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1921.
NEW ZEALAND.

DEFENCE FORCES OF NEW ZEALAND.

REPORT OF THE GENERAL OFFICER COMMANDING THE NEW ZEALAND MILITARY FORCES
FOR THE PERIOD FROM 1ST JULY, 1920, TO 30TH JUNE, 1921.

Presented to both Houses of the General Assembly by Command of His Excellency.

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REPORT.

SIR,—

Department of Defence, Headquarters Office, 31st July, 1921.

I have the honour to submit herewith the annual report on the Defence Forces covering the period 1st July, 1920, to 30th June, 1921.

The Hon. the Minister of Defence.

E. W. C. CHAYTOR, Major-General,
Commanding N.Z. Military Forces.

SECTION I.—GENERAL.

1. MILITARY POLICY.

SINCE the presentation of my last annual report the N.Z. Military Forces have been reorganized, and the system of training revised in accordance with the following principles, which have been approved by the Government :—

(i.) *Training.*

- (a.) Universal military training to be carried out as prescribed in the Defence Act, by giving all youths, including those in excess of requirements for the Territorial Force, a course of training in camp during their nineteenth year.
- (b.) Economy in expenditure to be effected by reducing the size of the Territorial Force, and reducing the period of service in that Force from seven years to four years (including recruit-training).

- (c.) The training to be carried out by a highly trained permanent staff on a progressive system as under :—

Cadets : Physical and musketry training and military drill up to platoon training.

*General Training Section (youths in nineteenth year of age) : Physical and musketry training and military drill up to standard required in a company. Those who are medically unfit for posting to Territorial Force to do physical training only.

Territorial Force (officers and non-commissioned officers) : Special courses of instruction.

Territorial Force units : Limited number of drills throughout the year ; annual training in camp.*

(ii.) *Organization.*

- (a.) A small but highly trained permanent corps of officers and non-commissioned officers to be maintained to carry out the administration and training of the Territorial Force and Cadets.
- (b.) Other Permanent Forces to be reduced to only sufficient personnel to provide for the care and maintenance of Defence works, war material, and stores.
- (c.) The Territorial Force to consist of one division, three Mounted Rifle brigades, heavy and anti-aircraft batteries, and units for garrisons of defended ports at a peace strength equal to full war establishment of officers, warrant officers, and sergeants, and 50 per cent. of war establishment of other ranks. This Force to be equally divided into three commands, each subdivided into four regimental districts, each of which will furnish one Infantry battalion and a proportion of other troops. Mobilization will thus be simplified, and in a national emergency each regimental district could provide extra battalions up to the extent of the man-power and equipment available.
- (d.) Provision for a strong reserve by training all youths in excess of those required for the Territorial Force.
- (e.) The organization of an Air Force, proposals for which are now under consideration.
- (f.) Cadets in each area to be organized into battalions to facilitate economy in administration.
- (g.) Rifle shooting to receive greater encouragement by removing the restriction that now prevents members of the Permanent and Territorial Forces from joining Rifle Clubs, by the granting of further concessions in regard to supply of ammunition at reduced rates, and by allowing Rifle Clubs to manage their own affairs.
- (h.) Employees in the various administrative branches of the Department to be reduced to the lowest possible strength compatible with efficiency. Those employees who will not be required to serve in a military capacity on mobilization to be placed on a civil basis.

In the carrying-out of this reorganization it has unfortunately been necessary to dispense with the services of a number of permanent officers and non-commissioned officers surplus to establishment, and to reduce the number of units in the Territorial Force. The present organization, however, is better adapted to the needs of modern war ; it will be more economical to administer, and, in the event of a national emergency, can be mobilized more quickly and effectively than the pre-war military organization.

2. STRENGTH OF N.Z. MILITARY FORCES.

(i.) *Permanent Force.*

The various branches of the Permanent Forces were expanded during the late war by the appointment of Territorial officers and other ranks. These latter have been demobilized as rapidly as the decreasing post-war activities would permit, but no further reductions can be made while the military hospitals and sanatoria continue to be administered by the Defence Department.

The following table shows the strength and reductions of the various arms during the past year :—

	Strength, 30th June, 1920.		Strength, 30th June, 1921.	
	Officers.	Other Ranks.	Officers.	Other Ranks.
N.Z. Staff Corps	114	..	98	..
N.Z. Permanent Staff	22†	186	20†	158
Royal N.Z. Artillery	27	231	20	188
N.Z. Ordnance Corps	14	377	9	165
N.Z. Pay Corps	11	33	7	24
N.Z. Army Service Corps	3	92	2	87
N.Z. Engineers (Works Section for maintenance of buildings, camps, and hospitals)	..	..	..	54‡
Totals	191	919	156	676

Total reduction in Permanent Forces during the above-mentioned period totals 35 officers and 243 other ranks.

During the same period the services of approximately 400 civil personnel have also been dispensed with.

* These, for financial reasons, are not being carried out this year, except the annual training in camp for officers and non-commissioned officers.

† Hon. lieutenants. ‡ Works Section formed in November, 1920, from personnel of N.Z. Army Ordnance department, by whom maintenance was formerly carried out.

(ii.) *Territorial Force ; Senior Cadets ; Rifle Clubs.*

	Strength, 30th June, 1920.		Strength, 30th June, 1921.	
	Officers.	Other Ranks.	Officers.	Other Ranks.
Territorial Force	1,183	30,292	1,031	22,157
Senior Cadets	365	24,777	346	23,235
Rifle Clubs	..	5,661	..	5,986
Totals	1,548	60,730	1,377	51,378

The total personnel administered by the Defence Department as at the 30th June, 1921, is as under :—

<i>All Arms.</i>					
Officers	..	..	..	..	1,561
Other ranks	..	..	..	..	52,424
Nurses and V.A.D.s	..	..	..	..	285
Civil personnel	..	..	..	..	360
Total.. .. .	..	..	..	..	54,630

This includes permanent military and civil establishments, citizen forces, and military and civil personnel temporarily attached—*e.g.*, Medical Officers, nurses and other ranks of N.Z. Medical Corps engaged in military hospitals, civilian personnel in administrative offices of Medical Branch, Education and Vocational Training Branch, artificial-limb factories, and War Accounts and Records Branch. These temporary personnel are engaged on post-war activities arising out of the medical treatment, &c., of ex-members of the N.Z. Expeditionary Force.

