

attainable without the assistance of qualified officers and non-commissioned officers who, owing to their past training, are possessed of the necessary practical experience to enable them to act as Instructors to our citizen Force.

The visit paid by the Inspector-General of the Overseas Forces with his expert staff will, I am confident, prove of the greatest value, and Sir Ian Hamilton's able report following his complete inspection of the various units will help us very materially in the introduction of further improvements and economies.

ANNUAL TRAINING-CAMPS.

The percentage of attendance at the divisional camps recently held throughout the Dominion was exceptionally good, and an excellent opportunity was afforded of testing the organization of the higher branches of the service and the cohesion of the different units.

The satisfactory results of these camps, despite the disadvantage of bad weather, are a striking tribute to the success attained by the General Officer Commanding, and his staff, in the training of the officers, non-commissioned officers, and men of the Territorial Force.

FINANCE.

The expenditure out of revenue on account of defence amounted to £488,570, or £25,177 less than the estimated requirements, and showing a saving of £16,697 on the expenditure of the previous year. Steps have already been taken to reorganize what may be termed the Civil administrative side of the Defence Department on the lines advocated by the Inspector-General of the Overseas Forces.

RIFLE CLUBS.

During the past year several concessions have been granted to the members of Rifle Clubs, the majority of whom are able-bodied citizens with some previous military training, who should prove a valuable additional line of defence when acting in support of the Territorial Force.

SENIOR CADETS.

The Government is extremely gratified at the enthusiasm and efficiency displayed by the junior branch of the service, upon which it is recognized the future success of the Territorial Force to a very large extent depends. The moral and physical advantages of the training and discipline to which the Senior Cadets are subjected are already apparent. I would particularly direct attention to the special references to the Cadets contained in the Inspector-General's report.

EDUCATION.

The increased expenditure on education to be provided for this year is due in the first instance to the increase of population and to the consequent expansion of all branches of the work of the Department—more particularly in respect to primary, secondary, and technical education. In addition to this, the changes introduced last year by legislation and by Order in Council for the improvement of the staffs and salaries in public schools will require about £29,000, and the cost of the increased facilities for free university education must be added to this. Under the first of these heads were included the raising of the annual increment of salary from £5 to £10, of the minimum salary of certificated teachers from £90 to £100, and the further postponement of the effect of a fall in the grade of a school upon the salary of the teacher; the substitution of assistants for pupil-teachers, which was brought forward another stage; the raising of the salaries of the lower grades of assistants in normal schools and in the secondary departments of district high schools; and an increase of the allowances to probationers.

The Education Bill, which is already under consideration of Parliament, embodies a fairly complete remodelling of the Acts relating to education, the law in regard to which had become unduly complicated by reason of the large number of amending measures that have been passed introducing amendment upon amendment.

The development of the University and its constituent colleges has been very rapid of recent years, and the time seems to have arrived when the original con-