morrow which would take from me the very position in which I stand, namely, a representative of a Parliament that exists and was brought into being by a British statute. I suppose that would apply to you, General Smuts, and to you, Mr. Meighen. They could pass that law, and although we might be here as individuals, so far as legal or constitutional status is concerned we should have ceased to exist. But, as Sir F. Pollock says, this power of the British Parliament is a figment, a shadow. Either it must limit our rights of self-government, or it must weaken the bonds of Empire, or it must simply content itself with asserting rights and privileges and responsibilities that are ours already and that none question. In effect, we have all the rights of self-government enjoyed by independent nations. That being the position, what is the Constitutional Conference going to do? The proposal to hold a Constitutional Conference is causing considerable anxiety, at any rate in Australia. So far from anticipating that it is to give us greater power, some fear it will take away some of the powers that we have, and my difficulty is, and has been, to try and allay those doubts, which are very strongly held. I think every one of us is confronted with the same position. I think even this Conference is surrounded with clouds of suspicion. Our right to a name is in question. If we call ourselves a Conference it is wrong; if we call ourselves a Cabinet it is wrong: a Council is still worse. I am sure between General Smuts and myself there is in fact very little