

1913.
NEW ZEALAND.

NAVAL DEFENCE.

(STATEMENT BY THE PRIME MINISTER, HON. W. F. MASSEY.)

Laid on the Table by Leave of the House.

In explaining the attitude of the New Zealand Government in regard to naval defence, I desire to say that any delay which has taken place in making this statement of the Government's opinions and position has been owing to circumstances over which the Government had no control.

In order to make the position clear it is necessary to go back to the first subsidy granted by the New Zealand Parliament on account of Imperial naval defence. By the Australasian Defence Act, 1887, provision was made for the payment by the Colony of New Zealand of a proportional part of the cost of establishment and maintenance of an additional Naval Force to be employed for the protection of our floating trade in Australasian waters, and an appropriation of an annual contribution was provided for ten years to give effect to the agreement entered into between the Colonial Government and the Imperial authorities. This payment approximated £20,000 per annum.

The next step was in 1903, when the Australian and New Zealand Naval Defence Act was passed into law, increasing the annual contribution by New Zealand for the establishment and maintenance of an additional Naval Force to be employed in Australian and New Zealand waters to a sum not exceeding £40,000.

By the Naval Subsidy Act, 1908, the annual contribution of the Dominion was again increased to £100,000 for ten years from the 12th May, 1909. Then followed the gift of the battle-cruiser "New Zealand" in March, 1909. In the same year the Imperial Defence Conference met in London, and an agreement was arrived at for the establishing of a Pacific Fleet, to consist of three units in the East Indies, Australia, and China seas, each comprising, with some variations, a large armoured-cruiser of the new "Indomitable" type, three second-class cruisers of the "Bristol" type, six destroyers of the River class, and three submarines of "C" class.

The battle-cruiser "New Zealand" was to be the flagship of the China unit, and by arrangement between the First Lord of the Admiralty (the Right Hon. Mr. McKenna) and the Right Hon. Sir J. G. Ward (representing the Dominion), a portion of the China unit consisting of two "Bristol" cruisers, three destroyers, and two submarines was to be stationed in peace time in New Zealand waters, the ships to be manned as far as possible by New Zealand officers and men.