SECTION II.—PERMANENT FORCES AND PERMANENT ADMINISTRATIVE ESTABLISHMENT.

1. N.Z. STAFF CORPS.

The effective strength of this corps, including one British Army officer temporarily attached, is now only ninety-eight. This number is barely sufficient for the carrying-out of the training and administration of the Territorial Force and Cadets, in addition to providing for reliefs and a limited number of officers to be absent from the Dominion receiving training in the British Army.

It is essential that this corps should be a *corps d'élite*, and be composed only of officers possessing high professional attainments. To ensure that the officers maintain a high standard of efficiency it is proposed that, in addition to each officer being required to pass the qualifying examination for promotion as laid down for officers of the British Army, and undergoing periodical courses of instruction locally, opportunities should be afforded to selected officers to interchange with officers of the British Army. At the present time there are six junior officers receiving instruction in India, but they are not serving on the system of interchange now proposed, being merely attached to units to gain experience. Under the proposed system of interchange a limited number of New Zealand officers would take the places of British Army officers in the units to which they would be posted for two years, during which time they would be given a definite command and responsibility, while the British Army officers exchanged for duty in New Zealand would hold appointments in the Dominion for two years and then be returned to their regiments. It is considered that this system will not only be mutually advantageous to the British Army and the N.Z. Military Forces, but will assist in keeping the training in the Dominion up to date.

It is also important that selected officers should be trained for the staff at either the Camberley or Quetta Staff Colleges. At present only one officer is undergoing instruction at Camberley, and no nominations have been forwarded for the 1922 course. I recommend that from 1923 one officer be sent to each of the above-mentioned colleges annually, subject to passing the entrance examination.

2. ROYAL N.Z. ARTILLERY.

The Royal N.Z. Artillery is now so diminished in numbers that the detachments in the large centres are unable to provide the necessary details for all the various duties they are called upon to perform. The strength of the regiment has been reduced from 321, its pre-war strength, to 208, so that at the present time there are only just sufficient personnel to carry out the present functions of the Royal N.Z. Artillery, viz.:—

- (a.) Garrison Artillery Section, to provide—Instructors for units of the Territorial Garrison Artillery ; technical personnel for care and maintenance of electric lights, armament, and stores of harbour defences ; caretakers for works of defence.
- (b.) Field Artillery Section, to provide—Instructors for Territorial Field Artillery ; technical personnel for care and maintenance of Field Artillery equipment and stores ; drivers for horses of Territorial Field Artillery cadres.

The distribution of the regiment into a number of small detachments makes it difficult to carry out their training ; therefore arrangements are being made to maintain the efficiency of all ranks by their periodical concentration for courses of instruction.

Considering the difficulties under which training is carried out the efficiency and discipline of the regiment is very good.

3. N.Z. PERMANENT STAFF.

The 178 warrant and non-commissioned officers of the N.Z. Permanent Staff are a fine and highly efficient body of men, who have done excellent work in imparting up-to-date instruction to the Territorial Force and Cadets throughout the Dominion. Arrangements have been made by which these instructors will be kept up to date by the holding of an annual course for all the Permanent Staff in each command.

Previous to the war the strength of the Permanent Staff was 211, an excess of thirty-three over its present numbers, which are not sufficient to ensure the maintenance of efficiency. I therefore recommend that an establishment of 200 Permanent Staff instructors be authorized—this number to include non-commissioned officers appointed as quartermaster-sergeants of areas and units for the proper accounting of equipment, clothing, and Government stores, the losses and deficiencies of which during recent years have been very considerable.

It is estimated that the expenditure entailed by the appointment of additional quartermaster-sergeants for store-accounting will be more than compensated by the saving effected through minimizing the losses of Government property.

4. ORDNANCE SERVICES.

The N.Z. Army Ordnance Corps has been considerably reduced during the past year, but it is still in excess of the strength required for its normal peace duties which consist of accounting, storage, issue and receipt, and care of all Ordnance stores for the N.Z. Military Forces.

The following are some of the principal activities in excess of ordinary routine which the Ordnance Corps has been engaged on during the period under review, and which have militated against further retrenchment being carried out:—

(a.) Receipt, accounting, and storage of large supplies of military equipment from the United Kingdom.

(b.) Ordnance issues and accounting in connection with military hospitals and sanatoria.

(c.) Sale of surplus stores.

(d.) Marking of new rifles and equipment and reissuing to Territorial Force and Cadets.

Nearly all of the new military equipment has arrived, and is now being distributed as under:—

(i.) Training equipment to units.

(ii.) Mobilization equipment to depots in each command.

(iii.) Reserve equipment at the main Ordnance depot.

The retention of military hospitals and sanatoria under the Defence Department entails a considerable amount of Ordnance work; and until these institutions are handed over to the Department which is ultimately to be entirely responsible for the after-care of disabled soldiers the Ordnance Corps cannot be much further reduced in number without impairing its efficiency.

The Burnham Industrial School has been taken over from the Education Department for use as an Ordnance depot and training-centre for the South Island. Similar accommodation is urgently needed in the Auckland command, and, until this is provided, mobilization stores for this command are housed at Featherston Camp. The complete demolition of the latter is therefore being delayed pending suitable accommodation being made available in the Auckland District.

Special attention has been paid to economy by the removal of the Wellington Ordnance Stores Branch to Trentham, by reducing the staff where possible, by the collection and sale of waste products, and by the sale of stores not absolutely required for Defence purposes.

Apart from the credits for sales of surplus stores at disposal depots in the main centres, referred to in paragraph (c), the Ordnance department's credits for the year ended 30th June, 1921, for the sale of stores amounted to approximately £70,000.

5. ARMY SERVICE CORPS.

The Army Service Corps has been principally engaged in supply and transport duties in connection with the hospitals and camps, and in transporting to Ordnance depots the new military equipment received from England. A considerable reduction in personnel has been made, and further reductions will be effected when the hospitals now under military control are handed over to the civil authorities, and work consequent on the war further diminishes.

An establishment is now being prepared for the smallest possible permanent Army Service Corps organization, to be maintained for the following purposes:—

(a.) To provide transport and supply details for normal military requirements:

(b.) To furnish instructors for the Territorial Army Service Corps, with provision for expansion on mobilization to the full requirements to meet a national emergency.

Army Service Corps vehicles have been made use of to a considerable extent by other Departments of the State, and certain mechanical-transport vehicles are now on loan to them.

