

NEW ZEALAND NAVAL FORCES
REPORT OF THE COMMODORE COMMANDING THE NEW ZEALAND STATION,
FOR THE PERIOD 1ST APRIL 1931 TO 31st MARCH 1932

Presented to both Houses of the General Assembly by Command of His Excellency the Governor-General

REPORT

The Hon. the Minister of Defence, Wellington.

H.M.S. "Diomede", at Wellington, 13th April, 1932.

SIR, —

I have the honour to address to you the following report on the Naval Forces of the Dominion and the proceedings on the New Zealand Station during the year 1st April, 1931, to 31st March, 1932.

I. STATE.

The New Zealand Division of the Royal Navy, on the 31st March, 1932, consisted of :—

H.M.S. "Diomede" (wearing the broad pendant of the Commodore Commanding New Zealand Station), H.M.S. "Dunedin," at present in England completing large repairs, H.M.S. "Philomel," non-seagoing depot ship and training establishment at Devonport, Auckland, H.M. Trawler "Wakakura," and R.F.A. "Nucula," the Squadron Oiler.

2. H.M. Ships "Veronica" and "Laburnum," maintained at the expense of the Imperial Government, are also employed on the New Zealand Station under the orders of the Commodore Commanding.

II. PERSONNEL.

On the 2nd April I received intimation from the Admiralty of my promotion to the rank of Rear-Admiral, but in accordance with arrangements previously made between the Imperial and New Zealand Governments, I continued in command of the New Zealand Station without alteration of rank or emoluments.

2. Mr. George A. Atwood, First Officer of R.F.A. "Nucula," superseded Lieutenant Arthur W. Beardsall, R.N.R. (N.Z.) as Master of R.F.A. "Nucula" on the 13th July, 1931.

3. It was decided to send Lieutenant H. A. Haynes, Royal Navy (Retired), Armament Supply Officer, Devonport, to England on the 29th September, 1931, to undergo a course of instruction in the United Kingdom to fit him for the duties of Inspector of Naval Ordnance in New Zealand in addition to his usual duties. Lieutenant Haynes will return to New Zealand in H.M.S. "Dunedin."

4. On the 1st November, 1931; relief ratings for H.M. Sloops "Veronica" and "Laburnum" arrived at Auckland and the sloops were recommissioned on the 2nd November for further service on the station.

On the same date Commander R. Ramsbotham, Royal Navy, relieved Commander Charles E. Hotham, D.S.C., Royal Navy, in command of H.M.S. "Laburnum." Periodic changes of other officers in both ships also took place.

5. Captain Colin Sinclair Thomson, Royal Navy, superseded Captain John S. G. Fraser, D.S.O., Royal Navy, on the 25th February, 1932, as Second Naval Member of the Naval Board.

6. On the concluding day of this report there were 420 ratings on the active list who had been recruited in New Zealand; of these, 330 were serving in ships of the New Zealand Division on the Station and ninety in Home waters undergoing courses, standing by H.M.S. "Dunedin," and serving in ships of the Imperial Navy whilst awaiting the return of H.M.S. "Dunedin."

Apart from the above, forty Imperial officers and 220 Imperial ratings are on loan serving in New Zealand Division ships. This number will tend to decrease year by year as recruiting in New Zealand increases and the seniority of existing New Zealand ratings advances.

7. In anticipation of normal requirements recruiting has been continued during the year, and the following entries have been made : Twenty seaman boys on 15th May, 1931; ten seaman boys on 16th September, 1931; thirteen seaman boys on 15th January, 1932; and eight stokers on 18th February, 1932.

8. There was some falling-off in applications for the January, 1932, seaman entry. Though this is in part seasonal, steps are being taken to bring the advantages of service in the New Zealand Division more extensively to the notice of candidates in all parts of the Dominion.

On the other hand, applications for the stoker branch, where the age of entry is higher, were considerable, over 200 candidates presenting themselves in February, 1932, for eight vacancies.

9. The total wastage during the year caused by death, invaliding, discharge by purchase, unsuitability, services no longer required, and desertion, was twenty-two.

10. The health and discipline of the ships' companies have continued to be excellent.

III. PERSONNEL (RESERVE).

The strength of the New Zealand Naval Reserves on 31st March, 1932, was:—

Royal Naval Reserve (composed of officers and men who have volunteered and who follow the sea as their profession in the merchant service; and men, subject to certain conditions, who have served their time on the active list)—

Officers	6
Men	245

Sea training of New Zealand Royal Naval Reserve personnel has been almost entirely suspended for the present owing to the financial situation.

