

gether all expenditure on defence, both Naval and Military, and deduct from this what Great Britain herself has been obliged to pay out towards maintaining land and sea forces, in the territories and adjoining waters of the several dominions. It will be found on this basis of comparison that Canada is the only one of the Dominions named to whose immediate defence Great Britain is not obliged to contribute a single cent to-day.

The following is a brief account of conditions which have helped to shape the Australian and New Zealand policies. It will serve to illustrate their bearing upon the Naval controversy in Canada, and the policies proposed here.

The Beginning of Contributions.

At the Conference of 1887, an agreement was made by the British Government with Australia and New Zealand by which the British Government were to add 5 cruisers and 2 torpedo boats to the Imperial Australian squadron to be placed "within the limits of the Australian stations" and not to be removed except "with the consent of the colonial government" and that for such service the colonies (Australia and New Zealand) should pay £126,000 per annum. In 1903, the amount of this contribution was increased to £240,000 per annum. That was the commencement of colonial contributions to the British Navy. "It was an agreement for defence by so many ships for so much money. The ships were provided and the money was paid, Canada had no apprehension of invasion: made no request, paid nothing and got nothing.

Australia Informs England of Desire to Abandon Contributions.

At the Colonial Conference of 1907, just 10 years later, Mr Deakin, the Prime Minister of Australia, told the British government and the representatives of the other self-governing Dominions that the policy of contribution had proven a failure and had given satisfaction neither to the Admiralty or the Commonwealth. He did so in language that is unequivocal, and unmistakable in meaning. Here is what he said,

"In Australia, for reasons which have already been put on record in the despatch which I had the honor of addressing to the Admiralty about two years ago, the existing contribution has not even generally popular. It was passed because it was felt that the 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. (Proceedings of Colonial Conference 1907 p. 473.)