

the motherland by Canada would not be in the form of a money contribution which was then asked but respectfully declined—but in the form of an organization of our own forces. I may be permitted to recall again the paper which was placed before the conference by the Canadian ministers who attended the conference of 1902.

At present Canadian expenditures are confined to the military side. The Canadian government are prepared to consider the naval side as well. . . . In conclusion the ministers repeat that, while the Canadian government are obliged to dissent from the measures proposed, they fully appreciate the obligation of the Dominion to make expenditures for the purpose of defence in proportion to the increasing population and wealth of the country. They are willing that these expenditures shall be so directed as to relieve the taxpayer of the mother country from some of the burdens which he now bears; and they have the strongest desire to carry out their defence schemes in co-operation with the imperial authorities, and under the advice of experienced imperial officers, so far as this is consistent with the principle of local self government, which has proved so strong a factor in the promotion of imperial unity.

This paper was placed before the British empire and before the Canadian people seven years ago. At that time we were sharply taken to task by certain portions of the Conservative party, although our action was never challenged on the floor of this House. We were taken to task on the ground that we should not have an organization of our own but give a contribution to the mother country. The example of Australia was quoted against us. At that time Australia was paying a certain proportion of its revenue to the imperial exchequer for the purpose of aiding the imperial navy. The contribution, if I remember rightly was in the neighbourhood of £200,000. This contribution enabled the government of the mother country to maintain in the Pacific an imperial squadron; and we were told that this policy, which Australia was following out, was the one we should adopt. But time has shown that we were in the right since Australia itself has now come to our policy and is no longer contributing to the imperial treasury but is organizing a squadron of her own in her own waters.

There is in the Toronto 'News' of a recent date a suggestive article upon this point. It is not an editorial article but simply a news paragraph giving the context of the Bill introduced in the parliament of Australia after the conference which took place last summer in London. Australia no longer contributes to the British treasury but has come to what I may call the Canadian plan of having a force of her own. According to the Toronto 'News':

The adoption of the Australian Defence Bill recently introduced in the Commonwealth par-

liament will mean building operations on such a scale that by 1912 the Commonwealth fleet will relieve and replace the present imperial squadron in Australian waters.

Henceforth this will be replaced by a squadron built and maintained by Australia. It is to be composed as follows:—

The new fleet is to consist of one armoured cruiser of the 'Indomitable' class, three armoured cruisers of the 'Bristol' class, and six destroyers with the necessary complement of submarines. . . . Its annual cost is estimated at \$3,750,000.

The difference between \$2,000,000 and the actual annual cost is to be provided by the imperial government until Australia can assume this entire burden. The new arrangement will save Great Britain from \$1,500,000 to \$2,000,000 annually.

The service will cost \$3,750,000 a year. But the whole of that burden is not to be carried by the people of Australia; it is to be divided between Australia and Great Britain, Australia to assume \$2,000,000 a year and the remainder to be contributed by Great Britain. Under this arrangement it is no longer Australia which contributes to the imperial treasury, but the imperial treasury which contributes to Australia. Nor is that all. There was great excitement last March when the news was flashed across the ocean that New Zealand was to contribute a Dreadnought to the imperial navy. Even there in New Zealand also public opinion has been moving. I find again in the Toronto 'News', which seems to give special attention to these matters, an important announcement with regard to New Zealand. New Zealand was given as an example for Canada and other self-governing dominions to follow and copy, but it now appears that New Zealand is coming to the policy of Canada. The Toronto 'News' says:

When the German peril first became acute, New Zealand unhesitatingly offered to donate a Dreadnought to the British admiralty. But, according to the arrangement agreed upon at the defence conference in London, the lesser Britain in the southern seas is to spend its money in providing the Pacific with an 'Indomitable.'

It goes on to say that the 'Dreadnought' which is to be contributed by New Zealand is to be put in Chinese waters, and proceeds:—

This is the situation to-day, but the Wellington correspondent of the London 'Morning Post' reports a tendency towards a gradual change of opinion in favour either of a local navy or of joint action with Australia. The leader of the opposition in parliament thinks that some arrangement may still be made whereby the two southernmost British commonwealths may work together in defending themselves and the empire. One Wellington newspaper sees nothing to stimulate local sentiment in the placing of New Zealand's 'Indomitable'