54. DEPARTMENTAL STAFF.

Excellent work has been done by all ranks and grades during the year both at Headquarters and in the districts. The invenese amount of work entailed in equipping the Force, in the distribution of equipment and arms, and in numbering and marking the same can be hardly realized by the public generally.

The Finance Section is, I fear, undermanned, and unless something can be done to relieve

the centralization at Headquarters of all financial questions, which at present exists, I shall be compelled to ask for more clerical assistance. A further reference to this will be found in

paragraph 95.

55. PERMANENT FORTIFICATIONS AND WORKS.

No new works have been constructed during the past year. The existing works are in good order.

The saluting-battery at Wellington has been moved from Pipitea Point to Mount Cook.

56. MAGAZINES.

Magazine accommodation is to be provided for the full equipment of 12-pr. Q.F. ammunition at Westport, including two years' practice supply.

57. ORDNANCE.

(a.) Field Guns and Howitzers.

When my last report was submitted the 4.5 in. howitzers had not all arrived from Home, but during the year the last two arrived, and, except for several dial sights, all the field batteries are now completely equipped.

(b.) Mountain Guns.

The mountain guns have not yet arrived. This is attributable to the fact that for the first time a Q.F. mountain gun is now being constructed for the British Mountain Artillery, and it necessarily entails a good deal of experimental work before a particular type of gun is finally adopted. The New Zealand Mountain Battery will have the same equipment as used in the British service.

58. Gun-ammunition.

A new lyddite shell for use with 12-pr. Q.F. guns has been introduced, and a supply ordered for Wellington. In order to use up the equipment of common pointed projectiles (replaced by lyddite) I propose to fire the former away at practice, thus saving practice shot.

A separate and confidential report has been rendered to you regarding the reserves of gun-

ammunition.

59. MAXIM MACHINE GUNS.

One Maxim machine gun, mounted on tripod, with packsaddlery complete, has been issued to each Mounted Rifle and Infantry regiment for training purposes. The necessary number to complete the war requirements is kept in store for issue on emergency.

During the year three of the service locks which were broken were sent to England to be repaired and reported on. The locks have been returned and reissued, the report from England

stating that the breakages were due to overtempering of the steel part in construction.

60. SMALL-ARMS.

During the year 30,000 M.L.E. long rifles were imported into the Dominion, 15,000 from Enfield and 15,000 from Canada. Of the Enfield Rifles, 5,000 were perfectly new arms, 10,000 being part worn, but rebrowned, resighted, retested, and thoroughly repaired as good as new. The Canadian rifles are generally in good order and serviceable, and have been issued to the Cadets. This means that the number of rifles in the Dominion has been practically doubled, at a great saving to the country. An M.L.E. long rifle costs the Dominion £3 13s. 6d., or £110,250 for 30,000. The Dominion was able to secure these rifles at a total cost of £23,250, a saving of £87,000 on small-arms equipment.

The whole of the above arms came to hand during the latter part of December, 1913, and January, February, and March, 1914, and were immediately issued to complete Territorial equipment and to arm the Cadets. Three hundred miniature 22 rifles are under order, and our representative at the War Office is now dealing with the question of providing miniature

rifles as cheaply as possible.

61. SMALL-ARMS AMMUNITION.

The reserve of small-arms ammunition, 303 ball, has since last year been slightly increased. The quality has maintained its excellence, and no complaints of any moment have been received during the year. The increased supply of cordite ordered has been received, thus removing any danger of shortage through delays in shipment. This will build up a reserve of cordite, which will be available to keep the ammunition-factory fully employed in the event of short shipments, usually caused through strikes in England.

The large increase in the number of small arms during the year, consequent upon the importations from England and Canada, has proportionately reduced the number of rounds available per rifle, and will necessitate the provision of an increased reserve of ammunition. The reserve of ammunition to enable the Territorial Force to take the field is, however, ample. The