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capacity, and through him on his subordinates, is fully defined by Treasury Regulations. This responsibility cannot be shared by the Commander of troops, who would not therefore be compelled to take any cognisance of such matters as contracts, accounts, vouchers, or detailed estimates. His place would be with his troops rather than on his office-stool. Policy once determined by a Commander after consultation with his business adviser, he had far better leave that officer a free hand in the matter of ways and means. It is a consequence of the proposed system that communications on matters of accounts, audit, &c., with the Treasury and with the Auditor-General should be conducted by the Quartermaster-General.

He is not concerned with the War Policy.

38. As a general rule the Quartermaster-General would not be concerned with policy, either in war or in peace. In all that directly concerns war the General Staff is, under the Commander, responsible for the initiation of policy. For example, it is for the Chief of the General Staff to advise whether a new work is required for coast defence, and how it should be armed. Also at manœuvres, and in the field, the control of operations is, in the fullest sense, the business of the General Staff. The Quartermaster-General is, however, the man who more than any other has to find the means for giving effect to policy. In peace it rests with him to demonstrate the financial effect of any given policy, and in war the part played by the great administrative services, for which he is responsible, will affect in an important degree the strategy of every campaign. It is unlikely, therefore, that his advice can be neglected where matters of policy are under discussion.

Nor with Peace Policy.

39. Peace policy is par excellence an attribute of the Adjutant-General, for peace policy is, as a rule, primarily a matter of officers and men. The provision of personnel, the establishments of an army, its distribution in peace, as well as all that concerns the interests of the individual, are essentially the Adjutant-General's business. If, for example, new units are to be raised, or existing ones abolished, it is for the Adjutant-General to advise how and where these operations can best be effected. Administration must in such cases wait on policy. Only too often money has been wasted on buildings, storehouses, &c., owing to too hasty action on the part of administrative branches.

Similarly, the Adjutant-General's responsibility for regulating the establishments of an army as a whole must be adequately safeguarded. This responsibility should extend as much to the establishments and the emoluments of the Quartermaster-General's branch as to those of the rest of the army. Only so can a well-balanced machine be ultimately produced. Without central control of this nature there is always a danger of some one branch or service being, as regards numbers, terms of service, and rates of pay, unduly favoured as compared with the rest of the army, and discontent is certain to be caused in consequence.

His Relations with other Branches.

40. In one other respect the relations of the Quartermaster-General to the other branches of the Staff require clear definition. He will have to account for all money expended in the interest of training as well as of personnel, in spite of the fact that these are matters with which the Chief of the General Staff and the Adjutant-General are immediately concerned. His position as Accountant would not, however, justify the Quartermaster-General in dictating to his colleagues on such matters, still less in acting as their hostile critic. His role rather should be to assist them by all means in his power, both economically and in the interpretation of Treasury Regulations, to discharge the duty entrusted to them by the Commander. He should place freely at their disposal what assistance they require in framing their estimates, and at intervals he should keep them informed of the state of their account.

An Illustration.

41. The relations which ought to obtain between two branches of the staff can best be explained by an illustration. Under the War Office system at Home a grant is annually placed by the Army Council at the disposal of the General Officers Commanding-in-Chief in commands to be expended by them on training to the best advantage.* As soon as the amount of the grant is notified to a command, the General Staff officer at once roughs out a general scheme of training for the year, and takes the instructions of the General Officer Commanding on it. When he has approved it in principle, a formal conference takes place between the General Staff officer and the officer in charge of administration, and ways and means are discussed. As a result the programme may have to be curtailed or altered in points of detail. Agreement having been reached, the programme is formally submitted to the Commander by the General Staff officer and is ultimately approved by him. Henceforward the expenditure of, and accounting for, the grant rests with the administrative officer, who is responsible that it is not overspent. He keeps the General Staff officer informed, from time to time, of the state of his account as the financial year progresses, and that officer cuts his coat by the amount of cloth still in hand. This arrangement, as I know from personal experience, works to the complete satisfaction of all concerned.

^{*1} repeat here in New Zealand what 1 stated in my Australian report: 1 strongly advocate money for education and training, outside the statutory camp training, being entrusted to the Chief of the General Staff in the form of a block training grant which he might allocate as he thinks fit. This plan has proved most successful at Home, and 25 per cent. better value is obtained from the block grant than from the same sum of money meticulously apportioned under different headings. Officers and men are ready to make considerable pecuniary sacrifices if they know that the training grant gains by their self-abnegation.