

It will be noted that there is a large falling off from last year's figures of applicants. In an endeavour to attract more candidates, extensive tours have been planned for 1950 to include towns not normally visited by the Recruiting Board. The first of these tours has already been completed and the results are hopeful.

22. There is an increasing shortage of senior ratings, as those already in the Navy are not re-engaging for further service. The chief reasons are the lack of adequate housing accommodation at Auckland, the lack of incentive in the present pay code, and the higher wages obtainable in civilian life.

23. As regards the housing problem, it is gratifying to see that the Government are now dealing with the question of accommodation for State servants. The urgency of this problem for the well-being, and even the continuance, of the Navy cannot be overstressed, and the Naval Members earnestly hope that substantial progress will be made with a naval housing scheme during the coming year.

During the past year ten temporary housing units at Narrow Neck and two permanent flats at Waiouru have been completed. A shed at "Tamaki" was converted into a cottage. Four houses adjacent to the Dockyard and two flats at Waiouru are nearing completion.

24. A further pressing need is a Services hostel at Auckland. This is particularly required to provide amenities for the large number of ex-R.N. ratings recently recruited for the R.N.Z.N.

25. No major work has been carried out at the training establishment "Tamaki" pending a decision on whether a new establishment is to be built. Should it be decided that "Tamaki" is to be retained, considerable work, including the provision of extra playing-fields, will be required to bring "Tamaki" up to standard, particularly to cater for the needs of C.M.T. trainees.

SECTION IV—NAVAL RESERVES

ROYAL NEW ZEALAND NAVAL RESERVE

26. This Reserve comprises officers of the Merchant Navy who follow the sea as a profession. During the year, biennial sea training for these officers was reinstituted and one officer was embarked for the period of the Australian exercises in October, 1949. Three officers were granted the necessary leave by the Union Steamship Co. and were entered as Probationary Sub-Lieutenants and underwent six month's obligatory training in ships of the New Zealand Squadron. The strength of this Reserve at 31st March, 1950, is 16 officers.

ROYAL NEW ZEALAND NAVAL RESERVE (INACTIVE)

27. All rates of the Royal New Zealand Navy who have been discharged from a regular engagement are automatically placed in this Reserve until reaching the age of forty years. Membership of this Reserve entails the liability to serve in time of war only. The strength of this Reserve at 31st March, 1950, is 289 ratings.

ROYAL NEW ZEALAND NAVAL VOLUNTEER RESERVE

28. The strength of this Reserve on the 31st March, 1950, was as follows:—

	Officers.		Ratings.	
	Establishment.	Borne.	Establishment.	Borne.
Auckland	33	24	240	92
Wellington	33	17	240	102
Canterbury	28	15	180	85
Otago	28	17	180	87
Totals	122	73	840	366