

In addition to the above, 300 general-service wagons, which would be required in the event of mobilization, have been made available for hire to farmers and others at a charge of £5 per annum. This system has not met with great success, as only fifty wagons have been applied for and accepted to date.

Hutments not required for Ordnance stores are being dismantled and disposed of through the Public Works Department.

#### 8. AVIATION.

In accordance with instructions from the Government, an Air Board, consisting of three Naval and Military officers and five senior administrative officers of the Civil Service, was set up to act purely as an advisory body to the Government on all matters concerning aviation in the Dominion. The Board has held frequent meetings, and submitted its recommendations to both the Hon. Minister of Defence and the Postmaster-General.

Trained pilots and other aviation personnel, kept up to date by annual refresher courses, together with an adequate supply of machines and equipment suitable for war, are a vital essential for defence, and until these are provided no progress in aviation can be made from a defence point of view.

The report of the Air Board is attached (*vide* Appendix I).

#### 9. MILITARY-SUPPLIES PURCHASE BOARD.

The Department has retained, under the above title, the nucleus of the machinery by which the Munitions and Supplies Board made purchases for the Military Forces in New Zealand during the latter part of the late war, and in addition to using the services of its buyers for purchasing for its own requirements the Defence Department undertakes the buying of certain articles for other Departments of the State—*e.g.*, the External Affairs Department (Samoa), the Public Health Department, the Marine Department, the Navy, the Public Works Department (canteens), the Forestry Department, and the State coal depot.

The volume of purchases made during the last financial year was to the value of £225,000, and the cost of running the office was £2,500.

#### 10. DEFENCE ACT.

The present military-training scheme, which was initiated in 1911 in accordance with the provisions of the Defence Act, 1909, and amended Act of 1910, has now been in operation ten years. The experience gained during this period shows that—

- (i.) Approximately 90,000, or about 90 per cent., of the boys between the ages of fourteen and eighteen liable for training under the Defence Act passed through the Cadet Force. These boys have received a limited amount of instruction in discipline, physical training, and rifle shooting, and therefore the training they have received will enable them to be made efficient soldiers more quickly on joining the Territorial Force, or in a national emergency.
- (ii.) Apart from the men enlisted for the Expeditionary Force during the war, many of whom had received no previous training, approximately 58 per cent. of the male population between the ages of eighteen and twenty-five years have passed through the Territorial Force. Very few non-commissioned officers and men have completed the full seven years.
- (iii.) The Defence Act was based on the principle of universal training. In this respect the scheme has failed, as about 42 per cent. of those liable are now untrained.
- (iv.) Experience has shown that the principle of equality of service and universal training cannot be carried out under the present system. The only means of ensuring that every person liable for training under the Act fulfils his obligation is by concentrating in a training-camp for a definite period all those liable for service.
- (v.) An army cannot be efficient unless it is thoroughly organized, administered, and trained. The existing organization of the N.Z. Military Forces is sound and economical, in that it provides for garrisons for our defended ports, and one complete division to be mobilized for war, with machinery for further expansion if required.
- (vi.) The Defence Department, considering its extensive activities, is being administered efficiently and as economically as possible. Beyond the reductions that will be effected as soon as possible in connection with post-war organization (war records, hospitals, &c.), further economies are not possible without serious risk of prejudicing the existing military organization. No other part of the British Empire can show such a small increase in its present military expenditure over that of 1914 as New Zealand.
- (vii.) The present system of training does not produce real efficiency, and in the event of a national emergency units would require to undergo a considerable amount of training before being ready for active service.

The problem both of Empire and local defence involves the employment of Naval, Military, and Air Forces. In so far as the defence of New Zealand is concerned, preponderance in any one of these three arms may, under certain circumstances, modify to some extent the organization of the others. Their correlation depends upon the task to be assigned to them in war. This is a matter of Government policy, which no doubt has received full consideration at the Imperial Conference. Whether the decision arrived at by this Conference will modify the existing military organization will not be known until after the publication of this report. Meanwhile the policy of the Defence Department will continue to be the administration of the existing law as laid down in the Defence Act, so far as the limited financial means available will permit.