

10. The following advancements of New Zealand ratings have been made during the period under review :—

Able Seaman to Acting Leading Seaman	8
Leading Seaman to Acting Petty Officer	6
Petty Officer to Chief Petty Officer	1
Telegraphist to Acting Leading Telegraphist	1
Leading Telegraphist to Acting Petty Officer Telegraphist	1
Engine-room Artificer to Acting Chief Engine-room Artificer, 2nd class	1
Stoker to Acting Leading Stoker	11
Leading Stoker to Acting Stoker Petty Officer	1
Stoker Petty Officer to Chief Stoker	1
Writer to Leading Writer	2
Supply Assistant to Leading Supply Assistant	2
Leading Supply Assistant to Supply Petty Officer	1
Cook to Leading Cook	1
Officers' Cook, 3rd class, to Officers' Cook, 2nd class	2
Officers' Cook, 2nd class, to Officers' Cook, 1st class	1
Stoker ratings to Acting Stoker Petty Officer (provisional selection as Mechanician candidates)	8

SECTION III.—CIVILIAN EMPLOYEES.

11. Seven apprentices for various trades have been entered in the Naval Base. They are indentured to the Naval Officer in Charge at Auckland under conditions similar to those apprentices who are serving under the Public Works and Railways Departments.

12. The terms of an agreement governing the conditions of service of the civilian workmen employed at the Naval Base are being negotiated with the respective trade-union officials.

SECTION IV.—PERSONNEL, ROYAL NAVAL RESERVE (N.Z.D.)

13. The strength of the Royal Naval Reserve on the 31st March, 1937, was as follows : Officers, 12 ; ratings, 113.

14. It has been approved to increase the establishment of officers at the rate of two a year to a total of 20.

15. His Majesty the King has been graciously pleased to approve the award of the Royal Naval Reserve Officers' Decoration to officers and Long Service and Good Conduct Medals to men of the New Zealand Royal Naval Reserve under conditions set out in the Regulations.

SECTION V.—PERSONNEL, ROYAL NAVAL VOLUNTEER RESERVE (N.Z.D.).

16. The total numbers borne on the 31st March, 1937, were as follows : Officers, 66 ; men, 543.

17. List II has been abolished, and a supernumerary list has been instituted.

18. Approximately 60 per cent. of the executive officers and 59 per cent. of the men performed obligatory training in H.M. ships. Last year the percentages were 55 per cent. and 78 per cent. respectively. There is no falling-off in the keenness displayed by the men, but some employers have found it more difficult to co-operate.

19. Voluntary training was carried out by 11 officers and 105 men.

20. The provision of a new training trawler for reservists has been deferred pending the completion of other important commitments.

21. Minor additions have been made to the instructional gear at Divisional Headquarters, and the mine-sweeping equipment at Canterbury has been completed.

22. A suitable site belonging to the Otago Harbour Board has been provisionally selected for the erection thereon of new headquarters for the Otago Division at Dunedin, and plans are being prepared with a view to the work being taken in hand during the financial year 1938-39.

23. The Imperial escort vessels "Leith" and "Wellington" have rendered valuable assistance in the training of the R.N.V.R. by embarking officers and men for combined mine-sweeping exercises in conjunction with "Wakakura."

24. The regulations governing the entry and advancement of ratings have been revised ; ratings on entry are required to enrol for a period of four years, and, if recommended, may re-enrol for further periods of two years up to a total of twenty years' service.

25. His Majesty the King has been graciously pleased to approve the award of the Volunteer Officers' Decoration to officers and a Long Service and Good Conduct Medal to men of the Royal Naval Volunteer Reserve (New Zealand Division) under conditions set out in the Regulations.

SECTION VI.—PROCEEDINGS (CRUISERS OF THE NEW ZEALAND DIVISION).

26. On 1st April, 1936, H.M.S. "Achilles" (Captain I. G. Glennie, R.N.) was in Chatham Dockyard, having commissioned the previous day for service in the New Zealand Division.

27. The ship left Chatham on 20th April, and, after embarking ammunition at Sheerness, sailed for Spithead on 22nd April. Whilst at Spithead, the Walrus aircraft was embarked, and catapult trials carried out.