

The railway-siding serving the Ordnance buildings has been completed. The construction of the Ordnance Office and small-arms ammunition magazine has been commenced, and two high-explosive magazines and three married quarters will be put in hand immediately. The forthcoming year's programme, which will practically complete the peace-time development of the camp, also includes an Ordnance workshop, vehicle-shed, oil-store, Army Service Corps depot, drying-room, shower-bath-house, hospital, and permanent latrines. The plans for these are being prepared, and the works will be commenced at an early date.

Various small improvements have been effected at Trentham and Burnham Camps. At Trentham the work of changing over from the present independent electrical installation to the Mangahao power is practically completed. This work will result in a very considerable saving in annual charges. At Burnham a camp equipment building has been provided, while the installation of a pumping-plant to ensure an adequate water-supply—a vital matter now that Burnham is extensively used for annual training-camps—will shortly be completed.

The whole of the stores previously held at Featherston Camp have now been removed. Several buildings were transferred to Fort Dorset to provide accommodation there, and, with the exception of six retained for possible similar transfer elsewhere, and two brick buildings retained on the site, the whole of the buildings have been sold to the general public for removal. The land is being retained and has been leased for grazing purposes. The railway-siding will be lifted shortly.

(b) Drill-halls.

A site for a new drill-hall at Ponsonby has been secured, and the building should be completed this year. A new drill-hall at Hamilton is under construction, and will be available shortly. The drill-halls throughout the Dominion have been maintained and various improvements effected.

(c) Rifle Ranges.

Rifle ranges have been maintained and in some cases improvements carried out. The ranges generally are in good order.

9. FINANCE.

The net expenditure out of Consolidated Fund for defence purposes, including aviation and assistance to Rifle Clubs, for the year ended 31st March, 1927, was £493,273.

The expenditure for the year out of Public Works Fund, Vote "Contingent defence," for construction of training-bases, new drill-halls, &c., was £34,014.

10. GENERAL REVIEW AND SUMMARY.

In reviewing the efficiency, training, and administration of the Defence Forces under my command, and in judging their progress, I would again direct attention to the fact that the last three or four years have been a very difficult period. It was perhaps inevitable that, following the universal feeling of exhaustion produced by the efforts of the Great War, a very natural reaction and public apathy towards further defence expenditure and requirements should ensue. As stated earlier in this report, public interest in the efficiency and welfare of our field forces, and a general recognition of the necessity for continued defensive measures, has gradually been restored, and has had a most marked and beneficial effect not only on the *esprit de corps* and general efficiency of all arms and services, but on the individual interest and enthusiasm of all concerned.

Based on the experience and lessons of the recent war, and as a result of exhaustive experiments still being carried out by the War Office, many important changes have been introduced into our present military requirements. Much of our existing armament and equipment is rapidly becoming obsolescent, and will have to be gradually replaced in the near future; but, pending the results of the trials now in progress, and the adoption of standardized armament and field equipment, only absolutely essential replacements and additions at comparatively small cost have been effected.

Careful consideration has been given to the question of coast defence armament and requirements, and several important recommendations have been received from the War Office. Owing to the heavy expenditure involved, and in view of the rapid development of the Air Service and possible potentialities of aircraft taking a still greater share in the problem of coast defence, it has been considered advisable to defer putting these recommendations into effect.

Certain new equipment is urgently required for defensive training in chemical warfare. The manufacture of this special equipment is a highly technical process, and it is not practicable or economical to produce it locally. A scheme has therefore been submitted showing the minimum requirements for the Military Forces, with the estimated cost and period of acquirement. It is hoped that during the coming year sufficient of this equipment will be available to proceed at once with the training of selected officers and non-commissioned officers in this branch of warfare.

In the concluding paragraphs of this report I have endeavoured to indicate some of the more important of the many urgent demands which have to be met in the training of the Defence Forces and the provision of modern military equipment. There is much which we must make provision for out of the money voted for land defence, and when so much is urgently required and essential it becomes increasingly difficult to determine which has the prior claim, and what proportion of our limited funds should be allocated to each.

I have the honour to be,

Sir,

Your obedient servant,

R. YOUNG, Major-General,

Commanding N.Z. Military Forces.