

Mount Cook. It is the intention that in the future military clerks only shall be employed, but this change can only be effected gradually.

The Council of Defence is not desirous that any further appointments of cadets to the clerical staff be made.

A classification with regard to pay and allowances has been prepared, and is recommended for approval. This classification will not reduce existing salaries.

Tables A and B, Appendix V, show the number of the Volunteer corps which have been in existence during the ten years from 1897 to 1907, and (approximately) the number of Volunteers who have passed through the Force during that period and have received a certain amount of military training.

The rate at which officers pass through the Force varies considerably, but is lower in the country than in the chief centres.

The average "service life" of a Volunteer seems to be about two years and a half in the city and two years and three-quarters in the country.

Appendix V shows that approximately 42,881 all ranks and arms (not including Cadets and Rifle clubs) were enrolled and served during the past ten years. Out of this number (again not including Cadets and Rifle clubs), 13,798 are at present actively serving.

ARTILLERY SERVICES.

Reports by the late Artillery Staff Officer and the Officer Commanding the Permanent Force show that the Permanent Force is not in a satisfactory state. The decisions of Council and the recommendations by the "Imperial Defence Committee" on fixed defence will enable this Force to be reorganized.

The late Artillery Staff Officer reports that "although the internal discipline and organization of the Permanent Artillery is not what it should be, nevertheless I have found all ranks on parade intelligent and zealous. The material is undoubtedly excellent, and with good organization the Royal New Zealand Artillery could be made a most efficient body of soldiers."

Report on the Volunteer Garrison and Field Artillery corps is attached (see Appendices I and II).

ENGINEER SERVICES.

Works.

No works of any importance have been carried out during the past three years. It is to be hoped authority will be given to proceed with the mounting of the new guns now in the colony. The amount asked for on the Estimates will keep this Department busily employed.

Drill-halls.

Generally the drill-halls are being maintained in good order. A new hall is under erection for Wellington. Auckland, Canterbury, and Nelson have good headquarters drill-halls. In Dunedin the present hall is unsuitable. Power has been given the trustees to sell the old, and procure new site to erect suitable hall.

Rifle Ranges.

The difficulty of providing ranges is increasing, especially near populated centres. Under the Municipal Corporations Act Councils have power to expend money in this respect where ranges are required. The sympathy and assistance of Councils should be enlisted, and they should be asked to assist. A grant per district has been made for construction of miniature ranges in drill-halls. Plans and description of a cheap and safe range have been sent to O.C. Districts for their guidance.

Report on the Volunteer Field and Submarine Mining corps is attached (see Appendix III).

STORES.

Stores and Magazines.

Auckland.—Buildings in good order and meet present requirements; mobilisation equipment in good order. Being the seat of the ammunition-factory, further magazine accommodation is required. No magazines have been erected since 1872.

Canterbury.—Store building inconvenient. Mobilisation equipment in good order. A position for a S.A.A. magazine away from the stores is having attention.

Otago.—Hitherto no store has existed. The completion of new building about July will remedy this. A new magazine has been completed. Mobilisation equipment is in good order.

Nelson.—The store requires considerable repairs, &c. The magazine is too small. The mobilisation equipment is in good order.

Wellington.—The Headquarters Store is used for district purposes. The mobilisation equipment is generally in good order.