

Tauranga is a locality in which a good troop of mounted men might be of much service, and on this account I advised recruiting instead of recommending disbandment.

The Tauranga Rifle Company will yet be a better one than it is at present, after enrolling recruits which it expected to obtain: it is armed with Sniders, and its members have seen much active field service.

Most inclement weather, and absence of means of transit, prevented my seeing the Bay of Plenty Cavalry, Opotiki Rifles, Te Wairoa Rifles, and Poverty Bay Corps.

WAIUKU AND WAIROA DISTRICT.

This district contains eleven corps, some of which have a small contingent of Cadets attached to them, and is one of the most important in the North Island. Its force is located, as if with strategical intention, as an outer line of defence to Auckland, with its right resting on South Manukau Head, and its left on the Wairoa, in Hauraki Gulf. Many of its corps are in good order—indeed, the Wairoa Rifles and 1st Pukekohe Company could not be excelled, and in the latter there was not one absentee; nor were any absent from the Waiuku Cavalry, which is another troop admirably adapted for field service. The least efficient and worst clad was Tuakau Rifle Company. Besides being in so efficient a condition, the district has brought itself into note by the fact that the Cavalry, Infantry, and Cadet Champion Belts for the colony, for the present year, have been won by members of its Volunteer companies—an honor which has not before attached to one single Volunteer district, and is not likely to occur again. Although the Cadet Champion Belt has not been bestowed upon Cadet Currie of this district, he will no doubt claim the decoration in consequence of the cadet of Rangitikei to whom it has been given having been unfairly permitted to use a long Snider in the competition, instead of the prescribed Cadet muzzle-loading carbine, as was used by Cadet Currie of Waiuku.

Since my inspection of this district, much discontent has arisen in some of its corps, by reason, no doubt, of a decision given by me with respect to capitation. The inquiry made of me was, "Is capitation money individual or corps property?" My answer was in conformity with 24th clause of "The Volunteer Act, 1865," which provides capitation for the "benefit of the corps." Subsequently, certain individuals left their corps, and then petitioned the Government for the issue to them individually of what they term their capitation. The Government received their request favourably, and ordered the payment to these individuals of the amount they claim, and in default of its receipt they now threaten law proceedings against the Major Commanding the district, or the Officer Commanding their late corps. I would ask that the point in dispute be referred to the Attorney-General, for, if from no other reason, Volunteer companies will become extinct if they can, as the Government has now decided, claim individually the capitation granted by the Legislature for the benefit of corps collectively. My view of the matter, and my reading of the Volunteer Act on this subject, has been confirmed by the recent perusal of the Attorney-General's opinion recorded on a similar case which occurred in 1867, copy of which will be found in your office, dated 19th February of that year, addressed to an ex-volunteer of Taranaki.

WAIKATO,

Where there are three corps, two of Cavalry and one of Infantry, I have not yet been able to visit; but I propose to do so when the officer commanding the two Cavalry troops has rejoined his command, and will then transmit a supplementary report.

AUCKLAND.

I will refrain from saying much with respect to this district, seeing that I am its Commanding Officer, and on that account I would have been glad if another officer had been instructed to report upon it. However, eight companies (four adult and four cadet), not being prepared to undergo the ordeal, had discontinued their services at the date of annual inspection. Those which remain have fairly earned their efficiency certificates, notwithstanding the difficulties which have interposed to prevent their attendance at drill, or in such numbers as is desirable. The drill-shed has been practically useless for twelve months or more, the supply of gas having been cut off and the approaches to it rendered highly dangerous by the excavations, &c., of the Albert Barrack Improvement Commissioners in the prosecution of their works. A large portion of the shed had also been fitted up for the reception of immigrants, and occasionally so occupied. Added to these annoyances is the circumstance that nowhere in the city is there a piece of ground available for outside drill. If it were not, then, for the assistance which is given me—the officers of the various corps holding them together—the force here would have collapsed long since. There is one feature in connection with the companies in Auckland which I have not found to exist in any other district, and it is this: that besides being the honest holders of efficiency certificates, they have hitherto contributed from their own funds £120 per annum for the maintenance of their rifle range and payment of a resident marker.

Having so far treated upon the condition of the various Volunteer companies as regards their efficiency or otherwise, I proceed now to refer to their equipment, commencing with that portion thereof which is the property of the Government:—

ORDNANCE.

There is a desire on the part of Artillery companies to be possessed of pieces of ordnance not heavier than 6-pounder Armstrongs. I know that the supply of guns of such calibre at the disposal of the Government is very limited; but I imagine that a small number of this useful and convenient description could now be procured from England at a very reasonable cost, so as to complete the number on issue to Artillery companies to two per company, or probably those already on hand (and