referred to by the hon, member for Edmonton, the right hon. Prime Minister intervened with the statement that he had not referred specifically to ships, and that he was speaking of a naval organization. But are not ships the principal part of a naval organization? Can you nave a naval organization without ships? Everybody understood the right hon, gentleman to mean ships when he used that language; his own supporters so understood him; and they have so quoted him time after time in the course of this depate.

Mr. MACDONALD: And in the country too.

Mr. MURPHY: And in the country also. as the hon. member for Pictou says. The hon. member for Calgary so understood him, because in the course of his speech yesterday he laid it down that we could not build a dreadnought in Canada in twenty years. If that is the fact, I ask hon. gentlemen on which horn of the delemma do they wish to be impaled? We either have to wait for that length of time, as they say, and do nothing in the meantime-and be open to the awful charge of disloyalty-or, if we do anything, then that anything must mean contributions; there is no escape from that position. But the hon. member for Calgary gave the whole case away when he said: 'It is true that Australia is building a navy, but that is because they first trained their people along Imperial lines by contributions.' So, Mr. Speaker, we in Canada are to be trained along Imperial lines by this new policy of contributions! There you have the whole case in a nutshell. The hon, member for Calgary said that Australia was building ships, but I say that Australia is doing more; she is adhering loyalty to the compact entered into with the British Government and the other overseas dominions; she is adhering to the arrangement made at the last conference, at which my right hon, friend was present. A despatch published in this morning's Montreal Gazette not only gives evidence of that, but contains the strongest possible condemnation of this Government, and puts to a severer test than we have put it the good faith of the right hon. Prime Minister in submitting these proposals in the way they have been submitted. Let me read that dispatch:

Australia and Naval Defence-Commonwealth Authorities Issue Statement concerning fleet Unit Scheme With Canada and New Zealand-Declares Australian Agreement is the Only one to be Carried Out—Interests in Pacific.

(Canadian Associated Press.)

London, February 26 .- The commonwealth authorities in London issued this morning the text of an important statement made re-Mr. MURPHY.

cently by Senator Pearce, the Australian Minister of Defence, on the question of Imperial naval defence.

Hon. Mr. Pearce explains that the Australian Government attaches no importance to its being represented on the Imperial Defence Committee, because it is of a purely advisory character. Australia was concerned in questions of policy rather than administration.

He then refers to the decisions arrived at at the last Imperial conference, when Can-ada and Australia adopted a fleet unit scheme, and says the Australian agreement is the only one that has been carried out. Therefore it becomes necessary for Canada and New Zealand to either carry out the schemes adopted by the 1909 conference or propose

some others to take their places.

He could not say whether there was any truth in the reports that the Admiralty authorities had been parties to the supression of the Consider power contents. of the Canadian naval scheme and the substitution of contributed dreadnoughts and an annual subsidy, on the New Zealand plan.

An annual subsidy! How is it they know as much about this across the ocean, and we are permitted to know so little about it here?

-in preference to that of the creation of separate colonial naval units, We have not been given any hint either by the British Government or the Admiralty that they have changed their minds

Mr. Speaker, let me read that again:

We have not been given any hint either by the British Government or the Admiralty they have changed their minds. In regard to the wisdom of the agreement with Aus-

to the wisdom of the agreement with Australia, that agreement. I may say, originated with the Admiralty scheme for a fleet unit and did not originate with the Australian Government of the day or with the representatives at the conference.

The defence minister concludes by saying his Government was of the opinion it would be advantageous to the Empire as a whole if Australia, Canada and New Zealand could see their way to come to an agreement as to the defence of British interests in the Pacific. Our policy is known and has the approval of the Admiralty. It can be adjusted to meet any development in Canadian and New Zealand naval policies, We are hopeful the three countries may yet fall into line for the purpose of promoting this unity of action. of action.'

Comment on that dispatch, Mr. Speaker, would be superfluous.

Now, to return again for a few minutes to my hon. friend the member for Calgary. In one of his most dramatic outbursts he asked the question 'where will the battle with Great Britain be fought'? I do not know; nobody on this side of the House knows. I thought when he asked that question he was going to answer it, but he did not. I submit that if that information is within his knowledge he should tell the Admiraity; it is something they would like to know. He proceeded to assert that the supremacy of Great