Mr. Churchill is reported in the Times as follows:-

"Another subject I would refer to. The British fleets are now practically concentrated. The recent great review before the King is only one proof of the quality of concentration which the Admiralty has lately brought to its final act—a policy of naval concentration which has given a real measure of security to the centre and heart of the British Empire. But there is one aspect of naval concentration which requires the attention of thinking men here and elsewhere throughout the British Empire. The fact that our fleet has not only concentrated in the decisive theatre of European waters, but must be kept concentrated and in a certain sense tied to that theatre has been for some years creating a new want, a new need, a new opportunity for the great self-governing Dominions of the Crown. Naval supremacy consists in our being in possession of naval forces sufficient to overcome in war the strongest fleet or fleets which any reasonably probable combination of powers may bring against us. That we should be always in a position to do. That we believe ourselves to be now and in the immediate future in a position to do. But a war may go on for a long time before a decision is obtained or gained and this is the more likely of the two contingencies—if we act, as we shall do, with discretion, with sobriety, with simplicity, with goodwill to all nations and rancour and projudice against none, it is much more likely, I say it with sincere conviction,-that war will never come in our time, and perhaps will have passed from the world, at any rate for periods which our most adventurous imagination enables us to foresee. Meanwhile, and pending a decision in the critical theatres, there is no doubt that the general mobility of our fleet is reduced. It cannot move safely and freely to every part of the world to the same extent as in former years. At present, of course, and for some years to come, we are not only able to maintain a sufficient margin within home waters at the decisive points, but we sould, by making special arrangements, by effecting partial mobilisation we could, if the need arose, fit out and despatch strong squadrons to the aid of any of our colonies or dominions across the sea whose nital interests were menaced or attacked.

"That is the duty which we are able to discharge, and which we are proud to discharge—a duty which we should not hesitate to run the risk of discharging, which we should not hesitate to make sacrifices for—the protection of our great self-governing dominions. And when I speak of this I mean not only by a general supremacy which operates simultaneously and universally at every portion of the globe, but by the despatch, if necessary, of particular squadrons to any point or any part of the British Empire where special danger might menace our fellow-countrymen. That we can do now, next year, and in the years which are immediately before us.

"Still here we are, gathered together, a company of practical shipurights, accustomed to deal with recl and great facts, we must face them and we must recognize them, for with every new development in continental navies, with every fresh squadron which takes water abroad, with every fresh step in the ceaseless accumulation of naval strength with which we are confronted, the world-wide mobility of the citish Navy becomes restricted.