

Customs Union, National Defence, and Imperial Federation.—II.

THE second provision of the scheme, as above outlined, relates to National Defence.

That the outlying portions of the Empire require much additional protection is a fact recognized by all who have given the matter even superficial attention.

At present the Colonies rely for their protection, in case of war, upon the Mother Country, and yet, almost without exception, they contribute nothing towards the support of the Navy which alone can protect them. The only excuse seems to be that they have never been formally requested by the Mother Country to make any contribution.

In making a definite suggestion upon such an important matter one is met by a general lack of data. But commencing with the view that our first steps towards an equality of contribution by the Empire should be tentative, and subject to modification, I think we may find a means of fixing a reasonable and substantial contribution by having regard to the subject matter which pre-eminently requires additional protection, viz., the trade of the Empire. Inasmuch as I am endeavouring to get at a principle of contribution, rather than to fix an exact amount, I will put my estimate in the form of round numbers.

The total annual trade of Great Britain from 1881 to 1886 averaged £723,242,000. (See Rawson's Sequel, Tables XXIII and XXIV, pp. 97-98.)

The annual cost of the Navy is usually put at £14,000,000, or about two per cent. of Great Britain's annual trade.

Sir Charles Dilke has shown in his "Problems of Greater Britain" (p. 653) that in case of war the present Navy would be required for the defence of the Mother Country alone, whose interests vastly exceed any one of her Colonies, and whose taxpayers defray almost its entire cost of maintenance.

But we are not wholly without a precedent upon which to base a scheme of contribution which would provide a fund available for increasing the Navy, and which, according to the scheme I would recommend, would, year by year, produce a larger amount.

At the time of the London Conference in 1887, an arrangement was effected between Great Britain and Australia, under which Australia for £126,000 per annum secured the services of seven warships for her own waters. Now, if this arrangement be adequate for the purposes of Australia—and it has been in force for several years without complaint on either side so far as I can learn—we have at least one precedent to guide us in our enquiry for a reasonable basis of contribution.

The average annual trade of Australia, at the date of the said arrangement, as shown by Rawson in the Tables above referred to, was £94,259,000. But nearly one-half of this is intercolonial trade. (See Dominion of Canada Blue Book on Trade and Commerce for 1893, part II, p. 39). Taking £50,000,000 to have been about the average amount of Australian trade outside its own shores at the date of the said arrangement, the above contribution amounts to about one-quarter of one per cent. In 1886 the total trade of the British Empire amounted to £1,079,000,000, of which the United Kingdom supplied £644,000,000 and the British Possessions the remaining £435,000,000. (See Sir John Colomb, in Britannic Confederation, p. 13). So that a general contribution by all the British Possessions upon the above basis would amount, approximately, to one million pounds sterling per annum.

In this computation the trade of India is included amongst that of the British possessions, and India at present contributes some £250,000 per annum for naval protection. (See Sir John Colomb, in Britannic Confederation, p. 17).

A contribution which would only realize £1,000,000 would not be large, but it would be substantial; and when it is considered that the sea-borne commerce of the Colonies has increased nine fold during the last fifty years, it is obvious that the amount would rapidly increase year by year.

But it would be unwise to close one's eyes to the fact that some of the larger Colonies, and Canada in particular, while admitting the justice and the necessity of a general contribution, vigorously contend for the right to expend their contribution otherwise than in a direct payment to the Brit-

ish treasury. For instance, Sir Charles Tupper has repeatedly argued in favour of fitting out fast steamships under the supervision of the British Admiralty, which, in times of peace, would carry ordinary merchandise, and in times of war, could speedily be transferred into armed cruisers.

I would therefore suggest that a general contribution be made by each of the Colonies and India to the Mother Country, amounting to one-fourth of one per cent. of their maritime trade, and that all moneys expended by a Colony or by India, with the approval of the Admiralty and under its supervision, be applied *pro tanto* in discharge of that Colony's contribution.

The funds available for Imperial Defence should then be applied towards increasing the Navy and strengthening the defences of the Empire. The fund should be expended only upon the larger sea-ports of the Empire, and its necessary coaling stations.

As regards the smaller colonies, not being necessary or vital links in the chain of Imperial Defence, their strongest safeguard should be the mandate of "hands off" proclaimed by the Empire to any enemy who might threaten to attack them.

It may be premature to suggest the adoption of some general scheme of indemnity whereby the costs of war, over and above the amount which might be levied upon the enemy, should be equitably distributed throughout the Empire. Wars occasioned by the unjustifiable conduct of any member or members of the Empire, or in their sole interest, ought to be chiefly, if not wholly, borne by them. For present purposes it may be sufficient to provide that all undefended Colonies which contribute to the National Defences should be indemnified against loss.

The contribution recommended ought not to be regarded as in any sense a tax. The word has an unpleasant sound, and awakens unpleasant memories.

The fund should be raised not by Imperial levy, but by the Governments of the Colonies, and paid over to the British treasury in the same way as it would be paid to the contractors of Public Works, in full confidence that it will be wisely and honestly expended.

What should it matter to a Colonial Government whether its particular contribution be spent on fitting out a cruiser, or in completing the fortification of some necessary coaling station?

By treating the contribution in the manner I have suggested we would obviate the necessity of having representatives elected by the ratepayers of the Empire, which would be a tedious and costly proceeding.

If it were thought advisable to devote Colonial contributions to any single object, I think I can suggest one which would meet with very general approval.

The magic influence of the Flying Squadron is not likely soon to be forgotten, at whose behest more than one impetuous nation silently sheathed their half-drawn swords.

Why not let us have this squadron in perpetuity, as a safeguard of the Empire, visiting us each in turn, and ever ready to appear where it should be most needed?

IMPERIAL FEDERATION.

The third provision of my scheme proposes the establishment of a board of British and Colonial representatives.

The practical usefulness of such a Board can scarcely be over-estimated.

Every colony has its Legislature, and every scheme, no matter how simple, would have to be submitted to all the Legislatures of the Empire.

Without some such Board every amendment or modification of the Customs Union would be as troublesome to accomplish as was the original adoption of the scheme.

The Imperial Privy Council possesses exceptional facilities for the creation of such a Board.

Many of the ablest thinkers upon the subject have pronounced this to be a perfectly feasible means whereby the federation of the Empire might be accomplished. Amongst the advocates of this plan we find Lord Grey, the Marquis of Lorne, Sir Charles Dilke, Sir Frederick Pollock and Sir Charles Tupper. (See Parkin on Imp. Fed., pp. 307-308).

Sir William Anson, in his "Law and Custom of the Constitution" gives us an interesting account of all the ancient Councils of the Crown, and especially the Privy Council, and shows us that the British Cabinet—the real governing