

Class A (Active)—Men who have served in the Royal Navy or any Dominion Navy	8 seamen ratings.
	2 signal and W/T ratings.
	7 engine-room and stoker ratings.
	1 joiner.
	1 master-at-arms.
	1 officers' steward.
	20
Class B—Men who follow the sea as a profession in the mercantile marine or steam fishing-vessels	5 seamen ratings.
Class C—Men ineligible for entry in Classes A and B	6 seamen ratings.
	5 stoker ratings.
	18 telegraphist ratings.
	3 writer ratings.
	1 supply assistant.
	33
Total	138

32. Men enrolled in Classes A (Active), B, and C, are required to come up for training during peace, as laid down in the Regulations made by Order in Council of the 10th July, 1922. W/T ratings (Class C) are being selected from volunteers amongst the Telegraph Staff of the Post and Telegraph Department. The personnel manning the radio-stations in New Zealand and the islands have been given short courses in naval procedure on board H.M. ships as opportunities have offered.

33. It is hoped within the next few months, to obtain sanction for the necessary regulations to govern the enrolment of officers in the Reserve, and then to commence the entry of such numbers as will be required for auxiliary services in time of war.

IX. REFITS OF H.M. SHIPS.

34. H.M.S. "Chatham" has now been nearly four years without refit at a naval dockyard. I consider this reflects great credit on those responsible both in the ship and in the Naval Base. The "Chatham" has been docked before proceeding to the East Indies Station.

35. H.M.S. "Philomel" was docked in March, 1924, and should be fit to carry out the duties of depot-ship for many years. It is probable, however, that as numbers of recruits increase, a small depot will be required as an ancillary, the accommodation provided by "Philomel" being insufficient for any large number of men. As stated in paragraph 13, she can no longer be considered as a seagoing vessel.

36. The "Laburnum" and "Veronica" have both been docked and refitted during the period under review, and I consider that the Admiralty should be very satisfied with the small cost involved.

X. RELIEF OF TIME-EXPIRED R.N. RANKS AND RATINGS; TECHNICAL COURSES FOR LOCALLY ENTERED RATINGS.

37. Of the officers and men who originally commissioned the "Chatham" in October, 1920, for service in that ship and H.M.S. "Philomel," six officers and 108 ratings volunteered to serve for a period of one year beyond the original three years; some of these will be sent Home in "Chatham." Fifteen officers and 142 ratings were sent Home on relief in June, 1923, and, in August, 1923, sixty-eight ratings took their discharge in New Zealand, their reliefs having arrived from England; these sixty-eight all automatically joined the New Zealand Royal Naval Reserve.

38. In September, 1923, nineteen locally entered ratings were discharged to England to undergo courses of instruction in the gunnery, torpedo, signal, and other schools. The reports received as to the progress of these men are highly gratifying, and show that the early instruction given in the Dominion is on the right line. Before leaving England toward the end of 1924 they will have gained seagoing experience in a large fleet, and this will be of great and lasting benefit. It is proposed to send a further number of thirteen seamen and twenty-five stokers in the "Chatham" for similar training at Home, and service in the Atlantic or other fleet.

39. It is my considered opinion that the best procedure as regards ratings entered in New Zealand is for them to undergo preliminary training locally, and then to send to England all who can be recommended for specialist courses. This method possesses many advantages. It ensures that the men receive up-to-date training as taught in accordance with the latest ideas obtaining in the British Fleet and the schools at Home; it enables them to gain acquaintance with all phases of naval life; whilst the contact and comradeship with petty officers and men of the Fleet in Home waters and at the schools enables them instinctively to absorb the traditions and *esprit de corps* of the British Navy. At first sight it may appear that the cost entailed by sending men to England is an extravagance; but the expense is small in comparison to the alternative of establishing and maintaining schools of instruction in New Zealand; and even were this latter course adopted, the instruction imparted could not compare with that which can be given to the men in England.