

Indian Ocean to Canada. The waters between Africa to the west and America to the east must be taken as a whole. All portions of the British Empire situated in these waters are equally interested in their security as regards sea communications, and the inevitable conclusion is that the defence of these communications should be entrusted to one fleet composed of units from those parts of the Empire which are directly interested.

24. The strength of the fleet which I suggest as necessary in Far Eastern waters is dealt with in Volume III. The proposed contribution of New Zealand to the fleet is indicated in paragraph 24 of Chapter I of this volume; while details referring to the entry and training of officers and men, general naval organization, and other matters are treated in other parts of the report.

25. The question of the control of the Far Eastern Fleet in war is of the highest importance, and after much consideration, and with the experience of the late war before me, I have formed the conclusion given in Chapter I—viz., that the fleet should be directed by a Flag Officer of high rank located at Singapore, and assisted by a strong staff. My reasons for this conclusion are fully stated in that chapter.

26. Whilst definite proposals on the naval question have been put forward, it is recognized that the decisions reached may be affected by the formation of the League of Nations. This report can only deal with facts as they exist at present, and it is in that light that it has been prepared.

A considerable amount of work is necessary in Far Eastern waters in the immediate future in such matters as the provision of docks and naval bases suited to the needs of a modern fleet; the organization of an administration for the constituent parts of the fleet; the necessary arrangements for providing reserve stocks of fuel; and the provision of proper measures for the defence of important commercial ports and naval bases.

Some of these questions are Imperial commitments; some affect the Commonwealth of Australia and have been dealt with in my report to the Government of the Commonwealth; whilst others apply to New Zealand and are mentioned in this report.

27. Various other matters are dealt with in the report, to some of which it is desired to draw special attention in this covering letter. The fact that the New Zealand Division, if my proposals are adopted, will form in effect an integral portion of the Royal Navy naturally minimizes the points to which attention is necessary. There are, however, some matters of importance.

28. It is more difficult to attain and maintain a high pitch of efficiency in a small naval force than in a large fleet. The important element of competition is largely absent; there are far fewer brains at work on improvements and innovations; and the officers, particularly those in the higher ranks, have insufficient experience in fleet work. These difficulties will be largely overcome by the fact of the officers in particular as well as some of the men of the New Zealand Division spending a proportion of their time in other ships; and as the Far Eastern Fleet develops into an organization such as that suggested in Volume III there will be much less difficulty in giving officers fleet experience, and in maintaining high efficiency. Frequent meetings of units, squadrons, and