Royal Naval Volunteer Reserve (composed of officers and men not necessarily professional seamen, who receive preliminary training at the Royal Naval Volunteer Reserve Headquarters in the Dominion and subsequent annual sea training in H.M.S. "Wakakura" and cruisers of the New Zealand Division)—

Officers	List I	59
	List II	20
Men ..	List I	571
	List II	307

2. H.M.S. "Wakakura" visited the Royal Naval Volunteer Reserve Divisions at Dunedin, Wellington, Christchurch, and Auckland during the year, and officers and men were taken to sea in sections for a week's training in mine-sweeping, gunnery, signalling, navigation, and seamanship.

3. The Royal Naval Volunteer Reserve have carried out their sea training in H.M.S. "Wakakura" with enthusiasm and with very satisfactory results. The need for a second mine-sweeping vessel is still badly felt, the facilities for training the large number of volunteers on the list being very limited with only one trawler. This is particularly the case as regards mine-sweeping demonstration and instruction.

4. I have been able to carry out inspections of all divisions, except Wellington, and their headquarters during the year, and consider the keenness and efficiency of the personnel is being well maintained.

5. It is considered that the state of the New Zealand Naval Reserves is satisfactory, except as regards a shortage of Royal Naval Reserve officers, which it is hoped will be remedied shortly, and that they are being effectively trained for the performance of the important services of local defence and other duties which will fall to their lot in the event of war.

6. The Post and Telegraph Department personnel manning radio stations on the New Zealand Station have, when opportunity permitted, received short lectures in naval wireless procedure on board H.M.S. "Diomedé." The willing co-operation which they have offered at all times is much appreciated.

IV. PROCEEDINGS (CRUISERS OF N.Z. DIVISION).

H.M.S. "Diomedé."

On the 1st April, 1931, H.M.S. "Diomedé" (wearing my broad pendant) was at Nelson and from there proceeded to Wellington, where the ship's company, with those from "Veronica" and "Laburnum," carried out annual musketry training at Trentham Military Camp.

2. Anzac Day was commemorated on the 25th April, a Royal guard being provided from the ship for His Excellency the Governor-General. Another guard was also paraded for the ceremonies at Upper Hutt.

3. On the 1st May naval ratings assisted in life-saving at the wreck of s.s. "Progress" in Ohiro Bay.

4. On conclusion of the musketry training, H.M.S. "Diomedé" proceeded to Auckland and there gave Easter leave, refitted, and docked.

5. The ship was dressed overall on the 3rd June on the occasion of the birthday of His Majesty the King.

6. Exercises were carried out in the Hauraki Gulf for a week in June, and on the 25th June the ship sailed for a cruise in the Pacific Islands. Sunday Island was first visited, but the weather did not permit a landing; subsequently visits were made to Nukualofa (where the ship participated in the celebrations on the occasion of the birthday of His Royal Highness the Crown Prince), Rarotonga, Moorea, Papeete, Bora Bora, Tau, Pago Pago, Apia, Lautoka, and Suva.

7. At Papeete the French Sloop "Bellatrix" was met and the usual courtesies exchanged; at Bora Bora oil fuel was embarked from R.F.A. "Nucula"; at Pago Pago H.M.S. "Veronica" was met; and at Lautoka annual bombardment practices were carried out in the Nandi waters. H.M. Ships "Veronica" and "Laburnum" met. H.M.S. "Diomedé" at Suva, and the annual regatta was held.

8. On the 7th September H.M.S. "Diomedé" returned to Auckland for a short stay and then proceeded to Wellington. An epidemic of influenza occurred while at Auckland, the daily sick list rising to as many as sixty. Its duration, however, was short.

9. From Wellington the ship carried out a circuit of the South Island, visiting the West Coast Sounds, Bluff, Dunedin, Oamaru, Timaru, Lyttelton, Akaroa, and thence Wellington. Christmas leave to those ratings domiciled in the South Island was given while at Lyttelton, and a guard and band attended the Armistice Day ceremonies at Christchurch.

10. H.M.S. "Dunedin" left Wellington for Auckland on the 26th November. Whilst on passage to Auckland a visit was made to Napier. This was the first visit since the occasion of the earthquake. The ship was berthed at Glasgow Wharf.

