

3. All ratings serving in the New Zealand Division shall be entitled to twenty-eight days' leave annually, fourteen of which may be forgone annually and allowed to accumulate, to be taken as foreign-service leave by ratings on loan from the Royal Navy, or at the expiration of engagement by other ratings serving under engagements not exceeding three years. This option should not be allowed to ratings serving under longer engagements, except during the last three years of such engagement. Subject to the exigencies of the Service, ratings who re-engage shall be allowed to take the leave they have accumulated at the time of re-engaging.

4. All leave, other than week-end leave or periods not exceeding forty-eight hours, shall count as long leave, except that sick-leave—the grant of which shall be governed by the King's Regulations and Admiralty Instructions—shall not be reckoned or included in the amount of recreational leave prescribed.

5. Applicability of Admiralty Orders.—The King's Regulations and Admiralty Instructions, and other orders issued by and with the authority of the Imperial Admiralty, are not to be regarded as constituting any authority for expenditure in the New Zealand Division, except as provided for in these regulations.

2. Fleet orders, store memoranda, &c., issued by the Admiralty will be issued to ships of the New Zealand Division, and are to be complied with as if emanating from the Naval Board, except in so far as they involve expense. In this event, as when an alteration or addition is ordered, the supply or manufacture of stores or fittings approved, or modification in rates of pay and allowances authorized, action is to be suspended pending the receipt of a communication from the Naval Board as to the applicability of the particular order to the Division. This regulation will not apply to amendments to Store Establishments, which are to be acted on, and stores demanded as necessary to complete thereto, without further authorization.

SECTION II.—FULL PAY AND ALLOWANCES: OFFICERS.

6. Officers lent from Imperial Navy.—Officers of the Royal or a Dominion Navy lent for service in the New Zealand Division may elect to receive either the rates of full pay, and allowances in the nature of pay, prescribed for their respective ranks in the King's Regulations and Admiralty Instructions, or those prescribed in these regulations (Appendix I).

2. The following allowances shall, however, be payable at the rates and under the conditions prescribed in these regulations, and not as laid down in the King's Regulations and Admiralty Instructions, whether such officers elect to receive Royal Naval rates of pay or otherwise:—

- (i.) Victualling-allowance.
- (ii.) Lodging and provision allowances.
- (iii.) Subsistence allowance.

7. Deferred Pay and Pensions: Officers.—Deferred pay will not be payable to Royal Naval officers lent for service in the New Zealand Division, but the New Zealand Government will undertake the liability for the payment to Admiralty funds of pension contributions in respect of the officers lent, at the following rates:—

	Per
	Annum.
(i.) Officers of the Military, Engineer, and Accountant Branches, Royal Navy, entered in the ordinary manner, and officers of the Royal Marines similarly entered ..	150
(ii.) Officers of the Medical, Instructor, and Chaplain Branches ..	180
(iii.) Warrant officers, Royal Navy and Royal Marines, commissioned officers promoted therefrom, Mates, and Quartermasters	100

2. Deferred pay shall be payable to permanent officers of the New Zealand Naval Forces under the conditions shown in Regulation No. 13, at the following rates:—

Rank or Relative Rank.	Rate per
	Diem.
	s. d.
Warrant officer "on promotion"	2 4
After 3 years	2 6
Commissioned warrant officer "on promotion"	3 0
After 3 years	3 3
Lieutenant promoted from warrant rank	4 0
Midshipman and Cadet	—
Sub-lieutenant	2 0
Mate	3 0
Lieutenant "on promotion"	3 0
After 4 years	3 9
Lieutenant-commander	4 6
After 3 years	5 0