

## I.—PRELIMINARY OBSERVATIONS.

1. It will, I think, be generally conceded that it is the duty of the Commonwealth to adequately contribute to the defence of Australia and of its floating trade. We admit this obligation in regard to our local military defence, but we must remember that naval forces require to be even more efficient than military forces, which have the great advantage of local knowledge to assist them in any active operations in their own country.

2. So long as the sea supremacy of the Mother-country is maintained Australia is fairly secure from invasion, but in time of war we would be exposed to attacks upon the floating trade and to raids on our coastal towns by powerful cruisers. It is therefore obligatory that adequate means should be taken to provide against such emergency.

3. Owing to the progress made by foreign Powers in the construction and maintenance of powerful sea-going cruisers, the present Auxiliary Squadron has become inadequate, and the Commonwealth is confronted with the immediate necessity of arranging for up-to-date naval protection being provided.

4. Rear-Admiral Sir Lewis Beaumont, Commander-in-Chief of the Australian Station, has already given his views on the present necessities of Australian naval defence in a letter to the Governor-General, which was presented to Parliament on the 16th August, 1901, from which I extract the following:—

“(1.) I can give what, in my opinion, are the obligations of the Federal Government in respect of the naval defence of the Australian Commonwealth.

“(a.) They should cause to be maintained on the Australian Station, as defined by the Admiralty, a squadron of at least six cruisers in commission, two of them first-class cruisers of 7,000 to 8,000 tons displacement, and the others second-class cruisers of the improved ‘Highflyer’ type.

“(b.) There should, in addition, be two such second-class cruisers in reserve.

“(c.) These vessels ought to be replaced gradually by more modern vessels, as the development of naval construction renders it desirable or the increase of foreign fleets makes it necessary.

“(d.) The vessels should be under the Admiral in command of His Majesty’s ships on the station, the crews subject to the Naval Discipline Act, and embarked under the same terms of engagement as in the Royal navy.

“(e.) The headquarters of the squadron ought to remain at Sydney, owing to the repairing facilities and convenience of the existing depots there; but the ships should be attached in turn for ordinary peace service, when not required for fleet exercises, to suitable ports in each State, where the Federal Government should give facilities for the gradual establishment of the secondary naval bases which will be essential in war as regards coal, stores, and repairs.

“The above gives, in broad lines, the naval force adequate for the naval defence of Australia at the present time. It will be seen, from the size and number of the ships required, from the necessity which will undoubtedly arise of replacing them from time to time by more modern ships, from the fact that they must be continuously manned by trained officers and men, and that the ships must not only be maintained in commission but must be gradually provided with new bases, that it is beyond the power of the Commonwealth at the outset to create such a force.

“(2.) It follows, therefore, that such a force can only be acquired and maintained by arrangement with the Imperial Government, and I believe that if this course was adopted it would also follow that the greatest amount of good would be maintained at the smallest possible cost.

“(3.) In view of the Federal Government providing for the immediate future an adequate and up-to-date sea-going fleet for the defence of Australian floating commerce and the protection of Australian territory, I consider that it should take no part in the creation or maintenance of naval reserves or State naval forces, which experience has shown cannot be utilised in a manner at all commensurate with their cost, or assist, except within too narrow limits, in the defence of the Commonwealth.

“The future may see the creation of an Australian navy, but for the present the safety and welfare of the Commonwealth require that the naval force in Australian waters should be a sea-going fleet of modern ships, fully equipped, fully manned with trained crews, homogeneous as to type and *personnel*, and under one command.

“For the Federal Government to form out of the existing naval organizations a permanent force as the nucleus of the Naval Defence Force, the main body of which would be derived from naval brigades, as suggested in Your Excellency’s letter, would not be sufficient, unless the force is only intended to supplement the crews of His Majesty’s ships in war; if not, then modern ships would have to be provided and maintained by the Federal Government for the officers and men of the Commonwealth naval force, in which they could be trained at sea, and a part maintained at all times in a state of efficiency and readiness for war, a system which would be much more costly and less efficient than if the ships and men were provided by arrangement with the Imperial Government.”

We have in the above clear statement of Admiral Beaumont the opinion of an able and experienced naval officer on the question, and it is fortunate that we have been placed in possession of his views, inasmuch as they represent an expert and impartial opinion worthy of the greatest respect and entitled to the fullest consideration.