After hearing Mr. Goschen, the Conference passed the following resolution:—

That the statement of the First Lord of the Admiralty with reference to the Australian squadron is most satisfactory, and the Premiers of Australasia favour the continuance of the Australian squadron under the terms of the existing agreement.

This resolution was supported by all the Australasian Premiers, except Mr. Kingston, who declined to vote pending further consideration of a scheme, which he put before the Conference, for the establishment of a branch of the Royal Naval Reserve in Australia.

The Prime Minister of the Cape also announced to the Conference that, in pursuance of the resolution passed by the Legislature of that Colony, in favour of a contribution towards the Navy, he was prepared to offer on behalf of the Colony an unconditional contribution of the cost of a first class battleship. This spontaneous offer was received with grateful appreciation by Her Majesty's Government and the members of the Conference.

Military Defence. In discussing the other questions of Imperial Defence, the Conference had the advantage of the presence of Capt. Nathan, Secretary of the Colonial Defence Committee, who was able to furnish explanations to the members on various points, and to point out the steps which, in the opinion of the Committee, were most needed in each colony to complete its preparedness for any emergency. The Premiers all agreed to give the views expressed their careful consideration when, on their return to their respective Colonies, they were in a position to consult their colleagues and Parliaments.

The suggestion made for an occasional interchange of military units between the mother country and the Colonies was generally recognised as one likely to prove useful in increasing the efficiency of the Colonial forces, and the Premiers of those Colonies which possess permanent forces of a purely military character expressed their intention of examining on their return what legislative or other measures might be necessary in order to give effect to it as opportunity offered.

On behalf of the War Office the Conference was informed that, with a view to securing uniformity in the arms and ammunition used by the military forces throughout the Empire, the Secretary of State for War was prepared to make an offer for the exchange (or conversion) of the Martini Henry rifles at present in use for rifles of the smaller calibre now exclusively adopted by the Navy and Army.

TREATIES WITH JAPAN AND TUNIS. The question of the Treaty with Japan was brought before the Conference, but, with the exception of Queensland, Newfoundland, and Natal, the Premiers declared that they were not prepared to abandon their former attitude with regard to the Treaty, to which they did not desire to adhere.

They also, with the exception of the Premier of Newfoundland, stated that they did not wish the Colonies they represented to become parties to the Convention in regard to Trade with Tunis now being negotiated with France.

COLOURED IMMIGRATION.

On the question of the legislative measures which have been passed by various Colonies for the exclusion of coloured immigrants a full exchange of views took place, and though no definite agreement was reached at the meeting, as the Premiers desired to consult their colleagues and Parliaments on the subject, Her Majesty's Government have every expectation that the natural desire of the Colonies to protect themselves against an overwhelming influx of Asiatics can be attained without placing a stigma upon any of Her Majesty's subjects on the sole ground of race or colour.

POSTAL COM-MUNICATIONS.

With regard to postal communications within the Empire, it appeared that in the present financial circumstances of the Colonies an Imperial penny post was impracticable, although the Prime Ministers of the Cape Colony and Natal declared themselves in favour of such a step, and expressed their belief that the legislatures of their Colonies would be prepared to give effect to it.

PACIFIC CABLE.

The question of the proposed Pacific Cable was brought up, but the majority of the Premiers desired that the subject should be deferred until they had had