This is practically the naval organization, i.e., it is the organization adopted on board Her Majesty's war ships, where there are seamen gunners, seamen torpedoists, submarine miners, electric light and signal men, &c., all under one and the same command; and the late combined naval and military operations at Milford Haven\* showed the great advantage which it possesses in insuring harmony of action between the different elements of defence—the guns, the electric lights, the mines, the torpedo-boats, and the guard-boats. The organization is also economical in officers and convenient for administration. The men to form this Coast Brigade may be obtained chiefly by transfers from the existing Permanent Militia. I should advise a simple blue uniform for all the brigade, with red badges distinguishing men trained to special duties in the Permanent corps, and white badges in the Volunteer corps. As far as possible all the men should be trained to serve affoat as well as on shore.

Rifle Militia.

It is not proposed to do away with the rifle Militia, which consists mainly of men who formerly did good service in the Armed Constabulary, but to reduce it, by transfers to the Coast Brigade, or by not filling vacancies as they occur, to 80 non-commissioned officers and men. This body is still useful in many ways, but it will be for future consideration whether it shall be permanently kept up.

Volunteer Coast Brigade. Affiliated to the permanent Coast Brigade, there should be a Volunteer Coast Brigade corps to work with the permanent brigade, and assist them in their several duties. Like the permanent corps, the Volunteer Coast Brigade would consist in due proportion of artillerymen, submarine miners, and torpedo- and boat-men, and would be drawn from Volunteers residing at the different ports in the following proportions (including officers):—

			Artillery.		Torpedo.		Total.
$Auckland \dots$	• • • • • • • • • • • • • • • • • • • •		$270\degree$		45		315
Wellington			230		45		275
Lyttelton			124	• • •	11		135
Dunedin	• • •	• • •	160		17		177
	Totals		784		118	•••	902

Volunteer field force.

In addition to these there should be a field force at each of the ports, consisting of a battalion of infantry, a troop of mounted infantry, and a battery of position artillery, to guard against landing parties, who might otherwise attempt to storm the batteries, destroy the submarine mine defences, or march into the towns. A part of these might be country corps having easy access by railway to the ports to be defended.

The total strength of the field force required for each place, including all three arms, would be

about—

Auckland		•••		• • •		 698
Wellington			•			 610
Lyttelton				• • •		 610
$ m D\ddot{u}nedin$		•••				 610
Total						2 520

Honorary Volunteers at minor ports. In addition to the above about 560 Volunteer infantry, and artillery would be needed for the minor ports, viz., Nelson, Westport, Greymouth, Bluff, Oamaru, Timaru, Napier, Gisborne, New Plymouth, and Wanganui. These, it is hoped, will be honorary corps.

The whole defence force now recommended would therefore be as follows:—

Total	strength	
of def	ence forces.	

		Permanent (e.	xclusive o	of Officers).		2
Coast Brigade				,	 252	
Rifles		•••		•••	 80	
						332
		Volunteers (	including	Officers).		
Coast Brigade			٠		 902	
Field Force					 2,520	
Honorary Volun	iteers	•••			 560	
						3,982
		Total				1 211

Consequent reduction in Volunteers. Cadets.

The adoption of this revised establishment would result in the reduction of about 4,980 paid Volunteers, in addition to the cadets.

As regards the cadets, the cost to the country is about £1,500 per annum for capitation, in addition to the cost for ammunition. They cannot be regarded as efficient soldiers to contend in battle with grown men, and consequently it appears to me that this charge should not fall on the vote for Defence. It may no doubt be advantageous to the community, from the point of view of educational training, that lads should be drilled at school, but it is mainly an educational question; and, beyond the loan of arms and the issue of ammunition to masters of schools when desired, no payment in the shape of capitation should fall on the Defence vote for the services of these boys, who could not be employed in the defence of the country.

The reduction of 4,980 paid Volunteers, with all the expenses connected with them, implies a very material saving in annual expenditure. It must be observed, however, that the Coast Brigade Volunteers will be called upon to give more of their time for training than ordinary Volunteers. Their special duties in the service of the heavy guns, submarine mines, and torpedoes require careful

Increased capitation for Volunteer Coast Brigade.

<sup>\*</sup> The operations consisted in an attack by the Channel Fleet on the defended port of Milford Haven, with the object of testing the system of defence. The result showed that the defence by submarine mines was most formidable. Although the attack was admirably conducted, yet one of the five ironclads, the torpedo depôt ship, all the gun-boats (4), 5 of the 12 torpedo-boats, and 39 steam-launches, cutters, &c., were put out of action, and the minefield still remained effective, although considerably injured. The whole of the defence flotilla was, however, destroyed; and, had the attacking squadron been able to continue the attack, they would have succeeded in forcing the defences. On the other hand, it was considered that, if the defence force had been better organized, the attack would have been completely foiled.