

I reported last year that the pay of the Officers Commanding Districts was inadequate for their position and the work they have to do. Each officer has command of practically a brigade. He spends his days in the office, and most of his evenings on parade, for which he draws the pay of £300 annually.

Lieutenant-Colonel Newall has had nearly thirty-six years' service. He commands the Wellington District, and, in addition, is President of the Central Board of Examination, for which he gets no extra pay. He has dealt with the papers of 230 candidates since my arrival in the colony, and 455 since his appointment in April, 1891. Lieutenant-Colonels Gordon and Webb, commanding the Canterbury and Otago Districts, have twenty years' and nineteen years' commissioned service in the colony respectively.

The Permanent Staff is about to be increased by seven non-commissioned officers, appointed from infantry regiments of the Imperial service. The majority of the men at present employed are hardly worked. They have to work in the district offices all day, and spend some hours in the drill-shed instructing Volunteers at night. If any increase is made to the Volunteer Force, and if rifle-clubs are incorporated into the Defence Force of the colony, extra instructors will have to be appointed.

Last year sanction was given for the employment of three infantry officers from the Imperial Forces as Adjutants of the Volunteer Districts. The Imperial Government were asked to nominate officers for the appointment with certain qualifications. It was not possible to obtain officers willing to take this appointment with all the qualifications we asked for. The Imperial Government sent out the names of three recommended officers. One of these has been written for, as also has another officer who is a candidate for the appointment, and steps are being taken to secure the services of the third officer.

ACTIVE UNATTACHED LIST.

Before the last Easter camp I instructed the Officers Commanding Districts to invite all officers on the Acting Unattached-list in their districts to attend the camps, and to allot them staff duties in connection with the assembled forces. The result proved the very small benefit we derive from keeping up this list of officers, many of whom have left the service for years.

A small proportion of these officers only attended the camps, the majority sending excuses on grounds of sickness, want of uniform, physical incapacity, not being able to spare the time, &c.

I propose to deal with the majority of these officers under paragraph 258, Volunteer Regulations. It is useless keeping officers on this list who are either unwilling or unable to perform military duties.

ORGANIZATION OF MILITARY DISTRICTS.

The organization of the military districts as proposed on the introduction of the battalion system is complete (except in the Nelson District) and works satisfactorily. The Officer Commanding the Nelson District and his Adjutant have lately resigned for private reasons. Both these gentlemen were excellent officers and took a very great interest in their work, and I was extremely sorry to lose their services, but owing to their business occupations they were unable to devote their whole time to the duties of their command, and the outlying companies suffered from want of frequent inspections.

I have recommended that an officer should be appointed to command this district, and that he should be put on the same footing as the officers commanding the four principal districts. £50 is allowed for the pay of the Officer Commanding Nelson District and £75 for pay of the Adjutant, so that this proposal would increase the annual estimates by £175. In my last annual report I recommended that three of the companies on the West Coast should be disbanded, and from the reports I have received about their condition I see no reason to alter my opinion, but will report further when I have completed my next inspection of that district.

SCHOOL OF INSTRUCTION.

I have urged in my two annual reports that a school of instruction for the Volunteer Force should be formed at Wellington. Such an institution would be of the greatest benefit to the Force, providing instruction for the officers and non-commissioned officers in practical work which they are sadly in need of, and fitting them to instruct their companies in a much more efficient manner than they can do at present, when they themselves receive but little instruction. The establishment of such a school would be very popular in the Force, the classes, I anticipate, would be well attended, and the cost would not exceed £1,200 a year.

MILITIA.

Steps have been taken this year to ascertain how many men in the colony were liable to militia-service under the conditions of the Defence Act, and militia-rolls have been compiled with the assistance of the police. I have put forward proposals which will enable us to readily put into force the conditions of the Act should, unfortunately, any necessity arise for doing so.

DEFENCE SCHEME.

The defence scheme has been completed, and sent to England for the consideration of the Imperial Defence Committee. It lays down how and where each unit is to be employed under the various contingencies which would probably arise on active service. Its weak point lies in the absence of any properly trained staff officers, and the want of these would seriously hinder its being properly carried out, should the necessity unfortunately arise.

GYMNASIUMS AND ARMOURIES.

A certain sum has been granted to the Volunteers at Dunedin for the purchase of gymnastic appliances, there being a room in the Garrison Hall which is suitable for a gymnasium; and I