The centralizing of the transport and supply services of the State into one organization, in order to reduce overhead charges and duplication of expenditure by various Departments, which now have a separate staff, garages, and workshops is recommended. It is considered that if a centralized system were adopted at the chief centres, with due regard to business methods and the need in war of standardization of patterns of vehicles, economies of a far-reaching nature would be effected, and the requirements for the defence of the Dominion in a national emergency would be more easily met.

6. ENGINEER SERVICES.

A small section of the Works Branch which was formed during the war has been retained for maintenance of camps and hospitals, and for the demolition of hutments at Featherston Camp. The Under-Secretary and Engineer-in-Chief for Public Works, Mr. F. W. Furkert, has been appointed Director of Military Works; and his services have proved most valuable in controlling the expenditure and arranging for necessary work to be carried out either by contract, by Public Works Department, or by the Military Maintenance Section, as found most suitable and economical.

During the past year this section has carried out repairs and alterations to various hospitals, drill-halls, and Defence buildings. A portion of Featherston Camp has been dismantled, and a number of the hutments have been sold, some to Government Departments and some privately. A few hutments have been re-erected for use as drill-halls at small training-centres and at Burnham mobilization depot.

A successful experiment has also been made by converting a camp hut into a married quarters, and further work in this direction is proposed during the ensuing year.

It is proposed to arrange for all new works, as well as maintenance of existing buildings, drill-halls, and rifle ranges, to be carried out in future by the Public Works Department, the actual cost of services rendered to the Defence Department being charged to the annual Defence vote.

7. MEDICAL SERVICES.

The Medical Branch of the Defence Department is still responsible for the administration of war hospitals for "service" patients and for out-patient treatment of ex-soldiers, but arrangements are now being made to gradually hand over these hospitals to the Public Health Department, and Pukeora Sanatorium will be placed under the latter Department as from the 1st August. I recommend that the whole of the administrative arrangements for the after-care of disabled soldiers be transferred to the Pensions Department, and that this Department be entirely responsible for administration as well as payment of pensions and allowances to disabled soldiers and their dependants. If this proposal was given effect to the Defence Department would be free to devote the whole of its energies to its proper functions; there would be fewer Departments dealing with the ex-soldier; administration would be simplified, and economy would be effected without prejudice to the interests of the men concerned.

Attached is a report (*vide* Appendix II) by the Director-General of Medical Services on the work of the Medical Branch during the past year, from which report it will be seen that everything possible has been done for the comfort and welfare of the patients.

8. SCHOOL OF INSTRUCTION.

The School of Instruction at Trentham continues to do excellent work in giving refresher courses to officers and non-commissioned officers of the Permanent Forces and of the Territorial Force and Cadets from all parts of the Dominion.

When a training-depot has been provided in each of the three commands greater numbers can be trained, and the central school will take up its proper role of training only instructors and officers for the Territorial Force.

9. ROYAL MILITARY COLLEGE OF AUSTRALIA.

There are at present thirteen New Zealand Cadets undergoing training at Duntroon. During the year nine Cadets graduated and returned to the Dominion; they have been commissioned as Lieutenants, and posted for duty in districts. One of these officers attained the rank of battalion sergeant-major while at the College, and at the conclusion of the term of training he was awarded the Sword of Honour. This is the second occasion on which a New Zealand Cadet has won this high distinction.

Only two candidates presented themselves for the entrance examination to the College for this year's classes, neither was successful in passing the required examination, consequently no candidates are being sent to Duntroon this year.

10. STAFF COLLEGE.

No officers were sent to the Staff College during the year 1920, but Lieut.-Colonel H. E. Avery, C.M.G., D.S.O., is now attending the 1921 course at Camberley, England.

The War Office has been good enough to allot to New Zealand two vacancies per annum at each of the Staff Colleges, Camberley and Quetta (India).

While it costs a considerable sum of money to send officers to Imperial Staff colleges, the expenditure is fully justified, as it enables our officers to obtain training in staff duties, which it is impossible to obtain in the Dominion, and to qualify themselves for the higher military appointments. It also has very great value in securing uniformity of thought in connection with the principles of military science between various parts of the Empire, and thus greatly facilitates that co-ordination which is essential to success in war. Also, it helps to preserve the standard of equality between the officers of the Permanent Forces of New Zealand and the officers of the British Regular Army.

11. TRAINING OF OFFICERS IN INDIA.

In accordance with arrangements made with the Army Council, six officers who had graduated from the Royal Military College of Australia in 1918 were, on the 25th September, 1919, despatched to India to undergo a tour of duty for one year with units of the British Army stationed there. These officers were first of all attached to Cavalry, Artillery, Engineer, or Infantry units for short periods, to gain experience in regimental life. Most of them either saw service or were stationed in the theatre of operations, and before their attachment terminated several were employed on staff duties.

In India Lieutenant A. M. Sutherland, a very promising officer, succumbed to enteric fever, and his loss is greatly deplored.

The remainder of the party have now returned to duty in New Zealand after having undergone a period of very useful training.

On the 11th November, 1920, six officers who graduated from the Royal Military College of Australia in 1919 left for India on a similar tour of duty. Shortly after this party arrived in India Lieutenant C. H. G. Davis contracted smallpox and died. His untimely death, which removes another very promising young officer from the Permanent Forces, is very much regretted.

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

1. TERRITORIAL FORCE.

Previous to reorganization the Territorial Force consisted of the following :—

12 Regiments of Mounted Rifles.	3 Mounted Signal Troops.
17 Battalions of Infantry.	2 Divisional Signal Companies.
5 Coast Defence Detachments.	9 Companies of Army Service Corps.
9 Batteries of Field Artillery.	7 Field Ambulances, including Mounted and
9 Companies of Garrison Artillery.	Infantry Ambulances.
32 Companies of Engineers, including Field, Post and Telegraph, and Railway.	

