7. CIVIL STAFF.

The Civil staff, which during the war has necessarily increased to very large numbers, has been reduced in conformity with the reduced amount of administrative work consequent on demobilization. The Public Service Commissioner has greatly assisted the Defence Department during the past year by arranging for frequent inspections of the various offices where civil employees are engaged. His reports have enabled reductions in personnel to be made, the abolition of uneconomical methods in office routine, and the employment of not more clerks than are absolutely necessary.

8. STAFF COLLEGE.

Captain D. E. Bremner, N.Z.S.C., graduated at the Staff College, Camberley, for the 1919 course, and has since been appointed to the Staff at General Headquarters.

No officers were sent to the Staff College for the course being held this year, but Licut.-Colonel

H. E. Avery, C.M.G., D.S.O., has been nominated for the 1921 course.

While it costs a considerable sum of money to send officers to Imperial Staff Colleges, the expenditure is fully justified, as it enables our own officers to gain the highest qualifications. Only officers with distinguished war service or those who have graduated at the Staff College should, in the future, be selected to fill higher appointments in the New Zealand Military Forces.

9. CENTRAL SCHOOL OF INSTRUCTION

One of the most important lessons of the late war was the vital necessity for schools of instruction where officers and non-commissioned officers could receive training in general and specialist military subjects, and thereby ensure uniformity and up-to-date methods being carried out throughout the Army. Such a school has now been established at Trentham, and it is proposed that all members of the Permanent Forces shall in future go through an annual course at this school in order to ensure the maintenance of efficiency and uniformity of training throughout the Dominion. In addition, courses will be held for Territorial and Cadet officers and non-commissioned officers and for the training of instructors.

10. ROYAL MILITARY COLLEGE OF AUSTRALIA.

There are at present twenty-two New Zealand Staff Officers at the Royal Military College of Australia. Eight candidates sat for the entrance examination in December, 1919, and four qualified. The ten Cadets who graduated in December, 1919, have now been posted to districts in the Dominion. Ten Staff Cadets will complete their course in December of this year. The other Cadets, who graduated in December, 1918, are at present in India, where they are attached to British regiments for instruction and experience. Certain of these officers are already on active service in Indian frontier operations, and all are gaining valuable experience.

Under the existing arrangements provision is made for ten New Zealand Cadets to be sent to Duntroon every year, but owing to the Staff Corps establishment having been nearly completed by the appointment of N.Z.E.F. officers it is estimated that the future requirements will not be more than five Cadets per annum. It is therefore proposed that not more than this number of

Cadets shall be sent to Duntroon in future.

11. Superannuation.

Under the Superannuation Act, 1907, all permanently employed officials of the Defence Department are compelled to contribute to the Superannuation Fund. The military personnel are at a great disadvantage in this respect owing to the fact that, in accordance with the New Zealand Military Regulations, they are compulsorily retired on reaching the age of fifty-five years irrespective of whether they have the minimum service to qualify them for superannuation. When the Staff Corps was formed in 1911 some officers and non-commissioned officers were taken into the Staff Corps and Permanent Staff who, on account of age, will not be able to qualify for superannuation, although they have been compelled to contribute to the fund. In addition, any member of the Permanent Force who becomes unfit for general service is liable to be retired, but, unless reported by the Medical Adviser of the Superannuation Board as unfit for any service, he will not be granted a superannuation allowance. To meet such cases a special grant of one month's pay for each year's service has been authorized, but this will not purchase an annuity of anything like an equal amount to the retiring-allowance.

It is most important that all members of the Permanent Force should be fit in all respects to perform their duty in the field should the necessity arise, and I therefore recommend that provision be made to allow of any who become unfit for general service being retired without

undue hardship.

SECTION IV.—CITIZEN FORCES: TERRITORIAL FORCE, CADETS, AND RIFLE CLUBS.

1. STRENGTH OF FORCES.

The strength of the New Zealand Citizen Forces on the 1st June, 1920, was as under: -

Territorial Force		***	 	Officers. 1,240	30,402	Totals. 31,642
Senior Cadets			 	364	$31,\!565$	31,929
Rifle Clubs			 		5,523	5,523
General Training Se	ction		 		328	328
Totals			 	$\frac{1,604}{1,604}$	67.818	69,422

2. TERRITORIAL FORCE.

During the Great War the training scheme of 1911 remained in force and proved suitable to feed the reinforcement camps with supplies of partially trained Territorials. The test of time, however, made it increasingly obvious that this scheme, which endeavoured to carry the instruction to the man instead of bringing the man to the instruction, could not produce the