11. Gunnery and torpedo exercises were carried out in the Hauraki Gulf before arrival at Auckland for the Christmas period on the 9th December.

12. Until the 15th February, 1932, H.M.S. "Diomede" remained at Auckland. Christmas leave was given, the ship dry-docked, and the Royal Marine detachment carried out their annual musketry training at Penrose Military Camp.

While in the stream on the occasion of the Auckland Anniversary Regatta, H.M.S. "Diomede" was placed at the disposal of the Regatta Committee for use as their flagship. His Excellency the Governor-General honoured the ship with his presence during the day.

13. In February H.M.S. "Diomede" carried out further exercises in the Hauraki Gulf, and on the 25th February proceeded on a northern cruise to Russell and Whangaroa.

14. Following an invitation from the Government of the Commonwealth of Australia, H.M.S. "Diomede" sailed from Whangaroa on the 10th March to take part in strategical exercises at sea with the Royal Australian Squadron. At the conclusion thereof the ships taking part proceeded to Sydney in company and participated in the ceremonies connected with the official opening of the Sydney Harbour Bridge.

15. After completion of the visit, H.M.S. "Diomede" returned to Nelson, and during the passage across the Tasman Sea, shortly after midnight on the 22nd-23rd March, an Imperial rating, Able Seaman Charles Jonathan Ribbins, O.N. C/J. 30155, was washed overboard and drowned. The tragic occurrence took place while certain additional precautions against the threatening weather were being carried out, and though search was continued for two hours in somewhat heavy seas it was without success. A full investigation by a Court of inquiry was held, the minutes of which have been forwarded to the Naval Board.

16. After a short visit to Nelson the ship proceeded to Picton, where she lies on the concluding date of this report.

H.M.S. "Dunedin."

On the 1st April, 1931, H.M.S. "Dunedin" (Captain Martin J. C. de Meric, M.V.O., Royal Navy) was at Colombo on passage to the United Kingdom for a long refit.

2. Subsequently during the voyage the ship called at Aden, Suez, Port Said, Malta, and Gibraltar, all the visits being of short duration. Opportunity was taken while at Malta, the headquarters of the British Mediterranean Fleet, for the New Zealand ratings to visit H.M.S. "Ramillies" (29,150 tons, eight 15 in. guns, twelve 6 in. guns) as a representative British battleship.

3. H.M.S. "Dunedin" arrived at Sheerness on the 7th May, 1931, the New Zealand flag having thus completed a circuit of the world since October, 1930. The ship proceeded to Chatham and was then paid off into dockyard control for large repairs.

4. Subsequently a proposal initiated by the New Zealand Government as a measure of economy to retard the cruiser's completion by three months was agreed to by the Admiralty. By this means a part of the cost of the repairs has been transferred from last financial year to that for 1932-33, and thus has afforded relief during the existing period of financial stress. It must be borne in mind, however, that this decision, and its acceptance by the Lords Commissioners of the Admiralty, affected the British Government both administratively and financially; Imperial officers and men to the number of approximately 300, who would have joined the ship on her preparation for service on the original date, remaining a charge to the Admiralty for an additional period of three months.

Further, for strategic reasons, the Admiralty were naturally reluctant that the New Zealand Squadron should be under strength for a longer period than is absolutely necessary.

5. H.M.S. "Dunedin" will now commission at the end of May, 1932, and will arrive at Auckland for further service on the Station in August, 1932.

V. PROCEEDINGS (H.M. SLOOPS).

On the 1st April, 1931, the Imperial sloops were located as follows:—

H.M.S. "Veronica" (Commander H. L. Morgan, C.M.G., D.S.O., R.N.) at Lyttelton in the course of a South Island cruise, and H.M.S. "Laburnum" (Commander C. E. Hotham, D.S.C., R.N.) at Wellington on the conclusion of a similar cruise.

2. H.M.S. "Veronica" joined H.M. Ships "Diomedé" and "Laburnum" at Wellington on the 2nd April, and the sloops then carried out their annual musketry training.

3. From Wellington H.M.S. "Laburnum" proceeded direct to Auckland on the 4th May for refit and docking ; H.M.S. "Veronica" visited Wanganui, New Plymouth, and Whangaroa, finally also arriving at Auckland on the 21st May. I flew my broad pendant in H.M.S. "Veronica" for the visit to Wanganui, and subsequently rejoined H.M.S. "Diomedé" by land.