Under the new scheme some of the above units have been abolished, while others have been amalgamated or formed into new units. The composition of the Territorial Force is now as under :—

Number of Units.	Designation.	Unit Headquarters.
<i>Northern Command.</i>		
3 Regiments Mounted Rifles ..	3rd (Auckland) Mounted Rifles ..	Auckland.
	4th (Waikato) Mounted Rifles ..	Hamilton.
	9th (N. Auckland) Mounted Rifles ..	Whangarei.
7 Batteries Artillery ..	1st (18-pr.) Battery, N.Z. Artillery ..	Auckland.
	2nd (18-pr.) Battery, N.Z. Artillery ..	Hamilton.
	3rd (18-pr.) Battery, N.Z. Artillery ..	Auckland.
	4th (4.5 in. How.) Battery, N.Z. Artillery ..	Auckland.
	13th (Coast Artillery) Battery, N.Z. Artillery ..	Auckland.
	18th (6 in. How.) Battery, N.Z. Artillery ..	Auckland.
	20th (Pack) Battery, N.Z. Artillery ..	Auckland.
1 Depot Field Engineers ..	Northern Depot, N.Z. (Field) Engineers ..	Auckland.
1 Depot Company Corps of Signals ..	Northern Depot, N.Z. Corps of Signals ..	Auckland.
4 Battalions Infantry ..	1st Battalion, Auckland Regiment ..	Auckland.
	2nd Battalion, Auckland Regiment ..	Morrinsville.
	3rd Battalion, Auckland Regiment ..	Whangarei.
	4th Battalion, Auckland Regiment ..	Hamilton.
1 Depot Army Service Corps ..	Northern Depot, N.Z. Army Service Corps ..	Auckland.
1 Depot Medical Corps ..	Northern Depot, N.Z. Medical Corps ..	Auckland.
<i>Central Command.</i>		
3 Regiments Mounted Rifles ..	2nd (Wellington West Coast) Mounted Rifles ..	Hawera.
	6th (Manawatu) Mounted Rifles ..	Palmerston N.
	7th (Wellington East Coast) Mounted Rifles ..	Dannevirke.
7 Batteries Artillery ..	5th (18-pr.) Battery, N.Z. Artillery ..	Wellington.
	6th (18-pr.) Battery, N.Z. Artillery ..	Napier.
	7th (18-pr.) Battery, N.Z. Artillery ..	Palmerston N.
	8th (4.5 in. How.) Battery, N.Z. Artillery ..	Palmerston N.
	15th (Coast Artillery) Battery, N.Z. Artillery ..	Wellington.
	17th (6 in. How.) Battery, N.Z. Artillery ..	Lower Hutt.
	19th (60-pr.) Battery, N.Z. Artillery ..	Wellington.
1 Depot Field Engineers ..	Central Depot, N.Z. (Field) Engineers ..	Wellington.
1 Depot Company Corps of Signals ..	Central Depot, N.Z. Corps of Signals ..	Wellington.
4 Battalions Infantry ..	1st Battalion, Wellington Regiment ..	Wellington.
	2nd Battalion, Wellington Regiment ..	Wanganui.
	3rd Battalion, Wellington Regiment ..	Dannevirke.
	4th Battalion, Wellington Regiment ..	New Plymouth.
1 Depot Company Army Service Corps ..	Central Depot, N.Z. Army Service Corps ..	Wellington.
1 Depot Company Medical Corps ..	Central Depot, N.Z. Medical Corps ..	Wellington.
<i>Southern Command.</i>		
3 Regiments Mounted Rifles ..	1st (Canterbury) Mounted Rifles ..	Christchurch.
	5th (Otago) Mounted Rifles ..	Dunedin.
	8th (Nelson) Mounted Rifles ..	Blenheim.
6 Batteries Artillery ..	9th (18-pr.) Battery, N.Z. Artillery ..	Christchurch.
	10th (18-pr.) Battery, N.Z. Artillery ..	Christchurch.
	11th (18-pr.) Battery, N.Z. Artillery ..	Invercargill.
	12th (4.5 in. How.) Battery, N.Z. Artillery ..	Dunedin.
	14th (6 in. How.) Battery, N.Z. Artillery ..	Dunedin.
	16th (Pack) Battery, N.Z. Artillery ..	Lyttelton.
1 Depot Field Engineers ..	Southern Depot, N.Z. (Field) Engineers ..	Christchurch.
1 Depot Company Corps of Signals ..	Southern Depot, N.Z. Corps of Signals ..	Christchurch.
4 Battalions Infantry ..	1st Battalion, Canterbury Regiment ..	Christchurch.
	2nd Battalion, Canterbury Regiment ..	Nelson.
	1st Battalion, Otago Regiment ..	Dunedin.
	2nd Battalion, Otago Regiment ..	Invercargill.
1 Depot Company Army Service Corps ..	Southern Depot, N.Z. Army Service Corps ..	Christchurch.
1 Depot Company Medical Corps ..	Southern Depot, N.Z. Medical Corps ..	Christchurch.

During the period covered by this report the Territorial Force was passing through a transition stage, and nothing beyond elementary training was possible. The old units which existed before the war carried out the ordinary weekly drills with the limited amount of training equipment on issue, and officers were required to attend a course of instruction in lieu of the annual training-camps.

At the present time the scheme of reorganization is being given effect to. Arms and equipment are being issued, and more satisfactory training will now be possible; but until the annual unit camps are reinstituted it will not be possible to progress beyond elementary training, or to ensure that units are efficient.

The designation of the units under the new scheme provides for the retention of the titles of regiments, battalions, and batteries that formed part of the New Zealand Expeditionary Force in the late war. By this means the splendid traditions and great achievements of the N.Z. Expeditionary Force will be handed down to posterity, and associated with the history of Territorial units bearing the titles of those units which earned such a brilliant record during the late war.

2. CADETS.

The 23,581 Cadets who have been administered and trained during this period were originally organized into 289 companies, practically all of which were administered separately. These units are now being formed into battalions in order to simplify administration.

It is regretted that owing to the lack of funds it is not possible to put every boy between the ages of fourteen and eighteen through an obligatory course of training, which, since the introduction of the Senior Cadet system in 1911, has proved so beneficial to the discipline, health, and physique of the youth of this Dominion.

The number of boys between the ages of fourteen and eighteen who attained the age for posting to the Senior Cadets this year was 11,381, but of this number only 9,942 were posted to Cadet units, and 1,439 were exempted for various reasons—528 on account of their residing beyond the radius of an established drill centre.

Military statistics show that of the number of boys who annually reach the age of fourteen, and who should, in accordance with the existing law, undergo training, only about 87 per cent. are actually trained. Under the proposed new scheme of training all those boys who are now exempted would undergo a course of training on reaching the age of eighteen.

