

9. The scheme adopted in the Royal Navy whereby outstanding ratings from the lower deck may be recommended to undergo special courses for promotion to commissioned rank has been accepted as a very desirable means of promotion for suitable New Zealand ratings. Early in 1939 three New Zealand ratings were appropriated for service in the Royal Navy as prospective candidates for promotion to commissioned rank, and there are very good prospects of one of the candidates being promoted to Sub-Lieutenant about September, 1940. Of the two remaining candidates one did not attain, at a preliminary examination, the standard required to continue the course, but was selected to undergo a course for warrant rank: the remaining candidate withdrew from the course.

10. Every endeavour is being made to obtain New Zealand officers, and in this connection, apart from those mentioned in paragraph 7 above, the following have either qualified or been entered as officers:—

- 1 Chaplain.
- 1 Schoolmaster.
- 1 Gunner (T).
- 2 Acting Warrant Writers (plus one expected to qualify in May, 1940).

11. On 31st March, 1940, there were 12 officers and 801 ratings borne on the active list, all of whom (except 16) had been entered or recruited in New Zealand. The overall increase of New Zealand ratings borne during the year is 118. The ships' companies were completed by 70 officers and 531 ratings lent from the Royal Navy.

12. The ratings entered during the year included 39 boys and 34 short-service ordinary seamen for the seamen and communication branches, making a total of 137. Recruiting has continued to be very satisfactory in the seamen and stoker branches, though the numbers for the May, 1939, entry were somewhat low. The shortage in this entry was partly made up in the October entry, the larger number applying no doubt being due to the outbreak of hostilities. The position in regard to the miscellaneous ratings has never been very satisfactory, but from the number shown—viz., 38 entries against 16 for the preceding year—a substantial improvement has been attained, especially in the artisan branches.

13. Thirty New Zealand ratings took their discharge during the year. The policy of sending New Zealand ratings to the United Kingdom and Australia to qualify for higher substantive and non-substantive rating at the gunnery and torpedo schools has been continued, and in this direction good progress has been made, as a result of which Imperial ratings have been reverted to the Royal Navy. On completion of the shore accommodation and instructional buildings at the Naval Base, Devonport, the despatch of ratings to the United Kingdom and Australia to qualify for higher rating will, to a considerable extent, cease.

14. The following advancements of New Zealand ratings have been made during the period under review (number in previous year shown in brackets):—

Able Seaman to Acting Leading Seaman	..	..	..	..	11 (15)
Leading Seaman to Acting Petty Officer	..	..	..	..	9 (5)
Petty Officer to Chief Petty Officer	..	..	..	..	5 (0)
Able Seaman to Sailmaker's Mate	..	..	..	..	1 (0)
Sailmaker's Mate to Acting Sailmaker	..	..	..	..	1 (0)
Sailmaker to Chief Sailmaker	..	..	..	..	1 (0)
Telegraphist to Acting Leading Telegraphist	..	..	..	..	2 (3)
Leading Telegraphist to Acting Petty Officer Telegraphist	..	..	..	..	5 (2)
Signalman to Acting Leading Signalman	..	..	..	..	1 (3)
Leading Signalman to Acting Yeoman of Signals	..	..	..	..	1 (1)
Stoker, 1st Class, to Acting Leading Stoker	..	..	..	..	15 (19)
Leading Stoker to Acting Stoker Petty Officer	..	..	..	..	5 (4)
Stoker Ratings to Acting Stoker Petty Officer (provisionally selected as mechanician candidates)	..	..	..	..	3 (5)
Supply Assistant to Leading Supply Assistant	..	..	..	..	3 (2)
Leading Supply Assistant to Supply Petty Officer	..	..	..	..	1 (0)
Cook (S) to Leading Cook (S)	..	..	..	..	1 (2)
Leading Cook (S) to Petty Officer Cook (S)	..	..	..	..	2 (2)
Petty Officer Cook (S) to Chief Petty Officer Cook (S)	..	..	..	..	1 (0)
Steward to Leading Steward	..	..	..	..	1 (1)
Cook (O) to Leading Cook (O)	..	..	..	..	1 (0)
Leading Cook (O) to Petty Officer Cook (O)	..	..	..	..	1 (0)
Petty Officer Cook (O) to Chief Petty Officer Cook (O)	..	..	..	..	1 (0)

Transfer.

Petty Officer to Acting Regulating Petty Officer	1 (1)
--	----	----	----	----	-------

15. The health and discipline of the ships' companies have been satisfactory. In the case of H.M.S. "Achilles" it had been observed that there had been a gradual increase in the number of ratings suffering from tuberculosis, and action has been taken to have the whole of the ship's company X-rayed. Approval has also been given that future recruits for entry into the New Zealand Naval Forces are to undergo an X-ray examination as a matter of routine.