4. Both ships were dressed overall on the occasion of the birthday of His Majesty the King, and Commander H.L. Morgan, C.M.G., D.S.O., R.N., was on that day informed by His Excellency the Governor-General that His Majesty had been graciously pleased to confer the Companionship of the Order of St. Michael and St. George upon him in recognition of his services at the Napier earthquake.

5. On the 8th June H.M.S. "Laburnum" departed for her Pacific Islands cruise, and on the 22nd June H.M.S. "Veronica," after she had assisted H.M.S. "Diomedé's" practices by towing targets, also proceeded for her islands tour.

6. The sloops did not meet during their cruises until all ships assembled at Suva at the end of August.

H.M.S. "Veronica" visited islands and ports in the following order : Vavau, Pago Pago, Niue, Rarotonga, Mangaia, Atui, Aitutaki, Palmerston Islands, Pago Pago (in company with "Diomedé" for part of the time), Apia, Atafu Isle, Nukunono Isle, Fakaofu Isle, Apia, Pago Pago, Apia, Suva, Lautoka, Ellington, Levuka, Savu Savu, Somo Somo, Koro Island, Suva (H.M.A.S. "Canberra" in port), Nukualofa, and finally arrived at Auckland on the 11th October.

7. H.M.S. "Veronica" had thus accomplished a very lengthy and comprehensive cruise lasting nearly four months. His Honour Judge Ayson, the Resident Commissioner at Rarotonga for the Cook Islands, embarked in the ship during the time she visited the islands of that group.

Later, at Apia, the Administrator of Western Samoa, Brigadier-General H. E. Hart, C.B., C.M.G., D.S.O., embarked on a visit of inspection to the Tokelau Group, and subsequently also proceeded in H.M.S. "Veronica" to Pago Pago to pay an official visit to the Governor of American Samoa. Opportunity was taken of H.M.S. "Veronica's" cruise in Fijian waters to embark the Bishop in Polynesia, who was thus enabled to visit the outlying parts of his diocese.

8. Meanwhile H.M.S. "Laburnum" had carried out a similar series of visits in the north-western portion of the South Pacific.

9. After leaving Auckland she proceeded to Suva, where His Excellency the Governor and High Commissioner for the Western Pacific embarked for a visit of inspection to the British territories in the Solomon and Gilbert and Ellice Groups. H.M.S. "Laburnum" left Suva with His Excellency on board on the 22nd June, visited Vila, Malo Island, and the vicinity, Second Channel, Hog Harbour, Vanikoro Island, Aola, Tulagi, Gizo, Tunibuli, Auki, Tulagi, Ocean Island, Tarawa, Beru, Onotoa, Manomea Funafuti, Rotumah, and finally returned to Suva on the 24th August, where H.M. ships "Diomedé" and "Veronica" were already present. H.M.S. "Laburnum" had thus completed a cruise of nearly 5,000 miles, and His Excellency was pleased to express his appreciation of the manner in which the ship had carried out this voyage.

10. After the regatta at Suva H.M.S. "Laburnum" proceeded via Nukualofa to Auckland, where she arrived on the 10th September.

11. After their return to Auckland both sloops were refitted and prepared for recommissioning, the latter taking place on the 2nd November.

12. Armistice Day ceremonies were held in the Naval Base in accordance with naval custom.

13. In the early part of December H.M. ships "Veronica" and "Laburnum," the latter under the command of the new Commanding Officer, Commander R. Ramsbotham, R.N., both carried out exercises with their new ships' companies in the Hauraki Gulf, and co-operated in towing targets for each other and H.M.S. "Diomedes" practices.

14. H.M.S. "Veronica" returned to Auckland for Christmas, while H.M.S. "Laburnum," after a short stay at Auckland after the practices, proceeded to Whangarei.

15. During January, 1932, H.M.S. "Veronica" visited Tauranga, while H.M.S. "Laburnum" returned to Auckland for a short stay. Subsequently both ships visited Port Russell together. During her time in Auckland H.M.S. "Laburnum" had the honour of embarking His Excellency the Governor-General for a two days' visit to the Hauraki Gulf.

16. At the end of the month both sloops were again in Auckland and participated in the anniversary regatta. In the evening Commander H. L. Morgan, C.M.G., D.S.O., R.N., was invested by His Excellency the Governor-General with the insignia of the Companionship of the Order of St. Michael and St. George.