Cadet training is chiefly confined to physical and recreational exercises in accordance with the system of training carried out in the British Army. Excellent standards of efficiency have been attained by some units, particularly those connected with secondary schools, where attendance is more regular and progressive instruction more easily carried out than with Cadet units composed of boys who have left school and whose regular attendance at parades is interrupted by their civil occupation or night-school classes.

The cost of training, clothing, and equipping of the Cadet Force has, in common with all other expenditure, increased considerably. The cost of clothing each Cadet in 1913 was £1 9s. 1d., whereas it now costs £2 4s. 9d., an increase of 53·86 per cent.

3. MUSKETRY AND ENCOURAGEMENT OF RIFLE SHOOTING.

The following is a return of all ranks who during the year under review have undergone the annual course of musketry :—

					Number who fired.	Number who qualified.
Territorial Force	..	..	..	..	15,086	12,600
Cadets	..	..	..	..	22,029	17,769

(a.) *Territorial Force and Cadets.*

Some difficulty has been experienced during the past year in carrying out proper musketry courses owing to the reorganization and rearming of units interfering with training. Now that reorganization has been completed, and better facilities given for carrying out practical musketry training, the shooting efficiency of the Forces should greatly improve.

In the interests of economy and efficiency the policy in regard to the number of rifle ranges to be maintained by the Defence Department has been revised, and it has been decided that the following ranges shall be provided, viz. :—

At each secondary school and at each drill centre—One 30-yards range.

In each area—Field firing range up to 600 yards.

At Trentham Camp—Field firing range up to 1,000 yards.

Cadets under seventeen years of age will fire annually 150 rounds of ·22 ammunition on a miniature range. Cadets over seventeen and soldiers of the Territorial Force to fire 150 rounds ·303 ammunition from service rifles.

An annual rifle meeting will be held in each of the thirty areas in the Dominion, at which all members of the Forces in their respective areas will be eligible to compete for prizes.

An annual rifle meeting will be held in each of the three commands, at which all members of the Forces in their respective commands will be eligible to compete for prizes.

A Dominion meeting for the Naval and Military Forces will be held at Trentham annually. At this meeting only those who have been selected on account of their skill and proficiency in the use of the rifle or machine gun at area and command meetings will be eligible to compete.

The programmes for these meetings will be compiled with a view to embodying the lessons of the Great War, and will include—(i) Competitions for Lewis guns; (ii) competitions for machine guns; (iii) handling of small fire units in elementary tactical exercises; (iv) observation and direction of fire; in addition to individual competitions in accurate fire at service targets, snap-shooting, &c. Only service weapons with which the troops would be armed in war will be permitted at these meetings.

These area, command, and Dominion rifle meetings will be held for the purpose of encouraging and further developing service shooting in accordance with the requirements of modern war.

(b.) Rifle Clubs.

There are now 168 Rifle Clubs in the Dominion, totalling 5,986 members. Their role is the education of non-members of the New Zealand Naval and Military Forces and the public generally in the necessity for training citizens to shoot. These clubs have been assisted out of the Defence vote by—

- (1.) A grant of free ammunition up to 200 rounds for each member :
- (2.) A further grant of 200 rounds of ammunition per member at half cost price :
- (3.) Free railway passes up to 100 miles to competitors attending various district rifle meetings :
- (4.) Free railway passes from any place in the Dominion to competitors attending the annual meeting of the Dominion Rifle Association, Wellington :
- (5.) Part cost of upkeep of targets and Government ranges used by Rifle Clubs :
- (6.) Sale of rifles at reduced rates :
- (7.) Payment of expenses of sending representatives of N.Z. Rifle Clubs to Bisley and Australia from time to time :
- (8.) An annual grant for prizes at the annual meeting of the Dominion Rifle Association.

The expenditure involved is approximately £6 10s. per active Rifle Club member per annum.

In a national emergency all members of Rifle Clubs within the military age would be required to conform to the law applying to all citizens to be enrolled as members of organized units of the N.Z. Military Forces. Under these circumstances Rifle Clubs cannot possibly fulfil the functions prescribed for them in the Defence Act. In view of the above it was considered that the expenditure on Rifle Clubs should not be a charge against the Territorial Force vote. This having been agreed to, provision has been made on the estimates for the current year for a special vote for Rifle Clubs and the Dominion Rifle Association, totalling £21,490.

To further promote the interests of rifle shooting in the Dominion it is not intended to burden clubs with restrictions as to firing an annual musketry course or the rendering of reports and returns to the military authorities. They will be permitted to manage their own affairs; and any British subject over the age of eighteen years, including members of the Territorial Force and trainees temporarily placed on the non-effective list, will be eligible to join a Rifle Club. Ammunition will in future be sold to members of Rifle Clubs at 5s. 6d. per hundred up to 500 rounds per annum. This represents a concession to each individual member of £3 15s per annum. Under these conditions it is considered that the membership will greatly increase.

(c.) Dominion Rifle Association.

A successful annual meeting of the Dominion Rifle Association was held at Trentham, at which there were 441 competitors (351 Rifle Club members and ninety members of the N.Z. Military Forces), and the winner of the King's Prize was selected to represent the Dominion at Bisley. Provision for payment of his expenses has been made in the estimates. Although the meeting was well attended by Rifle Club men, the attendance of members of the Territorial Force and Cadets was small in proportion to the strength of these Forces. The reason for the poor attendance of Territorials and Cadets at the annual meeting of the Dominion Rifle Association appears to be that they cannot, with their service rifles, compete for the King's Prize on equal terms with Rifle Club competitors who use non-service rifles and special appurtenances.

4. POSTINGS FOR 1920-21.

The following are the details in regard to posting of trainees for the current year :—

(i.) Senior Cadets.

Registered for training	..	..	..	..	..	..	..	11,381
Posted to Cadet units	..	..	..	..	..	..	..	9,942
Number not posted	..	..	..	..	..	..	..	1,439

Reasons for non-posting of above :—

(a.) Exempted on grounds of undue hardships	..	..	..	..	..	..	..	3
(b.) Placed on non-effective list owing to residence being more than one hour's journey from established drill centre	..	..	..	..	..	..	..	528
(c.) Gone to sea	..	..	..	..	..	..	..	1
(d.) Still attending primary schools	..	..	..	..	..	..	..	801
(e.) Obviously medically unfit	..	..	..	..	..	..	..	16
(f.) Medically unfit for current year	..	..	..	..	..	..	..	83
(g.) Undesirables	..	..	..	..	..	..	..	2
(h.) Religious scruples	..	..	..	..	..	..	..	5
								1,439

(ii.) Territorial Force.

