

I recommend, therefore, that in this event the Chief of the Naval Staff should be empowered to present to the Prime Minister a statement of the case as seen by him.

5. The services of a naval officer of the Military Branch should be obtained as Liaison Officer at the Admiralty. He should deal on all naval matters direct with the Naval Board, thus obviating delay. It is suggested that one officer could act both for the New Zealand and Australian Naval Boards. It is essential, however, that he should visit the Dominions before taking up the work.

DISTRIBUTION OF BUSINESS.

The Minister.—

General direction and supervision of all business relating to the New Zealand Division of the Royal Navy.

Political and Board questions.

Scheme of Navy Office organization and distribution of work.

Recommendations to the Admiralty for appointment of Commodores.

Entry of Naval Chaplains and Instructors and other officers of the Civil branches.

Civil appointments and promotions (higher posts).

Recommendations to His Excellency the Governor-General for Naval Cadetships and Paymaster Cadetships.

The Chief of the Naval Staff (C.N.S.).—

All large questions of naval policy and maritime warfare. Organization, distribution, fighting and seagoing efficiency of all the Division, and its readiness for war.

Detailed organization and general direction of the work of the Naval Staff.

General direction of operations of war under the Admiralty.

Consideration of strategic policy and plans relating to such operations.

Advice as to appointment of Commodore in command of the New Zealand Division.

Recommendations to the Admiralty for appointment of all officers, including those in command.

Recommendations to the Admiralty for promotion and removal from the Service of naval officers.

Recommendations for honours and rewards.

The principles guiding the educational and technical training of the officers and men of the Fleet.

Questions as to dates of refits and repairs to ships when these may effect contemplated major operations and movements.

Air questions which affect naval warfare.

Transport and trade questions, only as affecting major operations and movements. There should be a complete list kept by the War Staff of merchant shipping of all classes in New Zealand waters which could be of use in war.

Convoying and escorting of merchant vessels; shipping movements as affecting convoy arrangements.

Questions of policy affecting defensive arming of merchant ships.

Routes for merchant vessels.

Mine-sweeping.

Operations and movements of Auxiliary Patrol (and aircraft for working therewith), and all vessels employed in convoy and escort work.

Questions relating to foreign stations and overseas operations. Letters of proceedings received from the Commodore Commanding, and other officers of the New Zealand Division of the Royal Navy.

Questions affecting shore defences and co-operation with Military and Air Services.