

*Submarines* are particularly suitable for offensive action or scouting, and for this reason would be invaluable both before and after the arrival of the Main Fleet in the East.

### 3. Composition of the New Zealand Division.

As it appears, however, that New Zealand would not be able for some time to come to maintain both light cruisers and submarines in sufficient numbers to ensure efficiency, it is recommended that she should concentrate on light cruisers.

### 4. Air Power.

The control in war of the sea communications of the Empire can only be maintained by Naval forces. Close investigation has shown that, though aeroplanes and seaplanes based on the shore will have to be taken into account in narrow waters such as the Channel and Mediterranean, the time is not yet in sight when they can take part in the control of ocean communications. Naval forces can, however, make good use of seaborne aircraft as one of their arms.

Airships, if developed and found reliable, can, if used for reconnaissance purposes, and worked in co-operation with surface vessels, assist in keeping open our sea communications.

### 5. Scale of Naval Forces Recommended.

In framing these recommendations, the expected completion of the Japanese light cruiser building programme in 1928, as well as the financial and economic position of New Zealand, have been borne in mind.

Nevertheless, each Dominion cannot be considered without reference to the Empire as a whole. The Naval situation of one Dominion is profoundly affected by the Naval effort made by other Dominions and by the Mother Country.

It follows that continuity of Naval Policy is vital if the Empire is to remain secure. An unforeseen reduction of its Naval Forces by one part of the Empire cannot be counter-balanced at short notice by a corresponding increase elsewhere, even if finance and popular opinion permit.

### 6. Naval Co-operation.

Continuity of Naval Policy can only be obtained if the various Governments concerned are kept at all times fully advised as to the Naval needs of the Empire.

The question of whether the present arrangements are adequate for ensuring this will be raised at the Imperial Conference.

## NEW ZEALAND: OUTLINE RECOMMENDATIONS.

- I.—Ships.
- II.—Local Defence.
- III.—Trade.
- IV.—Personnel.
- V.—Oil Fuel.
- VI.—Repair Ports.
- VII.—Communications.

### I.—Ships.

During the difficult times through which New Zealand has been passing she has successfully maintained the nucleus of a naval force. It is recommended that this should now be expanded and that she should aim at maintaining a cruiser squadron of three ships, manned by New Zealand personnel. This can be built up gradually, and it is suggested that "Chatham" should be relieved by two D class light cruisers in 1924 and that a third ship should be added as soon as the Dominion is able to bear this additional burden.

#### Provision of Ships.

2. The arrangement whereby ships are loaned by Great Britain enables New Zealand to maintain a larger effective force than would otherwise be possible, and it is therefore recommended that it should be continued for the present.

It is recognised, however, that a division composed of ships on loan may not fulfil New Zealand's aspirations in the future, and it is therefore suggested that she should take steps to obtain a ship of her own to replace one of those lent as soon as her finances admit. It is considered, however, that the maintenance of three ships should take precedence over any building policy until such time as both are possible.

### II.—Local Defence.

3. The question has arisen whether the Dominions wish the Defence Sub-Committee of the Joint Defence Committee, which is now considering the Scales of Defence of British Ports Oversea, to examine at the same time the Scales of Defence of Dominion Ports.

Scales of Defence, when complete, will include recommendations for local Naval and Air Defence and for defences on land.

### III.—Trade.

4. The trade arrangements recommended have already been communicated to the Dominion Government under the headings "Naval Control Service—Protection," "Naval Control Service—Contraband Control."

### IV.—Personnel.

5. The increase in active service personnel rendered necessary by a squadron of three ships can only be made gradually, and until sufficient New Zealand personnel is available British personnel will be loaned when desired to supply the deficiency.

It is recommended that the final total aimed at should allow for a proportion of men undergoing training ashore.

#### Training.

6. Schools for the higher specialist training of ratings on the small scale necessary for the New Zealand Division would be very costly in proportion to the numbers trained, and the alternative, that men should be sent to the schools in England, is recommended for the present.

#### Interchange.

7. Continuous service in the same squadron on the same station tends to damp enthusiasm, and is not an incentive to recruiting; it is considered that interchange of New Zealand ships and personnel with the British Navy will benefit everybody and will do much to ensure efficient co-operation in war. It is suggested, therefore, that ships of the New Zealand Division should periodically join up with other squadrons and *vice versa*, which, in the first case, would provide an opportunity for some of the higher ratings to go through the schools in England.

#### Reserves.

8. To provide the personnel necessary for the Naval Control Service and Local Defence measures it is recommended that the reserves should be increased and a force raised similar to the Royal Naval Volunteer Reserve.

### V.—Oil Fuel.

9. The Admiralty note with satisfaction the decision of New Zealand to establish an oil fuel reserve at Auckland. This is an important step towards rectifying the present unsatisfactory fuelling position in the Pacific.

A war reserve of 10,000 tons is considered necessary in addition to any storage necessitated by the normal requirements of the station in peace.

### VI.—Naval Repair Ports.

10. The present arrangements whereby the commercial facilities at Auckland are used for refitting ships of the New Zealand Division have proved so satisfactory and economical in practice that there does not appear to be any necessity to establish a Government Dockyard in the near future.