70.25/24. m. Berker 52 Subject: F347 Armed Merchant Cruises D68/55 SECRET ht 3/120/342 7/6/39 Reference to previous correspondence: With the compliments of me Dixon A copy has also been sent to me Silmour Ay.

Me Balfon F.O

Maj Joeot Cat Dominions Office, Downing Street, 3 1 JUL 193 (R6639) Wt 15568/3657 20,000(4) 7/36 H & Sr Gp 640



CYPHER TELEGRAM NEW ZEALAND

To the Government of New Zealand. Sent 10 p.m., 29th July, 1939.

No. 86. Secret.

Armed Merchant Cruisers. In addition to cost of conversion Admiralty state that cost of naval stores and outstanding quantities of ammunition required is estimated at about £16,000 for each ship. With regard to hire and maintenance estimated cost for each ship, which is necessarily very approximate, is £248,000 per annum. In addition there would be a charge for reconditioning the ship on completion of hire, but forecast of this would be mainly guesswork.

The last sentence of paragraph 4 of your Secret telegram No. 55 of 16th May is noted. In view, however, of the great importance attaching to the local provision of personnel for such vessels, it would be appreciated if an estimate could be furnished of the number of officers and men in each class whom it might be possible to make available locally for this purpose in an emergency.

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