

## THE "PHILOMEL."

H.M.S. "Philomel," which was paid off after service during the war, has been fitted out as a training-ship, and is now moored near the Admiralty reservation at Devonport. The reservation provides ample facilities for the necessary recreation of the boys under training, without incurring expense for rent of grounds. Training commenced in May, and when the "Chatham" left on her island cruise thirty seamen (boys and youths) and twenty-four stokers had been recruited, of which numbers half were drafted to the "Chatham" before sailing. The first entry was limited, as accommodation in the "Philomel" did not admit of her receiving larger numbers. The recruiting of boys at a younger age, requiring a more intensive and longer course of training, was commenced on the 1st August.

Ratings are being entered in twelve-year engagements, on a system of deferred pay in lieu of pension, as in the Royal Australian Navy, with the option of re-engaging for Naval service at the expiration of such term. Ratings on discharge are required to join the Reserve until reaching the age of forty years, for service in time of war.

## NEW ZEALAND ROYAL NAVAL RESERVE.

The wording of the Naval Defence Act, 1913, precludes the possibility of forming a Reserve of other than ex-Naval ratings, and you will be asked to pass an amending Bill to remove this obstacle and to admit of the proper formation of this very necessary arm of a Naval Division. Meanwhile, action is being taken to get into touch with the personnel who served in the Navy during the late war and are domiciled in New Zealand, and with the various departments, clubs, and organizations from whose members it is hoped to recruit a Reserve.

## NAVY OFFICE, WELLINGTON.

A small administrative staff has been established with headquarters at Wellington, and a Naval Board constituted by Order in Council of the 14th March, 1921, to deal with or advise on the more important matters that may arise.

## COAL RESERVES.

Reserves, each of about 1,500 tons, of Westport coal have been established for naval use at Devonport (Auckland) and Suva.

## SUMMARY AND ESTIMATE.

A base for stores, repairs, and docking is an essential. Owing to the Admiralty subsidy to the Auckland Harbour Board for the priority use of the Calliope Dock, workshops, &c., and the courtesy of that Board, such a base has been established at a minimum of cost, as will be seen from the very small amounts asked for docking and repairing of ships and storage of essentials.

With the exception of the establishment of the "Philomel" as a training-school for seamen and stoker ratings for the New Zealand Division, the commencement on a small scale with a Reserve of officers and wireless ratings, and the establishment of coal-stocks at Auckland and Suva, no new work—such as building of magazines or defence of the base—has been provided for.

With these exceptions, the estimates are purely for maintenance and upkeep of the "Chatham" and "Philomel," the payment, victualling, &c., of the personnel, and for administrative charges. The sum required for the financial year is estimated to amount to £249,310, in addition to which the sum of £86,472 is, for the reasons given in the estimates, required to be revoted out of the amount unexpended last year (which amounted to £211,383), making a total sum asked for of £335,782.

## DEFENCE DEPARTMENT.

The expenditure out of the Consolidated Fund for Defence administration during the year ended 31st March, 1921, amounted to £531,042, or £108,211 less than the amount appropriated. This saving has been effected chiefly by the tem-