(e) WET CANTEENS.

Wet canteens are established in mobilization camps, on troopships, and overseas. The quantity of beer allowed to be sold to any one soldier is strictly limited, and under strict supervision the abuse of this privilege is negligible.

MECHANICAL TRANSPORT.

It became necessary during the year to provide for a large number of mechanical transport vehicles for the training of the Territorial Force and to complete requirements for mobilization. In the first instance hiring was resorted to, but this proved most unsatisfactory in every way. To meet the immediate requirements for field force manœuvres it was therefore decided to put the impressment scheme into operation. By this means approximately 1,100 motor-cycles, 100 cars, and 1,400 trucks were obtained. The ordinary commercial truck body is not entirely suitable for Army requirements, and in consequence a good deal of work had to be carried out on the impressed trucks to fit them for Army use. An order has been placed overseas for new vehicles, the bodies to be made in New Zealand.

It is intended to commence further inspection of vehicles in New Zealand with the object of earmarking suitable vehicles to complete requirements in the event of mobilization being ordered.

During the year an urgent request was made by 2nd New Zealand Expeditionary Force for M.T. vehicles to be sent overseas. A total of 225 new trucks were made available. Half this number has been shipped, and the balance will be sent forward at an early date.

The large increase in the number of vehicles in the possession of Army has necessitated considerable expansion of the M.T. Branch, the provision of additional workshop facilities, supply of spare parts and tires, and the provision of garage accommodation.

PETROL.

Provision is being made for a general reserve of petrol.

HORSES.

The scheme which was put into operation for the obtaining of horses for Mounted Rifles Regiments proved most successful. Under this scheme horses were inspected and if found fit were registered and held at the disposal of Army, a bonus of £5 being paid to each owner. All the horses required were obtainable in this way. Horses were collected and sent in to Territorial Force camps early in February, the entrainments in this connection being carried out smoothly.

On the whole, the type and stamp of horse provided have been quite satisfactory.

MOVEMENT OF TROOPS.

Largely due to the splendid co-operation of the New Zealand Railways, shipping companies, Harbour Boards, police, and traffic personnel, all moves by sea, rail, and road, and all embarkations of reinforcements for overseas, have been carried out during the year smoothly and efficiently.

HOSPITAL SHIPS.

(a) "Maunganui."

The Union Steam Ship Co.'s steamer "Maunganui" was taken over by the Government early in January, and was converted by the Wellington Patent Slip Co. to a hospital ship with approximately 400 beds. The ship was fitted out in an excellent manner, the conversion taking approximately nine weeks. The ship sailed from Wellington on the 22nd April.

(b) "Oranje."

The Netherlands Government placed the s.s. "Oranje" at the joint disposal of Australia and New Zealand for the purposes of a hospital ship, the cost of conversion and the whole of the operation of the ship being borne by the Netherlands Government. Satisfactory arrangements have been made with Australia as to the control and running of the ship.

FINANCE.

During the financial year ended 31st March, 1941, amounts totalling £17,249,621 came to charge against the War Expenses Account, Subdivision II—Army.

In the same period miscellaneous receipts amounted to £226,902 (net), leaving a net expenditure of £17,022,719 for the year.

CONCLUSION.

In conclusion, I wish to place on record the appreciation of the Army for the wholehearted co-operation and assistance which have been so readily given by other Government Departments, shipping companies, and commercial concerns, as well as landowners and countless individual citizens. Without the ready and willing help always afforded by these organizations and individual citizens the task which has been carried out during the past year would not have been possible.

I have, &c., L. G. Goss, Colonel, For Chief of the General Staff.

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