Number liable for posting to Territorial Force on reaching the age of eighteen	..	..	..	..	..	..	7,911
Actually posted to Territorial Force units	..	..	..	..	..	..	4,585
Number not posted	..	..	..	..	..	..	3,326

Reasons for non-posting of above :—

(a.) Placed on non-effective list owing to residence being more than one hour's journey from an established drill centre	..	..	..	..	..	..	2,590
(b.) Medically unfit	..	..	..	..	..	..	299
(c.) Unfit for current year	..	..	..	..	..	..	241
(d.) Retained as non-commissioned officers with Senior Cadets	..	..	..	..	..	..	196
							3,326

It will be seen from the above figures that the present system of training is not universal, as approximately 40 per cent. of those persons registered under the Defence Act receive no training whatever in the Territorial Force.

SECTION IV.—MISCELLANEOUS.

1. FINANCE.

The expenditure for 1920-21 was £531,042, or £108,211 less than the amount appropriated by Parliament. This saving has been effected by the temporary abolition of annual training in camp of Territorial Force units, and by the closest attention to economy in the administration of all branches of the Defence Department.

The existing scheme of universal training, which had not fully developed in the year before the war (viz., 1912-13), then cost £505,267. It must therefore be realized that, in view of the increased salaries and cost of material, it is now impossible to keep the expenditure on defence within pre-war limits unless reduced activities in training are effected, which, of course, should be without prejudice to efficiency.

An illustration of the increased cost of material is given in the following table showing the cost, including freight from England, of certain articles of military equipment and munitions in 1914 as compared with the current cost of similar articles :—

	1914.			1921.		
	£	s.	d.	£	s.	d.
100 rifles	365	16	0	532	10	0
100 sets web equipment	157	0	6	222	9	2
100,000 rounds small-arms ammunition (ball)	574	3	4	981	5	0
100 6 in. shells	432	8	0	599	19	1
18-pr. Q.F. gun, limber, and carriage	1,237	11	3	1,521	5	0
General-service wagon	78	15	3	146	12	10
Tent, circular (single linen)	4	2	6	17	17	6
	£2,849 16 10			£4,021 9 7		

Increase, 41 per cent.

The estimates for the current year provide for a sum of £464,033 for purely military defence expenditure in connection with the upkeep and training of the Permanent and Territorial Forces and cost of training Cadets. In addition to the above, provision is made for the following: Encouragement of rifle shooting, £21,490; aviation, £15,426; non-effective services, £11,999. Thus total estimates for 1921-22 are £512,948, which amount is 10 per cent. less than that authorized for 1920-21.

The above estimates do not provide for any annual camps of training for Territorial units or for concentrated training of trainees in their eighteenth to nineteenth year, as provided for in the proposals submitted last year to Parliament by the Parliamentary Defence Committee.

If approval is given for the holding of camps for the General Training Section this year, provision will require to be made on the supplementary estimates.

2. N.Z. EXPEDITIONARY FORCE WAR ACCOUNTS AND RECORDS.

Staff and Amalgamation.—Although there is still a large amount of detail work to be done, the work of these branches showed a gradual decrease throughout the year, and thus enabled a corresponding decrease of staff to be gradually effected, and on the 1st July, 1920, the branches were amalgamated under one controlling officer. The combined staffs, which on the 1st April, 1920, numbered 417, have been reduced to 76 as at the 31st May, 1921, showing a reduction of 341 throughout the year.

Expenditure.—The total net expenditure from War Expenses Account for the year ended 31st March, 1921, was £3,170,118 9s. 5d., while imprest advances outstanding on the 31st March, 1921, (£383,485 18s. 3d.) bring the total to £3,553,604 7s. 8d. The principal items of expenditure included in this total were—

	£	s.	d.
Pay of troops	231,242	0	0
Retrospective allowances	242,258	13	0
War gratuities	732,538	0	0
Medical treatment of soldiers (including maintenance of military hospitals)	423,277	0	0
Transport of troops	453,560	0	0
Repatriation	671,802	9	9

The total war expenditure from the commencement of the war to the 31st March, 1921, was £78,674,175 5s. 5d., made up as follows :—

General expenditure (including pay and allowances, £30,652,027 2s. 10d.)	£	s.	d.
	69,921,680	16	11
Relief purposes	268,438	15	8
Repatriation	1,473,527	9	11
Charges and expenses of raising loans	697,599	4	6
War gratuities (N.Z.E.F.)	5,591,262	19	1
Allowances to wives of Imperial soldiers domiciled in New Zealand, and difference between New Zealand and Imperial pay and gratuities to New-Zealanders who served in Imperial, Naval, and Air Forces	338,180	1	1
Advances outstanding	383,485	18	3
Grand total	£78,674,175	5	5

A detailed statement of above expenditure is attached (*vide* Appendix V).

Maintenance of Troops in the Field.—Included in the “general expenditure” above is the sum of £14,369,720 10s. 3d. for *per capita* charges paid to the War Office for maintenance of New Zealand troops *in the field*, based on average charges per head to cover food, clothing, ammunition, &c., in spheres as follows:—

	£	s.	d.
Gallipoli campaign, April, 1915, to December, 1915	596,304	6	0
Egypt, 1st January, 1916, to 31st March, 1919	888,690	9	0
France, 11th April, 1916, to 30th April, 1919	6,921,710	5	0
France, gun ammunition, April, 1916, to 11th November, 1918 ..	5,703,702	14	3
Mesopotamia, April, 1916, to October, 1918	10,413	12	0
Troops passing through Egypt, April–November, 1918 ..	6,030	14	0
Sea transport, 1915–16—			
Egypt–Gallipoli	22,500	0	0
Gallipoli–Egypt	21,000	0	0
Egypt–France	177,476	0	0
Egypt–England	21,892	10	0
Grand total	£14,369,720	10	3

Horses and other Animals.—The amount paid for purchase of horses in New Zealand and expenses incidental thereto was £216,309 18s. 5d. The despatch of horses from New Zealand ceased in December, 1916, after that date they were drawn from Imperial supplies. For horses, mules, and donkeys drawn from Imperial supplies in Egypt, France, and the United Kingdom New Zealand's liability to the War Office was £237,864 6s. 9d., of which sum £55,764 11s. 6d. remains to be paid, final settlement having been delayed by negotiations regarding basis of settlement.

