

wider scale. Such co-operation cannot fail to benefit all units concerned so long as the principles of training and instruction are on the same lines. It is of great technical significance that, although the "Chatham" had only two-hours preliminary practice with the Australian cruisers, there were no hitches or misunderstandings of any description during the exercises, nor during the whole time the ships were together. This is due to the system in vogue in the Royal Navy being faithfully followed in the Dominion Navies. From Jervis Bay the "Chatham" proceeded to Sydney, thence visiting Melbourne and Hobart. I am pleased to be able to report that during the visit to Australian ports the conduct and behaviour ashore of the ship's company were exemplary, evoking special mention in a despatch received by His Excellency from His Excellency the Governor-General of Australia.

On return to New Zealand from Tasmania the "Chatham" visited the Bluff and Stewart Island, thence proceeding to Dunedin, Lyttelton, and Auckland.

The "Chatham" left Auckland in May on a cruise to the western islands of the South Pacific, visiting Sunday Island, Nukualofa, Pago Pago, Apia, and Suva, and enabled me to pay farewell visits to the Governors of American Samoa and Fiji and the Administrator of British Samoa, returning to Auckland in time to effect changes in the ship's company (*vide* Section VIII).

II. "PHILOMEL."

H.M.S. "Philomel" has continued her duties as harbour training-ship for new entries and depot-ship at Auckland.

Lieutenant-Commander A. W. S. Agar, V.C., D.S.O., relieved Commander J. G. Walsh in command, with the rank of Acting-Commander, on the 1st January, 1923, on the latter's voluntary retirement under the Admiralty reduction scheme. Commander Agar was in turn relieved by Commander F. N. Miles, O.B.E., at the end of June, to admit of his return to the Royal Navy at the expiration of the term of three years he had volunteered for service in the New Zealand Division.

During the last year improvements have been effected in the "Philomel," partly by ship's labour, at a minimum of expense, to render her more suitable for the varied duties required of her, and her accommodation has been increased by structural additions on the upper deck to provide room for the training of reservists.

During the year under review nineteen seamen recruits, thirty-three stokers, and twelve other ratings have completed their harbour training and been drafted to the "Chatham," where their sea-going training is carried out. Further classes of ten seamen boys and eight stokers should be ready for draft in August.

III. REFITTING AND STORING BASE, AUCKLAND.

Although but little money was available during last financial year, some progress has been made with the development of the base during that period, and there is now sufficient accommodation for stores for the number of ships at present employed on the station, except that a clothing-store and kitting-up room for new entries requires to be built, in order not to infringe, as at present, on the limited accommodation available for the indoor recreation of recruits and ships' companies. This is provided for by an ex-Army hut, transferred in 1921, which has been supplied with billiard-tables, furniture, &c., through the kind offices of the Navy League and the Y.M.C.A.

The Admiralty Reserve, adjoining the Calliope Dock, provides grounds for cricket and football and tennis-courts. These grounds badly need top-dressing and returfing in places.

By the expenditure of £179 last financial year on the ex-Army hut re-erected in 1921 on the Admiralty Reserve for use as an emergency sick-quarters the building has been made habitable and brought into use, but further small expenditure will be necessary during the current year on the installation of a heating-system and in minor repairs and alterations.

Arrangements have been completed with the General Officer Commanding for the storage of reserve naval ammunition in the military magazines at Auckland, the naval vote bearing the proportionate overhead charges.

IV. H.M. SLOOPS "LABURNUM" AND "VERONICA."

Although these sloops are maintained on the station by the British Government, their proceedings should be of interest to the New Zealand Government, as their duties lie mainly in policing the South Pacific islands within the limits of the New Zealand Station, some of which lie within the boundaries of New Zealand or are administered by her under mandate.

The "Laburnum" visited British Samoa and the Cook Group in July, 1922, and again in June, 1923. In June, 1922, she spent some days sounding on the Waterwitch Bank, which is on the track of the large mail-steamers between Suva and Honolulu, and a source of anxiety to captains, as the "Sailing Directions" describe it as having a rim of growing coral. The "Laburnum" took nearly a thousand soundings, but found there had been no appreciable growth of the coral. Between the 21st February and the 14th April, 1923, this vessel carried out a programme of visits to New Zealand ports.

The "Veronica," in June, 1922, carried out a survey of the anchorage of Rarotonga, for which the Union Steamship Company are exceedingly grateful, as masters of the mail-steamers visiting that port previously had to accept great risks in entering and leaving the roadstead. Between August and November, 1922, she cruised round New Zealand ports, and between the 23rd February and the 20th March, 1923, visited the New Zealand ports north of Auckland.

On account of their limited size and comparatively shallow draft, these vessels are able to visit places that the "Chatham" could not enter, leaving the latter to visit the principal places where the seats of administration of the different groups are established.