17. In the first week in February both sloops proceeded on their New Zealand summer cruise, H.M.S. "Veronica" visiting Lyttelton twice, Dunedin, Stewart Island, and Timaru ; and H.M.S. "Laburnum" Kawau, Lyttelton twice, New Plymouth, Westport, Greymouth, the West Coast Sounds, Stewart Island, Bluff, Dunedin, and Oamaru.

18. Both ships were together during the first visit to Lyttelton and intended carrying out combined gunnery firings at the dismantled s.s. "Breeze," which had been presented to the Naval authorities for this purpose by the owners. Unfortunately, the weather was inclement, the tow parted during the passage from the harbour to the firing-area, and the hulk became a total wreck on the coast inside the heads of Lyttelton approaches ; the firings had consequently to be abandoned.

19. Both ships met again at Stewart Island and held their annual regatta.

20. On the concluding day of this report H.M.S. "Veronica" was at Lyttelton and H.M.S. "Laburnum" at Oamaru, whence she will proceed to join H.M.S. "Veronica" at Lyttelton on the 2nd April, 1932.

VI. H.M.S. "PHILOMEL."

H.M.S. "Philomel" (Commander Edward L. Berthon, D.S.C., Royal Navy) continues to act as training-ship for the New Zealand Division and Naval Depot ship at Devonport, Auckland. The prolongation of the life of the ship, as stated in my last report, is proving satisfactory, though additional repairs of minor importance are proving necessary from time to time.

2. I inspected H.M.S. "Philomel" and her personnel on the 26th-27th May, 1931, and found everything to my entire satisfaction. His Excellency the Governor-General honoured the ship and training establishment by a visit on the 29th May, 1931, and was pleased to remark on the general efficiency and excellent bearing of the ship's company.

3. The ship's company, training division, and Royal Marine detachment completed their annual musketry practices at Penrose Rifle Range in November, 1931, with satisfactory results.

VII. H.M.S. "WAKAKURA."

H.M.S. "Wakakura" (trawler), (Commissioned Gunner Thomas E. Brooker, Royal Navy) has been employed during the year almost exclusively on Royal Naval Volunteer Reserve training.

2. During April, 1931, the training of the Canterbury Division of the Royal Naval Volunteer Reserve was completed from Lyttelton, five sections receiving each a week's seagoing instructions and experience before H.M.S. "Wakakura" sailed for Wellington.

3. From the last week in April to the last week in June similar training was carried out from Wellington with the Wellington Division, six sections in all being embarked in rotation.

4. On passage from Wellington to Auckland on the 23rd-24th June very heavy weather was experienced, but the Commanding Officer reported that the vessel behaved remarkably well.

5. On arrival at Auckland the annual refit was carried out, this being followed by the training of the Auckland Division during the months of August, September, October, and November. Ten sections underwent instruction.

6. In the early part of December the ship co-operated in the sloops' gunnery practices by towing targets, and on completion carried out her six-monthly docking.

7. I inspected H.M.S. "Wakakura" on the 31st December and found everything entirely to my satisfaction.

8. During the first quarter of 1932 the ship continued the training of the R.N.V.R. divisions by a visit to Dunedin, where six sections of the Otago Division were embarked in rotation, and subsequently to Lyttelton where, up to the date of completion of this report, two sections of the Canterbury Division have also received sea training. In the course of this instruction Akaroa was visited seven times, Oamaru twice, Timaru once, and Port Levi once.

9. In February H.M.S. "Wakakura" co-operated with the sloops in the projected "Breeze" firing which, owing to the parting of the tow between H.M.S. "Wakakura" and s.s. "Breeze," could not ultimately be carried out.

10. On the 1st March while on passage from Timaru to Akaroa the disabled launch "Mary Ann" was met with and given a tow to Akaroa.

11. On the concluding day of this report H.M.S. "Wakakura" was at Lyttelton.

VIII. R.F.A. "NUCULA."

R.F.A. "Nucula" (Lieutenant Arthur W. Beardsall, R.N.R.) commissioned at Auckland on 1st April, 1931, and sailed three days later for San Francisco to carry thence a full load of oil fuel to Sydney, New South Wales, for the use of the Royal Australian Navy. R.F.A. "Nucula" returned to Auckland from Australia on 16th June and the ship was paid off on arrival.

2. The ship was docked on 24th June and recommissioned again on 13th July, under the command of the new Master (Mr. George A. Atwood), in order to fuel H.M.S. "Diomede" at Bora Bora, Society Islands, on 24th July. After H.M.S. "Diomede" had completed with oil, R.F.A. "Nucula" proceeded to San Francisco and embarked a full load of oil which was discharged into naval tanks at Auckland on 8th September.