Credits due to New Zealand for animals handed over on demobilization, sold in United Kingdom and elsewhere, total £217,013 13s. 11d., of which £105,121 14s. 6d. is still to be received from the War Office.

For obvious reasons, owing to conditions existing in France, it was found impossible to effect settlement on “actual” figures as to issues, returns, and wastage of animals; and New Zealand, as well as the other overseas Governments, agreed that basis of settlement should be the cost of maintaining “animal” establishments based on the ascertained percentage wastage basis over the whole of the British Forces in France. This system had the advantage of not penalizing formations which, in consequence of their efficiency, were retained for longer periods in “lively” sectors, when, as a matter of course, losses of animals, and consequent demands on remount depots for replacements, would be heavier. This arrangement proved most satisfactory to New Zealand, because, had settlement been carried out on the actual figures as to remount issues to and receipts from New Zealand units in France, the cost to New Zealand would have been £45,989 more.

Armies of Occupation.—Under Article 249 of the Peace Treaty, Part IX, the cost of the armies of occupation in German territory from date of signing of the armistice on the 11th November, 1918, is recoverable from the German Government. Under this article the amount claimed by New Zealand is £624,087 2s. 11d. for cost of N.Z. Expeditionary Force Army of Occupation in Rhine territory, and £51,080 12s. 10d. in respect of Samoa.

Customs Duty Rebates, United Kingdom.—The matter of Customs duties charged on foodstuffs, &c., shipped from New Zealand for use of New Zealand troops in United Kingdom, and on food-supplies purchased in the United Kingdom, was taken up with the Imperial Customs authorities in London in January, 1918, with the result that rebates totalling £54,942 5s. 6d. were obtained.

Retrospective Allowances.—The claims to retrospective married and children's allowances have practically all been disposed of, but there are approximately 472 claims of widowed mothers and other dependants still to be dealt with. Progress with these is somewhat slow owing to considerable correspondence being necessary to obtain evidence to prove eligibility to the allowance. The payments of retrospective allowances up to the 31st March, 1921, were as follows: Additional married allowances, £548,683 14s. 3d.; additional children's allowances, £306,245 1s. 1d.; additional widowed mothers' allowances and other dependants' allowances, £114,158 9s. 6d..

War Gratuities.—Provision was made in the Military Service Amendment Act, 1920, for the extension of payment of deceased soldiers' gratuities under certain conditions to relatives who were not eligible under previous Acts. These cases involve considerable correspondence in gathering independent evidence to prove eligibility or otherwise of claimants, and after inquiries are completed a précis of each case is submitted to the War Pensions Board, which is the deciding authority. There are approximately four hundred of these cases still to be dealt with.

During the past six months every effort has been made to trace discharged soldiers who had failed to apply for gratuities, with the result that the number unpaid and not applied for has been reduced to eighty-six.

The number of applications dealt with and paid in New Zealand up to date is 94,119, while a further 2,000 have been paid by the Staff Paymaster in London. The total payments to the 31st March, 1921, were £5,591,262 19s. 1d.

Transport Accounts.—The gross amount paid to date for oversea transport of troops, including passage-money on Imperial-requisitioned and other liners, and cost of fitting, running, and reconditioning chartered transports and hospital ships, is £7,738,671 15s. 1d.; while credits to the extent of £400,526 10s. 7d. have been received for refunds on account of carriage of Imperial and other troops, sales of stores and fittings, temporary requisition by Imperial Government of certain New Zealand transports, &c. In addition to these credits, the sum of £178,714 18s. 2d. on account of freight earnings of New Zealand chartered transports was received and credited to Consolidated Fund. Owing to the release from Imperial requisition of oversea liners from the beginning of 1919, new arrangements covering the cost of repatriating the bulk of New Zealand troops had to be entered into with ship-owners. These arrangements were the subject of exhaustive and lengthy negotiations between the shipowners on the one side, and the Ministry of Shipping and New Zealand and Australian Governments on the other. These negotiations, which included the fixing of new rates of passage-money, have practically been completed, but the important matter of allocating the cost of the final reconditioning of the vessels between the shipowners and the various Governments has still to be settled. Another important matter still under consideration in London is the fixing of new rates of passage-

money for troops repatriated in Imperial-chartered and ex-enemy vessels as from the 1st April, 1919, which rates are to be based on the actual cost of running the vessels. Various other matters under negotiation with the Ministry of Shipping include recoveries from the latter for the use of New Zealand transports and hospital ships, the adjustment of accounts for coal supplied over the war period by both the Admiralty and New Zealand, and the settlement of accounts for bedding, life-saving appliances, &c., used by troops *en route* to New Zealand. A special officer attached to the High Commissioner's staff is engaged solely on the adjustment of transport accounts in London. Recoveries to be made from the Ministry of Shipping total over £500,000, while for services, &c., rendered to New Zealand there is approximately £400,000 due to the Ministry of Shipping. The final accounting of all adjustments is being carried out in New Zealand, where all matters of importance are referred before final settlement. Many of the claims for payment in London are compiled in New Zealand, where information covering the whole of the transactions relating to transportation of troops throughout the war period is recorded.

Pay-ledger Accounts.—The final overhaul and "closing" of all soldiers' pay-ledger accounts, which was commenced upon the completion of the issue of gratuities, is proceeding with a minimum staff of five ledger clerks, and involves the examination of 600 ledgers, containing approximately 100,000 soldiers' accounts, of which one-half has been completed.

Regimental and Canteen Funds.—The balance in hand from all sources to credit of these funds to date is £116,837 16s. 11d., and under authority of section 21 of the Finance Act, 1920, a Board has been appointed to administer the funds. This Board has declared its policy to be the preservation of the funds for the relief of distress in necessitous cases arising in the future among returned soldiers and the dependants of fallen soldiers.

Illuminated Certificates, Scrolls, and Plaques.—The issue of illuminated certificates of service to all men who served overseas is proceeding, and there are approximately thirty thousand still to be written and despatched. The issue of scrolls to next-of-kin of deceased soldiers is also proceeding, there being approximately fourteen thousand still to be disposed of, the issue of which will be completed by the 31st July. The memorial plaques to be issued to next-of-kin of deceased soldiers are not yet to hand from the War Office, but seventeen thousand of these have been shipped, and are expected in New Zealand at the end of July, and will involve considerable work in arranging for their despatch to those entitled to receive them.

