is at all necessary in this colony, and I am satisfied that if the suggestion now made should be given effect to we would have in the course of a few years fully twenty thousand Volunteers equipped and complete.

NAVAL RESERVES.

Naval drill on cruisers in port.

In respect to the naval branch of the Imperial and Colonial Reserve forces, arrangements should be made for the drilling of our Naval Volunteers, on a certain number of days in each year, on the cruisers belonging to the Australasian Squadron, these cruisers to be at the several ports in the colonies at times fixed for the purpose.

CONVERSION OF STEAMERS.

Conversion of steamers into cruisers.

There are many of the merchant steamers coming to the colony which could be converted into cruisers. At present the officers and engineers on those steamers cannot qualify for the Naval Reserve. If they were allowed to have short periods of service on the cruisers when both steamers and cruisers were in port, these officers and engineers would in time qualify for the Naval Reserve.

EQUIPMENT OF STEAMERS.

Equipment for converted steamers.

There should be naval guns, equipment, and munitions of war for these colonial steamers convertible into cruisers, to be left at a depot within the colony, to be approved by the Imperial authorities; not necessarily at a port, yet safe from seizure, and within easy reach.

AUSTRALASIAN SQUADRON.

Strengthening the Australasian Squadron.

Owing to the altered conditions it is necessary that the Australasian Squadron should be strengthened by raising the class of vessels and increasing the number of cruisers, the colonies to pay the increased cost, on the basis of the present agreement.

Withdrawal of obsolete cruisers.

Several of the cruisers now in the Australasian waters, not being up to date, and not belonging to the squadron, should be withdrawn and replaced by a better and more useful class of cruisers.

MILITARY CONFERENCE.

Suggested military conference.

With the developments that have taken place in South Africa the difficulties met with by the Australasian Colonies in enrolling, equipping, and despatching contingents for service outside the colonies point to the fact that a Conference of Imperial officers, Commanders of the Forces, and Defence Ministers would be of great service in working out a scheme such as is here proposed; and should Field-Marshal Lord Roberts be able to accept the invitation to visit the colonies, he should be invited to preside at such Conference. Failing this, the Imperial authorities should be asked to send one of the British generals who has taken part in the South African campaign to preside at such Conference.

APPENDIX V. (2).

MAJOR-GENERAL FRENCH'S DEFENCE SCHEME (AUSTRALIA'S MOUNTED MEN).

Major-General French to the Right Hon. the Premier.

Sir,— Sydney, 8th May, 1900.

The present war in South Africa has demonstrated the fact that the defence of the British

Empire in the future is not a question to be left wholly to the people of the British Isles, but that the English-speaking people throughout the Empire are willing to take their share in its defence, and provide the men, and possibly the money, therefor.

Having had an experience of a dozen years in Canada and a similar amount in Australia, mostly with colonial forces, I would like to make two points clear: (1) It is idle to hope or expect that any large force of Imperial troops, paid at Imperial rates, could be raised in these colonies for ordinary garrison work or duties in peace time. (2.) It is equally certain that thousands of men can be raised in war time, who will engage for the war at a fair rate of pay.

With regard to the first point, I may mention that the minimum rate of wages for labourers on Government contracts has been fixed at 7s. per diem in this colony, and it is pretty much the same in the other Australian Colonies. This will give some idea of the futility of attempting

to carry out this matter.

The second point is one of the greatest possible importance to my mind. Few who have not resided in these colonies during the past six months could realise the intense enthusiasm and desire amongst all classes to take part in the war: this colony has sent some 2,700 officers and men, and as many horses, and the difficulty was not in finding the men, but in having to send away the thousands who could not be taken on. The other Australian Colonies had a