3. Owing to the improved performance of "Nucula" when clean, it was decided to dry dock the vessel before proceeding on another voyage. The docking was carried out from the 15th to the 17th September, "Nucula" sailing again to San Francisco on undocking. On this trip a further full load of oil fuel was carried from America to Sydney on behalf of the Royal Australian Navy, and "Nucula" finally returned to Auckland on 17th November and was paid off and placed out of commission the following day.

4. Since then the refit and Lloyd's survey of the ship has been proceeding and was completed at the end of the financial year ; this included a docking on 15th March, 1932.

5. The two cargoes of oil fuel for the Royal Australian Navy were supplied by arrangement with the Commonwealth Government, the cost and transport thereof being paid for by the Commonwealth Naval authorities. It is hoped that further opportunity for similar services may occur, thus saving the cost to the New Zealand Government of maintenance of "Nucula" during the time she is so employed, and providing additional employment for New Zealand merchant seamen.

IX. THE NAVAL BASE.

The general appearance of the Base is very good, and reflects great credit on the Naval Officer in Charge, Commander Edward L. Berthon, D.S.C., Royal Navy. Many minor improvements have been effected. Two further figure-heads and a Maori cannon have been presented to the Base and have been erected in suitable positions.

2. No further steps have been taken as regards the building of the projected naval barracks to take the place of H.M.S. "Philomel," but, in view of the age and condition of H.M.S. "Philomel," the erection thereof cannot be postponed indefinitely.

3. A new torpedo warhead magazine has been completed at Fort Takapuna in order to comply with Admiralty requirements, and concrete tracks and rails between the laboratory, warhead magazine, and Q.F. magazine have been constructed.

4. The usual magazine repairs and maintenance have been carried out, but the construction of the 4.7 in Q.F. magazine has been postponed owing to the present financial stringency. In a like manner the gate-lifting gear and the further construction of concrete tracks have been postponed, but it is hoped that it may be possible to complete them in 1932-33, the existing arrangements making it impossible to keep up to date with periodical examinations.

5. The .22 in. rifle range in the Base has been modified to enable annual pistol practices to be carried out. This permits ratings belonging to the Base to perform their pistol practices on the spot, and has obviated the necessity for the personnel of H.M.S. "Diomedea" to carry out their pistol training in Wellington in April, 1932, with a consequent reduction in the length of time to be spent at Trentham Camp.

6. The six reserve torpedoes, lately maintained at Sydney, together with their warheads, have now been transferred to the Base. In future it is intended that all maintenance work on the Squadron's torpedo reserve shall be carried out at the Base, with the exception of those large overhauls which necessitate return of the weapons to torpedo depots in England. This arrangement is desirable from the point of view of organization, and will also prove more economical in overhaul costs.

7. It has been decided to install a 60 kw. motor generator at the Base for the provision of light and power to the cruisers when lying alongside. This will remove the necessity for keeping steam for ships' dynamos, and will prove a source of considerable saving in running-costs.

8. Considerable improvements have been made during the year to the electrical wiring arrangements throughout the Base.

9. The items requiring Base work in the refits of ships have been all carried out satisfactorily.

X. VISITS OF FOREIGN WARSHIPS.

The only visit of a foreign warship to New Zealand during the year was by the Chilean Training-ship "General Baquedano," which remained at Auckland from the 10th to 27th August.

All ships of the New Zealand Squadron were at the time cruising in the Pacific.

2. H.M.A.S. "Canberra" (Commodore L. S. Holbrook, M.V.O., R.N.) Flagship of the Australian Squadron, visited Suva from the 24th-29th September, 1931, during the course of a cruise in the Western Pacific. H.M.S. "Veronica" was present in port during a portion of this period.

XI. DRILLS, EXERCISES, AND TRAINING AFLOAT, AND GENERAL REMARKS.

The normal drills and exercises in the New Zealand Division have been carried out as far as circumstances have permitted.

In view of the general need for economy a temporary reduction this year in the full charge firings carried out by H.M.S. "Diomedé" has been effected. It is, however, considered that this reduction can only be accepted for a limited period in the interests of efficiency, and it must be appreciated that the Admiralty scale of firings, already reduced on grounds of economy, is the minimum that is necessary for the proper training of personnel.

