A.—4.

- 16. The dependence of the Dominion for its security upon the power of the British Navy is very fully recognized in New Zealand, and it is the recognition of this fact that has led the statesmen of the Dominion in the past to press for the maintenance of an adequate naval force in the Pacific.
- 17. It has never been possible in any war for the British Navy to obtain such complete command of the sea as to exclude an opponent from all access to it, and modern conditions of naval warfare greatly increase the difficulty of preventing the escape of isolated raiders from a blockaded area. It therefore becomes increasingly necessary to keep sufficient naval force in various parts of the world to protect trade and to ensure the early capture or destruction of such enemy vessels as may escape the main blockade with the object of interrupting our overseas communications by gunfire, torpedoes, mines, or aircraft.
- 18. The exigencies of the military situation during the late war necessitated the use of a large number of our men-of-war abroad for the work of convoying transports from the various Dominions and India to the European theatre of war; and this fact, combined with the policy of reducing our oversea squadrons, resulted, when war came, in our being compelled to rely to a considerable extent upon the assistance of some of our Allies for the safety of our sea communications abroad. Thus, in the Mediterranean and in the West Atlantic we relied upon help from the French; whilst in Far Eastern waters and, in the latter half of the war, in the South Atlantic, we were to a considerable extent dependent upon Japanese co-operation.
- 19. The naval assistance, in the shape of cruisers, destroyers and other small vessels, rendered during the last eighteen months of the war by the United States was of great help in the institution of the system of protecting trade by convoy. Without this help we should have been unable to use convoys to a sufficient extent to meet the submarine menace without abandoning some of our oversea expeditions.
- **20.** The Admiralty, in a memorandum on sea-power in 1902, informed the Dominions that—
  - "It would be necessary that we should have sufficient power "available to carry on a vigorous offensive against hostile outlying "squadrons without unduly weakening the force concentrated for the "decisive battle, whether in Europe or elsewhere."

The reduction in our own outlying squadrons, already mentioned, prevented the institution of this necessary vigorous offensive in the late war.

- 21. War experience has also shown that submarines can operate successfully at immense distances from their bases, and this fact necessitates the provision of defence against this type of attack in all parts of the Empire.
- 22. The growing development of aircraft is yet another type of attack which must be met locally to some extent, even when the hostile nation is at some considerable distance. From the naval point of view the danger of aerial attack in the case of New Zealand is but slight under present conditions.
- 23. In dealing with the problems before me I considered it necessary to review the whole naval question in its relation to Far Eastern waters from the