have no doubt that similar amounts will be granted to the other three centres when they have suitable accommodation. No action has been taken with regard to my last years recommendations as to the provision of armouries.

Drill-Halls.

I put forward a proposal that a sum of £5 annually should be allowed per corps for the upkeep and repair of drill-halls, and that unless, under exceptional circumstances, no further allowances should be made. This may appear a little hard on the country corps, but at present they get no allowance at all, and many of them hire and pay for rooms, and, at any rate, it would form a nucleus on which to build up a repairing fund, and would introduce a uniform system throughout the colony.

The drill-halls at Wellington, Auckland, and Christchurch are in a bad condition, and too small for the number of Volunteers they have to accommodate. It will take a large sum to enlarge them and put them in good order, say, £5,000; but it must be remembered that the defence of the colony at present is almost purely a voluntary one, and that to keep up the requisite number of men as a permanency, we must make the service as attractive as possible, and study the comfort of the men who, from their sense of duty to the Empire, take upon themselves many hard and sometimes irksome duties.

RIFLE-RANGES.

The arming of the troops with the Martini-Enfield Rifle necessitates the expenditure of a considerable sum of money to render the ranges safe, and to give increased distances, so that the

Volunteers may be trained in the increased power of their weapons.

The range at Auckland will only be used in future by trained men, and a new range will have to be acquired within easy reach of the city for volley and long-range firing, and training recruits. Such a range can be procured, and steps should be taken for acquiring it at once. The only other range in that district requiring much expenditure, will be that at the Thames, for which approximately £180 is asked. The Onehunga Corps, I hope, will obtain another site for a range.

In Wellington, extra land is about to be acquired in Polhill Gully, and for the present, field-firing can be carried out at a range within a fair distance of the city. With the exception of the ranges at Wanganui, Petone, and Napier, all the remaining ranges can be made safe for an expenditure

of under £200.

In the South Island the matter of range accommodation is not so pressing, as the troops are not yet armed with the Martini-Enfield Rifle, and I do not anticipate that the required expenditure will be nearly as heavy as in the North Island.

All the corps in the North Island are now armed with the 303 rifles, and orders have been sent to England for sufficient arms to equip the whole of the Forces. Sanction has been given by the Imperial authorities for the colony to retain all the Martini-Henry arms at present on issue to the South Island until we receive the 303 rifles now on order. The rearmament of the whole Force will, I hope, be completed by the end of this financial year.

AMMUNITION.

The only class of ammunition of which we will require a regular supply in the future will be This is now being manufactured in the colony by the Colonial Ammunition Company. Up to the present the deliveries by the Company have been small, but the ammunition is up to the specification, and I trust that as soon as they get into the full swing of manufacture we will have no cause to complain of the supplies being behind the contract-time.

The testing of the ammunition is now carried out at Auckland by a properly-qualified noncommissioned officer from the Imperial service. He has at his disposal the latest pattern velocity instruments, and the tests are carried out, as far as possible, in accordance with the custom of the Imperial service. This should be a great benefit to the company in enabling them to check faults in their manufacture, and to the colony in obtaining their supplies in every respect up to the specification standard.

MEDALS.

The issue of New Zealand war-medals still continues. After the lapse of over thirty years it should certainly be discontinued; it must now be difficult for officers to remember and certify

to the services of all men who were under them during the war.

I recommended last year that, as the issue of the Imperial Volunteer long-service medal had been extended to the New Zealand Volunteers, the bestowal of the New Zealand long-service medal should be discontinued, but no action has been taken in the matter. I understand that regulations to this effect have been issued in two of the Australian Colonies, and a similar regulation should be issued in this colony.

Conclusion.

In conclusion, I may point out that I consider a marked improvement is to be noted in the condition of the Volunteer Force, both in the way of drill and discipline, and that it is decidedly

in a more fit condition now to take the field than it was a couple of years ago.

Progress has been made in strengthening the defences at the principal forts. Six Maxim guns of 303 calibre have been ordered from England, and I hope to have the machine guns now in the colony all converted to the same calibre in course of time. I also trust that the second field battery will be ordered at a very early date. The new organization of the Forces has, so far, worked successfully, and will, I hope, continue to do so.

A. P. PENTON,

14th July, 1899.

Colonel, Commanding New Zealand Forces.