

II. PROCEEDINGS OF H.M.S. "DUNEDIN."

9. H.M.S. "Dunedin" left England in November last, and joined the Special Service Squadron in the Indian Ocean. She then took part in a portion of the cruise of the Special Service Squadron *en route* to New Zealand, where she had been ordered to relieve H.M.S. "Chatham."

10. The new vessel is smaller than the "Chatham," though a far finer fighting unit, and employs a smaller number of men, the reduction being in the engine-room department, due to the "Dunedin" being an oil-burning vessel. The majority of officers and men of H.M.S. "Chatham" will be transferred to H.M.S. "Dunedin," but an innovation has been made in the latter ship, as she has a detachment of Royal Marines, none of whom have up to the present been attached to the New Zealand Division. I feel confident that the introduction of a detachment of this splendid corps into the division will be of great benefit.

III. H.M.S. "PHILOMEL."

11. H.M.S. "Philomel" has continued her duties as harbour training-ship and depot-ship at Auckland. I am gratified with the state of the ship, and the local grounds and buildings under the control of Commander Miles. The training of recruits in the "Philomel" is carried out in an exemplary fashion, and it reflects credit on all concerned.

12. During the twelve months ended 31st March, 1924, twelve seamen recruits, seventeen stokers and eight other ratings have completed their harbour training, and have been drafted to the sea-going cruiser where the remainder of the training is carried out.

13. Owing to the age of H.M.S. "Philomel," and the fact that the training of recruits has necessitated the erection of various covered-in spaces on her upper deck, the Cabinet approved the suggestion for the removal of her propelling-machinery, thus reducing the amount of work necessary for its upkeep and increasing the space available for instruction. The work of removal is being performed by the ship's staff as opportunity offers, and it is estimated that the net credit to the naval defence vote from the sale of old material will be £2,500.

IV. NAVY OFFICE.

14. Captain H. D. Hamilton was relieved as Chief Staff Officer at the Navy Office in February, 1924, by Captain F. A. Sommerville, D.S.O. Captain Hamilton's services and technical knowledge were of great value to the Dominion during the two years for which he held the appointment. Paymaster-Commander J. Siddalls, O.B.E., Naval Secretary, was relieved in September, 1923, by Paymaster-Commander R. Butcher, C.M.G., M.V.O.; the former officer had performed most valuable service during a period of nearly three years.

15. The Navy Office was moved in December, 1923, from Harcourt's Building, in Lambton Quay, to the Customs Buildings, Waterloo Quay. The new offices are far more convenient, and the new location is admirable; the main advantages are that there is ample space, they are in a Government building, and the cost is slightly less.

V. BASE AT AUCKLAND.

16. The development of the small refitting and storing base at Devonport, Auckland, has been continued, and a clothing-store and kitting-up room for new entries have been erected. The emergency sick-quarters have been completed by the installation of heating-apparatus and some minor alterations. The inflammable store has been moved to a more suitable position. A considerable improvement has been made in the recreation-grounds, which are so essential a part of the base; the grounds have been of great benefit to the recruits and the ships' companies of H.M. ships at Auckland.

17. It was intended that a tank for the storage of oil fuel should have been completed during the last financial year, but this has been rendered impossible by the delay in obtaining tenders, &c. The contract for the tank is signed, and the material should soon arrive at Auckland, together with the necessary fittings. The erection of the tank will be undertaken by the Public Works Department.

18. In order to provide an ample supply of oil fuel in the Dominion, independent of commercial stocks, and to meet the Imperial oil-fuel requirements, it is proposed to erect a second oil-fuel tank, and provision for this has been inserted in the estimates for 1924-25.

19. In order that there should be room for the second oil-fuel tank, and for expansion in other directions in the future, a portion of land which was for sale adjoining the recreation-ground was taken for defence purposes under the Public Works Act, 1908.

20. All defects and alterations and additions to H.M. ships have been made good by ships' labour with the resources of the Auckland Harbour Board's workshops attached to the Calliope Dock at Devonport. The subsidy of £5,000 a year hitherto paid by the Admiralty is now paid by the New Zealand Government, and this ensures H.M. ships priority use of the dock and workshops. This arrangement is most economical, and the repairs to H.M. ships are carried out at a cost of (a) the material actually used, (b) the actual out-of-pocket expenses of the Auckland Harbour Board while ships are in dock, and (c) a proportion of the £5,000 referred to above. (See paragraphs 34, 35, and 36.)

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

21. These two vessels are maintained on the station by the British Government, and their duties mainly consist of visiting the South Pacific islands and ports in New Zealand.

22. H.M.S. "Laburnum" left Auckland in May, 1923, and visited the following islands: Fiji, Phoenix Group, Union Islands, Western and American Samoa, Rarotonga, Society Group, Penrhyn Island, Niue, and Tonga Group, returning to Auckland in October. Since then she has visited Gisborne, Napier, Lyttelton, Akaroa, and Timaru, has carried out musketry practice in Wellington and other exercises in the Hauraki Gulf. In January she was despatched by me to East Cape to render any assistance possible to the s.s. "Port Elliot," but her services were not required.

23. Commander G. P. Sherston was relieved in command of "Laburnum" in September, 1923, by Commander S. K. Smyth.