25 -6.

I now will briefly review matters as they are. Forts, arsenals, and coaling-stations are held on the lines of trade and commerce, on the maintenance of which, it is unquestionable, the whole Empire is deeply interested. Sufficient ships to perform the duty of police of the seas, and to maintain British interests, are suitably stationed all over the world. In the heart of Europe the Mediterranean fleet is maintained; at Home, ships are kept ready for service, to be sent anywhere at very short notice. The Channel fleet, while available for any service, is an invaluable fleet for train-

ing officers and men.

The above sketch gives an outline of the policy which is considered to be the very best yet devised for securing that the naval force of the nation will be at the right place at the right time. The fleets of other nations are watched, and any augmentation of force that is observed is readily met, when necessary, by counterbalancing measures. Should any hostile fleet leave Europe, we may rest assured it will be followed; and lest such a case should occur, protected coaling-stations, naval establishments abroad and colonial defences, Militia and Volunteer forces, have their cause for existence. We must recall that when the fleets of England were far greater than those of France and Spain combined, yet, in the great actions fought in the early part of this century, our force was inferior to those opposed to us. At this time the power to concentrate is far greater than it was in those days. It is clear the strength of the fleet must not be frittered away, as it would if the component parts were scattered.

At Home it has often and often been proposed to build ships specially suited for the defence of the Mersey, the Clyde, the Thames, and other ports. The answer has always been on the same line. If Parliament will place more money at the disposal of the Admiralty they will be able to show it will be best and wisest to spend it on vessels suited for the general service of the country. An increase to Her Majesty's fleet voted in London would take that direction. It would be spent in construction, in armaments, and, excepting as regards the very important instance of torpedo-boats, for the purpose of adding to the strength of the fleet that could be employed anywhere in the interests

of the nation.

There is no difference of opinion as to the necessity for protecting the most distant parts of the Empire. The question is, How is this best effected? It cannot be better done than by destroying an enemy before he has time or opportunity to act to our disadvantage, but it is certainly wise to take every precaution lest, as in days gone by, a squadron should escape notice and suddenly appear off a distant shore. What the Admiralty could do besides what it does now would be to give the advantage attached to a force that is organized on one system; also it could arrange to supply officers and men trained to modern ships and modern appliances. It can give homogeneity to the whole force of the nation, and it could do this at a cost far less than would be entailed by any other plan that has yet been devised. But the Admiralty could only be expected to advise expenditure of the sums voted annually in London for naval purposes in the direction it was convinced was for the best from a general point of view.

The force out here at this time is much greater than it was but a very few years back. This testifies to the appreciation of the ever-growing importance of the position; but the rapid progress that is being made in all directions is creating demands that require very serious consideration. That the colonies have done much themselves all will admit. We must also bear in mind that the progress made in ship-building and in marine engineering is rapidly bringing Australia closer to Europe in point of time, and the safety due to distance is not what it was ten years ago, yet the

strategic conditions referred to in this paper are not greatly altered.

The importance of the question was so recognized in 1884, that Parliament in London did not wait, but decided to make a very appreciable addition to our naval forces, and the large proportion of that expenditure, as I have shown, is devoted to vessels specially suited for the protection of colonies and commerce. The country did not wait to talk—it gave a vote, an increase over the G. TRYON. estimate for the purpose.

## No. 32.

The Premier, Victoria, to the Premier, New Zealand.

You will have observed that representatives of New South Wales, Queensland, and Victoria met at Sydney last week to consider Admiral Tryon's proposal re defence of Australian waters, you and other colonies interested being unable to attend. After discussion it was found that the point upon which the whole matter turned was, What proportion of the proposed addition to the strength of the Royal Navy in these waters should be borne by Her Majesty's Government. New South Wales was prepared to accept the Admiral's proposal as contained in his memorandum of the 24th December, 1885—viz., that the entire cost of these vessels will be borne by the colonies, including December, 1889—viz., that the entire cost of these vessels will be borne by the colonies, including the entire cost of maintenance during the term. Queensland was prepared to go very much the same length, although, instead of paying the total of the first cost, was inclined to think that a per cent. of the first cost of the vessels, say, 5 per cent., should be paid annually by the colonies by way of deterioration in value, and the vessels at the end of the ten years to be the property of Her Majesty's Government; the total cost of maintenance to be borne by the colonies. Victoria contended that in the proposed addition to the strength of the naval squadron in these waters, Her Majesty's Government should contribute its share of the cost, that that share should be providing Majesty's Government should contribute its share of the cost, that that share should be providing the necessary vessels, mauning, equipping, &c., and the entire cost of maintenance during the term of ten years should be borne by the colonies in the proportion of their respective populations. On no previous occasion have the colonies been asked to bear the entire cost of an addition to the Royal Navy in these waters. The conference held in Sydney in 1881 urged that the naval defence of the Australian waters should be largely increased, and should continue to be exclusively a charge on Her Majesty's Government. The Secretary of State for the Colonies in his despatch of the 11th May objected that the increase should be exclusively a charge upon the Imperial Treasury; but, on