(d) N.Z. AIR FORCE AEBODROMES.

The two New Zealand Air Force aerodromes at Hobsonville (Auckland) and at Christchurch have been maintained in good order. The Air Force base at Hobsonville is still lacking in workshop equipment essential for maintenance purposes, and at Wigram Acrodrome provision of a dope shop and an extension to the engine repair shop is necessary. Provision was made on last year's estimates to meet these requirements, but owing to the general need for economy the matter was held over for a further period.

The area of 81 acres adjoining the Wigram Aerodrome, presented in 1931 by Sir Henry Wigram, has now been levelled by unemployed labour and all obstacles removed. The whole area constitutes

a magnificent aerodrome for training and service purposes.

In order to combat the serious fire risk at Wigram Aerodrome, a scheme for providing water reservoir pumps and piping at a fraction of the normal cost by making use of unemployed labour and second-hand Public Works Department equipment has been under consideration.

Any development in the Air Force is contingent upon the provision of additional ground facilities at both aerodromes, and particularly upon the erection of quarters for personnel. At Wigram Aerodrome no provision has been made in this respect, and until such is effected it is not possible to develop this station along recognized Air Force lines.

(e) CIVIL AVIATION.

(1) Commercial Aviation.

There has been no development in commercial aviation during the past year, although there has been a marked increase in the commercial activities of Aero Clubs, which have been forced by general economic conditions to seek this means of support. This tendency is detrimental to the natural development of commercial air services.

Civil: aviation statistics as at 31st May were as follows:-

Pilot's "A" license	(private)		 	 165
Pilot's "B'" license	(commerci	ial)	 	 33
Aerodromes (licensed)		 	 25
Aircraft			 	 65
Ground engineers			 	 28

The Air Navigation Regulations, 1933, which provide for the control of aviation in conformity with the provisions of the International Air, Navigation Convention, were gazetted on the 1st June.

(2) Aero Club Movement.

During the year under review ninty-seven polots were trained ab initio by the aero clubs. Although this represents a drop of approximately 25 per cent. on the previous year's figures, the results are highly satisfactory when the effect of the existing conditions is taken into consideration. marked falling-off in the numbers of pilots who renew their licenses is, however, serious, and a proposal for the modification of the form of Government assistance with a view to encouraging pilots to continue their training is under consideration.

During the financial year ending 31st March three D.H. Moth aircraft were loaned to aero clubs, and the sum of £2,070 was spent in subsidies on account of pilots trained by the clubs.

3. TERRITORIAL FORCE.

(a) COMMANDS.

Since my last report several changes have been made in the command of brigades, and lower This has necessitated the transfer to the Reserve of many officers who had active-service experience and who have rendered long and faithful service in the Territorial Force.

I also wish to place on record my sincere appreciation of the expenditure of time, money, and effort in their loyal endeavours to further the interests of the defence of the Dominion by those officers

who have vacated their commands during the past year.

With the passage of time the proportion of officers with war experience who are available for service in the Territorial Force becomes less and less. It has been my endeavour to conserve the valuable experience they have obtained in the past, and in some measure to compensate them for the relatively small commands they held in the interval between the cessation of compulsory training and the inception of voluntary enlistment by granting an extension of their periods of command wherever possible.

(b) STRENGTH.

The strength of the Territorial Force is shown in Appendix I. Other ranks have increased during the year by approximately 1,000.

In October, 1932, the establishment of Mounted Rifles Regiments and of Infantry Battalions on the lower scale was raised in order to absorb the surplus recruits offering in outlying centres. Mounted Rifles Regiments are now practically up to Peace Establishment.

The Field Ambulances are finding it particularly difficult to secure recruits. receiving attention, and it is hoped to strengthen this branch of the service during the coming year.