(c) Officers.

The reduced establishment of the Territorial Force effected last year left practically all units with surplus officers, who have since been placed on the Regimental Supernumerary List or transferred to the Reserve of Officers.

(d) Training.

In view of the very difficult economic and industrial conditions, the amount of training prescribed as obligatory was very small, that prior to collective field training in camp amounting only to some Moreover, under the existing conditions it was not found possible to hold the usual six-day camps, and, owing to the limitations of finance, a shorter period of field training in bivouacs was substituted, without pay.

As this was the initial year under the new system of voluntary enlistment, recruits were accepted by all units throughout the year. This naturally has a detrimental effect upon training, as it is difficult to obtain progressive instruction when new men are constantly joining. This should improve in future

I am very pleased to report that practically every unit in the Dominion carried out, prior to bivouac, far more than the minimum training prescribed. Many units held week-end camps at their own expense.

The general training throughout has reflected great credit on all ranks.

I visited the bivouacs of practically all units, and was pleased to note the excellent type of soldier that voluntary recruiting has produced after the short while it has been in operation.

The percentage of attendance at the annual bivouac was, however, not quite as high as I would have liked—partly through lack of pay and partly through reluctance to apply to employers for leave. I have referred to this latter point elsewhere. The spirit of those attending, however, was excellent.

In the case of the Mounted Rifle Regiments, there were instances of men riding as far as fifty miles and more to attend their bivouacs. These units are, in fact, all very scattered, but their keenness is high in proportion and their esprit de corps fully equal to any of the other arms.

Speaking generally, the horses brought into bivouac were of an excellent type, some regiments in particular being very well mounted, and in the event of mobilization it is evident that only a comparatively small proportion of the troop-horses would have to be rejected as unsuitable for active service.

All batteries of Light, Field, and Medium Artillery carried out their annual live-shell practices as The personnel of the 13th Coast Battery (Auckland) were taken to Wellington, and carried out their bivouac and shell practice seawards, in conjunction with the 15th Coast Battery, at Fort Dorset, Wellington.

Engineer Field Companies, in every case, did some constructional work—mainly bridging—during their bivouacs, and in one case a bridge of a permanent nature was built leading to the property of a

farmer, who supplied the material.

Signal Depots are always very efficient, as the men are drawn from the personnel of the Post and Telegraph Department. All ranks of the N.Z. Corps of Signals have shown great keenness, but it will shortly be necessary to provide newer equipment for this arm. The divisional wireless equipment, originally issued to our Signal units, is now obsolete and entirely unserviceable. Nearly all of the wireless equipment at present in use, for instance, has been made by the men themselves.

The Infantry arm forms, naturally, the backbone of our Divisional Territorial system.

battalions held useful bivouacs, in one or two instances two units being in bivouac together.

During this early period of the scheme we have not attempted any advanced field training, but small tactical exercises were undertaken.

The spirit of country battalions is very high, and they are approaching full strength. City battalions are equally keen, but, generally speaking, their numbers are still low. This is partly accounted for by the fact that the four large cities have very many units to recruit, in addition to their Infantry regiments; also the four city battalions are on a higher establishment than those in the country.

By devoting a somewhat larger proportion of effort to automatic weapon training than is usual, it is hoped to maintain and develop interest in this arm, which occasionally suffers, compared with the more technical branches of the Service.

The Army Service Corps has recruited exceptionally well. All companies did practical work in their bivouacs—one company carrying out a five-days route march with horse transport, practising supply problems en route.

The Field Ambulances are not yet very strong in numbers, but every member is well up in his work and very keen.

To sum up: the spirit is good and the work is carried out with great keenness. bivouac, however, is quite insufficient to produce any great results, and therefore in the coming year I consider it essential that all units should go into camp for the full six days, and receive pay for this

period of field training.

In concluding the foregoing brief report on the Territorial Force, I should like to place on record my grateful thanks to those racing clubs, public bodies, and private property owners who have, as usual, helped us so much during the year by placing their property at our disposal. Without this generosity, in many cases it would not have been possible to hold bivouacs, owing to the expense involved.

Similarly, I would express my appreciation of the patriotism and citizenship of employers who facilitated the attendance of their employees at the annual bivouacs during this very difficult year.