

The Defence Minister was commissioned by the Government to interview the Imperial authorities on the subject, and to endeavour to bring about a more satisfactory state of affairs so far as New Zealand naval defence was concerned. Interviews were granted readily and willingly, and the utmost courtesy was extended to the Defence Minister by the Prime Minister (Mr. Asquith), by the First Lord of the Admiralty (Mr. Churchill), and by every one with whom he came in contact. Up to the time of the Defence Minister's visit little or nothing had been done by the Admiralty to give effect to their part of the 1909 agreement, and an intimation was given to him by the Imperial authorities that the position had changed so materially that it was not considered advisable to carry out the agreement or to send to New Zealand the ships referred to in the correspondence between Mr. McKenna and Sir Joseph Ward, quoted above. As a result of the consultation between the Admiralty and the Defence Minister it was arranged that New Zealand should train her own personnel, and that for this purpose the Admiralty should lend to New Zealand a seagoing training-ship and the necessary complement of officers and men. This ship and its complement to be under the administration of the New Zealand Government, but to be at the disposal of the Admiralty when required. It was further arranged that for Imperial purposes in the Pacific and to assist in the protection of commerce the Admiralty should station in New Zealand waters two light cruisers which had constituted part of the Australasian Squadron. On his return to New Zealand, the Defence Minister submitted the arrangement for the consideration of his colleagues with an additional proposal that New Zealand should at an early date provide a cruiser of the "Melbourne" type now forming part of the Australian unit, this type of ship having been recommended by the Admiralty as most suitable for the protection of commerce. The Government, after due consideration, came to the conclusion that the proposal for two light cruisers was too great a departure from the 1909 agreement, and approached the Admiralty asking that two cruisers of the "Bristol" type should be substituted for the two light cruisers, in which case the Government would ask Parliament to provide an additional £50,000, thus making the £100,000 now provided up to £150,000 per annum. This offer has not been accepted, and the following extract from a telegram dated the 2nd October, from the Secretary of State, will, I think, explain itself:—

It was confidently anticipated in 1909 that stationing of the Bristols in New Zealand waters could be arranged without interfering with the general strategic disposition of naval strength necessary in the interests of the Empire as a whole. Available Bristols are required elsewhere; in particular, two have been sent temporarily to the East India and China Stations respectively. At present they would be superfluous in New Zealand waters, as there are no possible enemy ships of equal speed to be dealt with there.

I have no doubt that the Imperial authorities are, in their judgment, doing the best possible in the interests of the Empire as a whole, but the New Zealand Government think a commencement should be made to improve the naval position in the South Pacific, and, if no satisfactory arrangement is arrived at before next session, Parliament will be asked to agree to the building in Britain of one fast modern cruiser, probably of the "Bristol" type, costing about £400,000, to be used in the event of necessity requiring it for the protection of our trade routes. This type of ship costs £400,000 and is described by Jane as follows: Length, 430 ft.; beam, 47 ft.; mean draught, 15½ ft.; length over all, 453 ft. Guns: Two 6-in., ten 4-in. Displacement, 4,800 tons. Complement, 376. Designed horse-power, 22,000=25 knots.

It appears quite certain that we are on the eve of great changes in the Pacific, and it is well that we should commence to shoulder our responsibilities and look to the future both of the Empire and our growing Dominion.

It is proposed that this ship or any ship that New Zealand may acquire shall be under the administration of New Zealand in peace time, but shall automatically pass under the direct control of the Admiralty immediately on the outbreak of hostilities, or shall be available for Admiralty purposes on any other occasion when urgently required.

In the meantime H.M.S. "Philomel" will be taken over by the New Zealand Government and a commencement made with the work of training our own men, and in this connection the Government do not anticipate any difficulty in