SECTION II.—THE DEPARTMENT OF THE ADJUTANT-GENERAL TO THE FORCES (THREE OFFICERS).

The Adjutant-General.

The Assistant Adjutant-General.

The Director of Medical Services (partially paid Territorial officer).

This section is responsible for peace organization of the Military Forces; discipline; martial, military, and international law; courts-martial; administrative arrangements in connection with training and education; ceremonial; all questions of personnel; editing and issuing orders (other than operation orders); Army List and Regulations; leave of absence (except from training); appointments to and distribution of the N.Z. Permanent Staff; registration, enrolment, and posting for the Territorial Force; returns of strength; casualties; mobilization and other regulations dealing with above services; mobilization of personnel; medals; military chaplains; war claims and pensions; the training and organization of the N.Z. Medical Corps, and all medical arrangements in connection with the Forces; honorary Territorials; national reserve.

27. CHANGES IN ORGANIZATION OF THE FORCES.

The following new units are being raised:-

(a.) Four depot companies Army Service Corps, one at the Headquarters of each district, each with an establishment of three officers and 100 "other ranks," and two divisional trains Army Service Corps, one for the North Island and one for the South, each of four companies, a total of twelve A.S.C. companies for the Dominion.

(b.) An Army Motor Reserve, with an establishment of all ranks as under:-

Lieut.-Colonel, 1; Staff officer, 1; Majors, 16; Captains, 32; Lieutenants, 128. (c.) The signal companies are being reorganized in accordance with the latest Home War

Establishments, 1913.

28. LEGISLATION.

Experience having suggested the necessity for the further amendment of the Defence Act, 1909, as amended by Amendment Act, 1910, the Defence Amendment Act, 1912, was introduced,

and became operative as from the 7th November, 1912.

The Justice Department was approached with a view to establishing a working basis between the two Departments, and to define exactly where the duties and responsibilities of the Defence Department began and ended, especially as regards prosecution of offenders under the Defence Act, offenders committed to military custody, attachment of wages for recovery of fines, and exemption from military service on the grounds of religious belief.

I desire to place on record my sense of obligation to the officials of the Justice Department for the assistance that the Department has received at their hands in its endeavour to enforce

the law as regards military training.

Cases have occurred in which defaulters from training, and those who have neglected to render the required personal service, have been sentenced to imprisonment in default of paying their fines, instead of to detention, in spite of the intention of the legislation of last year that the latter punishment-should, except in the most extreme cases, take the place of imprisonment.

. 29. DISCIPLINE.

The discipline of the Forces during the past year has been, generally speaking, very satis-

The fact that the few breaches of discipline which have occurred have attracted considerable notice is, I consider, due to their standing out in sharp relief to the excellent all-round behaviour

of the troops as a whole.

An even higher standard of military discipline may be expected when the ranks of the Territorial Force are filled with those who have undergone a complete course of training in the Senior Cadets; and I am confident that, as the youth of the country realize the necessity for it, the discipline of the Forces will be based on the highest possible plane of mutual confidence and respect between officers and men.

30. PROSECUTIONS.

The resumption of prosecutions for failure to comply with the Act, which had been to a certain extent suspended till the Defence Amendment Act was passed last session, has resulted in a marked increase in the attendances at drills and parades throughout the country, and I think that as the young men begin to realize the value of the training, the necessity for it, and that the country intends to see it through, the opposition will become less and less.

Appendix H gives a return of prosecutions under the Defence Act from the date of the

inauguration of the present defence scheme to the 30th April, 1913.

The percentage of convictions to prosecutions was 69.88 per cent. in the case of Territorials;

and in the case of Senior Cadets, 70.15 per cent.

The total number imprisoned or placed in detention since the inauguration of the scheme is seventy-eight. Owing to the provision of detention in military custody by the Defence Amendment Act, 1912, the number sentenced to imprisonment will in future be very small.

31. DETENTION.

Detention in military custody in accordance with the provisions of the Defence Amendment Act, 1912, is now in operation. Provisional rules for the guidance of those concerned in the

administration of the necessary disciplinary measures have been approved.

So far as a limited experience goes, the system in vogue appears to work satisfactorily. I do not think that there will be any question of putting into force the military detention on a large scale, and it is not therefore contemplated to build detention barracks for the present. It is considered that as an attachment-order can be enforced against an offender's wages, detention need only be resorted to in cases of failure to pay the amounts due, and therefore recourse to