

and raw materials as well as of food and feeding stuffs to meet the several requirements of the United Kingdom, the Dominions and India, and the Colonial Empire.

The discussion was continued by the delegations representing the Dominions and India. The Conference was informed of the developments in the Canadian defence forces from 1926 to the present time. After considerable reductions in 1931 increased appropriations had recently been made for the defence services of the Dominion. The strength of the Canadian naval and air forces had been increased, the militia had been completely reorganized, and a policy of modernization and mechanization of equipment had been adopted. The industrial aspect of defence preparations had received close attention, and a Committee of the Cabinet had been appointed to maintain active supervision of defence problems.

The defence organization of the Commonwealth of Australia next received consideration. The basis of Australian defence policy was described as participation in Empire naval defence for the protection of sea-borne trade, as a deterrent to invasion and as a general measure of defence against raids, combined with local defence to provide a further deterrent to and a defence against invasion and raids. The great importance from the Australian point of view on the Singapore base was noticed. The Conference was informed of the large increases in the defence votes in Australia under a three years' programme commenced in 1934 and that a new four years' programme overlapping the last year of the other programme had been put in hand. It was stated that the guiding principles of the Imperial Conferences of 1923 and 1926 had been adopted by His Majesty's Government in the Commonwealth of Australia as the basis of its policy and the main features of the programmes that sought to implement them were as follows:—

- (i) *Naval principles providing for the maintenance of adequate naval strength, and the provision of naval bases and facilities for repair and fuel.*

The construction of a new cruiser and two new sloops.

The rearmament of the fixed defences and provision of air co-operation.

Facilities for naval repairs and oil storage.

- (ii) *Responsibility for local defence.*

In addition to strengthening the fixed defences of the important ports, the Australian Government had recently provided a special increase in the Army vote to bring the Field Army of seven divisions up to its minimum nucleus establishment. The strength of the permanent forces was also being increased, and improvements were being effected in the efficiency, armament, and equipment of the Army.

The Air Force would complete this year Part I of the scheme laid down by Sir John Salmond, and have a first line strength of eight squadrons and 96 aircraft.

The building-up of the munitions supply organization had reached the stage that the Government factories had developed the capacity for the production of the various types of the ordinary requirements of the Army, Navy, and Air Force, and these resources were being further expanded. A survey of civil industry was also being carried out to determine the possibilities of capacity for production, and to prepare plans for mobilizing its resources in an emergency.

The Government had recently arranged for the establishment of the aircraft industry on a sound basis, and this would be an important adjunct to defence.

As affecting the whole field of defence, great importance was attached by the Australian delegation to the development of co-operation in defence matters between the several parts of the British Commonwealth.

The Conference was informed that His Majesty's Government in New Zealand also attached the greatest importance to close co-operation in defence matters. The Government were anxious to make sure that expenditure on the three Services was