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ADMIRALTY MEMORANDUM.

On the 16th March of this year statements were made on the growing strength of foreign navies by the Prime Minister and the First Lord of the Admiralty on the introduction of the Navy Estimates for 1909-10.

On the 22nd March the Government of New Zealand telegraphed an offer to bear the cost of the immediate construction of a battleship of the latest type and of a second of the same type if necessary. This offer was gratefully accepted by His Majesty's Government. On the 29th March the Canadian House of Commons passed a resolution recognising the duty of Canada, as the country increased in numbers and wealth, to assume in a large measure the responsibilities of national defence, and approving of any necessary expenditure designed to promote the speedy organization of a Canadian naval service in co-operation with, and in close relation to, the Imperial Navy. On the 15th April Mr. Fisher, the Prime Minister of the Australian Government, telegraphed that, whereas all the British Dominions ought to share in the burden of maintaining the permanent naval supremacy of the Empire, so far as Australia was concerned this object would be best attained by the encouragement of naval development in that country. (On Mr. Deakin succeeding Mr. Fisher as Prime Minister a further telegram was sent on the 4th June, offering the Empire an Australian "Dreadnought," or such addition to its naval strength as may be determined after consultation in London.)

In view of these circumstances, His Majesty's Government considered the time was appropriate for the holding of a Conference to discuss afresh the relations of the Dominions to the United Kingdom in regard to the question of Imperial defence, and on the 30th April sent an invitation to the Defence Ministers of the four Dominions and the Cape Colonies to attend a Conference under the terms of Resolution 1 of the Conference of 1907, to discuss the general question of the naval and military defence of the Empire, with special reference to the Canadian resolution and to the proposals from New Zealand and Australia.

2. If the problem of Imperial naval defence were considered merely as a problem of naval strategy it would be found that the greatest output of strength for a given expenditure is obtained by the maintenance of a single navy with the concomitant unity of training and unity of command. In furtherance, then, of the simple strategical ideal the maximum of power would be gained if all parts of the Empire contributed, according to their needs and resources, to the maintenance of the British Navy.

3. It has, however, long been recognised that in defining the conditions under which the Naval forces of the Empire should be developed, other considerations than those of strategy alone must be taken into account. The various circumstances of the Oversea Dominions have to be borne in mind. Though all have in them the seeds of a great advance in population, wealth, and power, they have at the present time attained to different stages in their growth. Their geographical position has subjected them to internal and external strains, varying in kind and intensity. Their history and physical environment have given rise to individual national sentiment, for the expression of which room must be found. A simple contribution of money or *matériel* may be to one Dominion the most acceptable form in which to assist in Imperial defence. Another, while ready to provide local naval forces, and to place them at the disposal of the Crown in the event of war, may wish to lay the foundations upon which a future navy of its own could be raised. A third may think that the best manner in which it can assist in promoting the interests of the Empire is in undertaking certain local services not directly of a naval character, but which may relieve the Imperial Government from expenses which would otherwise fall on the British Exchequer.