2. The lack of cruiser competition has been seriously felt owing to the absence of H.M.S. "Dunedin" from the Station throughout the financial year. Competitive drills and exercises are essential to efficiency, and do much to raise the general standard of ships. The presence of only one cruiser further precludes the possibility of any tactical or strategical training, and it was therefore most satisfactory that an opportunity of meeting the Royal Australian Squadron occurred in March, 1932. Full use of this opportunity was made, and a satisfactory strategical exercise was carried out with the units of the Australian Navy during "Diomedé's" approach to Sydney. The exercise was necessarily of a simple nature, and was much restricted by fuel limitations, but it provided the first opportunity during the year of manoeuvres in conjunction with other cruisers. The results are considered to have been most beneficial.

3. Co-operation with the New Zealand Permanent Air Force at Hobsonville has been most successful, and their services, willingly provided at all times, have been of great value. Exercises with aircraft and anti-aircraft firings are carried out on all occasions when H.M.S. "Diomedé" is exercising in the vicinity of Auckland. Aircraft spotting during torpedo-running practices is also an additional safeguard against the possible loss of these weapons.

4. Unfortunately, no combined operations with the New Zealand Military Forces have been possible during the year.

5. H.M. ships have continued, as heretofore, to augment hydrographical information whenever opportunity has been presented. H.M.S. "Diomedé" by arrangement with the British Air Ministry is also carrying out routine observations of the upper air currents with balloons and, in conjunction with many other ships, is gradually providing additional data regarding the Pacific Ocean surface currents.

6. During the year all vessels of the New Zealand Squadron have carried out their annual cruises according to programme, and there has been no incident of major importance to disturb the routine of visits. It will be seen in the foregoing sections of this report that the greater portion of the New Zealand Station in the Pacific Ocean has been covered by H.M. Ships "Diomedé," "Veronica," and "Laburnum." In addition, every port of importance around New Zealand has been visited, many of them more than once.

In passing it is a pleasure to record the universal courtesy extended to H.M. ships by the Harbour Boards of the ports visited and their staffs. Every facility has invariably been provided and ready assistance has been rendered at all times. The residents of New Zealand's seaports have, as ever, been most hospitable both to officers and men, who have many pleasant memories of the kindnesses and entertainment extended to them. In return, reciprocal hospitality and entertainment has as far as possible been offered by the ships concerned. It must be borne in mind, however, that such entertainment by ships has always been the private concern of officers and men; there are no public funds provided for such purposes, and reductions in pay, have, of necessity, called for some curtailment in the extent of the Navy's traditional hospitality.

7. H.M.S. "Dunedin" has further visited a number of large overseas shipping centres during her voyage to the United Kingdom. In all, the New Zealand flag has been shown in British, Australian, French, Dutch, Indian, and Mediterranean waters, and the resulting indirect benefit to New Zealand trade and commercial business should be appreciated. Widespread cruises do not only benefit the personnel of the ships engaged, but do much to advertise the Dominion in the territories visited.

XII. POLICY AND ECONOMY.

Before handing over the command of the New Zealand Division to my successor, and my departure for England, I feel that mention should be made of the existing situation in the above respect.

2. During the term of my command the need for rigid economy has been paramount, and all expenditure has been closely scrutinized with this in view.

3. The Naval Board have therefore accepted a postponement of the progressive development which should have taken place in accordance with the approved policy and which would have necessitated an annual expenditure of approximately £565,000.

4. This approved policy is based on the various commitments entered into by the New Zealand Government at the Imperial Conferences in 1923, 1926, and 1930.

5. The *status quo* has merely been maintained, and by doing so a sum amounting to approximately £320,000 has been reduced from the anticipated votes for naval defence over the years 1930 and 1931.

6. The present estimates for 1932-33 (£400,000 approximately) are based on the minimum sum required to—

- (a) Maintain the two cruisers "Diomedea" and "Dunedin" in commission.
- (b) Maintain the existing Base and repair facilities at Auckland.
- (c) Maintain the existing facilities for the training of New-Zealanders on entry into the New Zealand Division.
- (d) Maintain the existing R.N.V.R. organization.

7. No provision for development in accordance with the approved policy has therefore been made, owing to the present financial crisis, and New Zealand is consequently not yet in a position to undertake her local naval defence.

I have, &c.,

GEOFFREY BLAKE, Rear-Admiral,

Commanding New Zealand Station.