H.M.S. "New Zealand," at Auckland, 3rd October, 1919.

My Lord,-

In accordance with instructions received from the Lords Commissioners of the Admiralty, issued as the result of a request from the Government of New Zealand, I arrived at Wellington in H.M.S. "New Zealand" on the 20th August, 1919.

The object of my visit is defined in my terms of reference as follows:—

"To advise the Dominion Authorities whether, in the light of the experience of the war, the scheme of naval organization which has been adopted, or may be in contemplation, requires reconsideration; either from the point of view of the efficiency of that organization for meeting local needs, or from that of ensuring the greatest possible homogeneity and co-operation between all the naval forces of the Empire; and, should the Dominion Authorities desire to consider how far it is possible for the Dominion to take a more effective share in the naval defence of the Empire, to give assistance from the naval point of view in drawing up a scheme for consideration."

- 2. I have the honour to present the accompanying report and appendices, and in doing so I beg to inform Your Excellency that during my stay I have visited the following towns and ports in New Zealand:—Wellington, Lyttelton, Timaru, Oamaru, Dunedin, Port Chalmers, Picton, Napier, Gisborne, and Auckland; whilst members of my staff have also visited Akaroa, Greymouth, Westport, Nelson, Wanganui, and New Plymouth.
- 3. The question of naval defence in New Zealand was brought into prominence in the early part of 1909, when the growing strength of the German Navy led to important statements in the British House of Commons by the Prime Minister and the First Lord of the Admiralty. As a result of those statements the New Zealand Government, of which Sir Joseph Ward was Prime Minister, offered to the British Admiralty, as a gift, a capital ship, with a second to follow if required. The Battle-cruiser "New Zealand" was constructed in England and paid for by New Zealand as the result of this offer.
- **4.** A Conference was held in London in the summer of 1909 for the purpose of discussing the relations of the Dominions to the United Kingdom on the question of naval defence. New Zealand was represented at the Conference.
- 5. In the Admiralty memorandum prepared at this Conference it was stated that—
 - "If the problem of Imperial naval defence were considered merely as a problem of naval strategy it would be found that the greatest output of strength for a given expenditure is obtained by the maintenance of a single Navy with the concomitant unity of training and unity of command. In furtherance, then, of the simple strategical idea the maximum of power would be gained if all parts of the Empire contributed, according to their needs and resources, to the maintenance of the British Navy."