

8. There was some falling-off in applications for the January, 1932, seaman entry. Though this is in part seasonal, steps are being taken to bring the advantages of service in the New Zealand Division more extensively to the notice of candidates in all parts of the Dominion.

On the other hand, applications for the stoker branch, where the age of entry is higher, were considerable, over 200 candidates presenting themselves in February, 1932, for eight vacancies.

9. The total wastage during the year caused by death, invaliding, discharge by purchase, unsuitability, services no longer required, and desertion, was twenty-two.

10. The health and discipline of the ships' companies have continued to be excellent.

III. PERSONNEL (RESERVE).

The strength of the New Zealand Naval Reserves on 31st March, 1932, was:—

Royal Naval Reserve (composed of officers and men who have volunteered and who follow the sea as their profession in the merchant service; and men, subject to certain conditions, who have served their time on the active list)—

Officers	..	..	..	..	..	..	..	6
Men	..	..	..	..	..	..	..	245

Sea training of New Zealand Royal Naval Reserve personnel has been almost entirely suspended for the present owing to the financial situation.

Royal Naval Volunteer Reserve (composed of officers and men not necessarily professional seamen, who receive preliminary training at the Royal Naval Volunteer Reserve Headquarters in the Dominion and subsequent annual sea training in H.M.S. "Wakakura" and cruisers of the New Zealand Division)—

Officers	..	..	..	..	..	..	List I	59
							List II	20
Men	..	..	..	..	..	..	List I	571
							List II	307

2. H.M.S. "Wakakura" visited the Royal Naval Volunteer Reserve Divisions at Dunedin, Wellington, Christchurch, and Auckland during the year, and officers and men were taken to sea in sections for a week's training in mine-sweeping, gunnery, signalling, navigation, and seamanship.

3. The Royal Naval Volunteer Reserve have carried out their sea training in H.M.S. "Wakakura" with enthusiasm and with very satisfactory results. The need for a second mine-sweeping vessel is still badly felt, the facilities for training the large number of volunteers on the list being very limited with only one trawler. This is particularly the case as regards mine-sweeping demonstration and instruction.

4. I have been able to carry out inspections of all divisions, except Wellington, and their headquarters during the year, and consider the keenness and efficiency of the personnel is being well maintained.

5. It is considered that the state of the New Zealand Naval Reserves is satisfactory, except as regards a shortage of Royal Naval Reserve officers, which it is hoped will be remedied shortly, and that they are being effectively trained for the performance of the important services of local defence and other duties which will fall to their lot in the event of war.

6. The Post and Telegraph Department personnel manning radio stations on the New Zealand Station have, when opportunity permitted, received short lectures in naval wireless procedure on board H.M.S. "Diomedé." The willing co-operation which they have offered at all times is much appreciated.

IV. PROCEEDINGS (CRUISERS OF N.Z. DIVISION).

H.M.S. "Diomedé."

On the 1st April, 1931, H.M.S. "Diomedé" (wearing my broad pendant) was at Nelson and from there proceeded to Wellington, where the ship's company, with those from "Veronica" and "Laburnum," carried out annual musketry training at Trentham Military Camp.

2. Anzac Day was commemorated on the 25th April, a Royal guard being provided from the ship for His Excellency the Governor-General. Another guard was also paraded for the ceremonies at Upper Hutt.

3. On the 1st May naval ratings assisted in life-saving at the wreck of s.s. "Progress" in Ohiro Bay.

4. On conclusion of the musketry training, H.M.S. "Diomedé" proceeded to Auckland and there gave Easter leave, refitted, and docked.

5. The ship was dressed overall on the 3rd June on the occasion of the birthday of His Majesty the King.

6. Exercises were carried out in the Hauraki Gulf for a week in June, and on the 25th June the ship sailed for a cruise in the Pacific Islands. Sunday Island was first visited, but the weather did not permit a landing; subsequently visits were made to Nukualofa (where the ship participated in the celebrations on the occasion of the birthday of His Royal Highness the Crown Prince), Rarotonga, Moorea, Papeete, Bora Bora, Tau, Pago Pago, Apia, Lautoka, and Suva.

7. At Papeete the French Sloop "Bellatrix" was met and the usual courtesies exchanged; at Bora Bora oil fuel was embarked from R.F.A. "Nucula"; at Pago Pago H.M.S. "Veronica" was met; and at Lautoka annual bombardment practices were carried out in the Nandi waters. H.M. Ships "Veronica" and "Laburnum" met H.M.S. "Diomedé" at Suva, and the annual regatta was held.