The work of the office in despatching these various emblems of service is somewhat hampered by the failure of those concerned to notify changes of address; and the office records are somewhat interesting in this respect as an indication of the high percentage of migratory population in the Dominion.

Certificates issued by the War Office to those "mentioned in despatches" are still coming to hand in batches, and are being issued as received.

3. REVISION OF ARMY LIST AND REGULATIONS OF THE N.Z. MILITARY FORCES.

The New Zealand Army List, which, owing to the necessary restrictions on printing, has not been republished since 1918, is now quite out of date, but a new edition covering the reorganization of the Forces is in course of preparation and will be published at an early date.

The Regulations for the Military Forces of the Dominion, which have not been reprinted since 1913, are being carefully redrafted, and the new edition will be ready for publication before the end of the current year.

4. SUPERANNUATION.

The disability under which members of the N.Z. Permanent Forces have suffered in the past by being compelled to retire at fifty-five years of age, before becoming eligible to participate in the benefits of the Superannuation Fund to which they had contributed, has now been removed. The sum of £20,000 was paid into the Superannuation Fund out of the Defence vote last year in order to compensate the fund for the concession granted, whereby those officers of the Permanent Forces who are contributors to the Superannuation Fund may be superannuated on reaching the retiring-age laid down by the Military Regulations—viz., fifty-five years.

This concession has been highly appreciated by all concerned, and has been the means of removing a serious hardship and genuine cause of dissatisfaction.

5. MOBILIZATION STORES.

The great need for mobilization stores, referred to in my last report, has been partially provided for by the transfer of Burnham Industrial School and adjoining area from the Education Department to the Defence Department, for use as an Ordnance depot and training-area for the Southern Command. The necessary alterations to the buildings and certain additions are being gradually made, the object being to ultimately provide sufficient accommodation for all the necessary military stores for the South Island. Provision for expenditure on these services is made under the heading "Public Works Fund—Contingent Defence."

An Ordnance depot and training-area is urgently needed in the Auckland District for the Northern Command, and later on similar requirements should be provided for the Central Command; meanwhile the stores for the latter are accommodated in Trentham Camp, and the mobilization stores for the Northern Command are temporarily housed in huts at Featherston.

6. SMALL-ARM AMMUNITION.

The expenditure for small-arm ammunition supplied by the Colonial Ammunition Company for last year was £95,014. Negotiations for a new contract providing for a smaller expenditure are now in progress. The cost of 1,000 rounds small-arm ammunition manufactured in the Dominion is now £9 18s. 9d.

7. DISPOSAL OF SURPLUS STORES.

Owing to there being a large accumulation of military clothing and stores surplus to requirements, arrangements were made to dispose of these by retail sales to the public. The result has been satisfactory both to the public and to the Government. The credits from stores disposed of by sale up to the 30th June, 1921, total £137,775.

In addition to the above, 300 general-service wagons, which would be required in the event of mobilization, have been made available for hire to farmers and others at a charge of £5 per annum. This system has not met with great success, as only fifty wagons have been applied for and accepted to date.

Hutments not required for Ordnance stores are being dismantled and disposed of through the Public Works Department.

8. AVIATION.

In accordance with instructions from the Government, an Air Board, consisting of three Naval and Military officers and five senior administrative officers of the Civil Service, was set up to act purely as an advisory body to the Government on all matters concerning aviation in the Dominion. The Board has held frequent meetings, and submitted its recommendations to both the Hon. Minister of Defence and the Postmaster-General.

Trained pilots and other aviation personnel, kept up to date by annual refresher courses, together with an adequate supply of machines and equipment suitable for war, are a vital essential for defence, and until these are provided no progress in aviation can be made from a defence point of view.

The report of the Air Board is attached (*vide* Appendix I).

9. MILITARY-SUPPLIES PURCHASE BOARD.

The Department has retained, under the above title, the nucleus of the machinery by which the Munitions and Supplies Board made purchases for the Military Forces in New Zealand during the latter part of the late war, and in addition to using the services of its buyers for purchasing for its own requirements the Defence Department undertakes the buying of certain articles for other Departments of the State—*e.g.*, the External Affairs Department (Samoa), the Public Health Department, the Marine Department, the Navy, the Public Works Department (canteens), the Forestry Department, and the State coal depot.

The volume of purchases made during the last financial year was to the value of £225,000, and the cost of running the office was £2,500.

10. DEFENCE ACT.

The present military-training scheme, which was initiated in 1911 in accordance with the provisions of the Defence Act, 1909, and amended Act of 1910, has now been in operation ten years. The experience gained during this period shows that—

- (i.) Approximately 90,000, or about 90 per cent., of the boys between the ages of fourteen and eighteen liable for training under the Defence Act passed through the Cadet Force. These boys have received a limited amount of instruction in discipline, physical training, and rifle shooting, and therefore the training they have received will enable them to be made efficient soldiers more quickly on joining the Territorial Force, or in a national emergency.
- (ii.) Apart from the men enlisted for the Expeditionary Force during the war, many of whom had received no previous training, approximately 58 per cent. of the male population between the ages of eighteen and twenty-five years have passed through the Territorial Force. Very few non-commissioned officers and men have completed the full seven years.
- (iii.) The Defence Act was based on the principle of universal training. In this respect the scheme has failed, as about 42 per cent. of those liable are now untrained.
- (iv.) Experience has shown that the principle of equality of service and universal training cannot be carried out under the present system. The only means of ensuring that every person liable for training under the Act fulfils his obligation is by concentrating in a training-camp for a definite period all those liable for service.
- (v.) An army cannot be efficient unless it is thoroughly organized, administered, and trained. The existing organization of the N.Z. Military Forces is sound and economical, in that it provides for garrisons for our defended ports, and one complete division to be mobilized for war, with machinery for further expansion if required.
- (vi.) The Defence Department, considering its extensive activities, is being administered efficiently and as economically as possible. Beyond the reductions that will be effected as soon as possible in connection with post-war organization (war records, hospitals, &c.), further economies are not possible without serious risk of prejudicing the existing military organization. No other part of the British Empire can show such a small increase in its present military expenditure over that of 1914 as New Zealand.
- (vii.) The present system of training does not produce real efficiency, and in the event of a national emergency units would require to undergo a considerable amount of training before being ready for active service.

The problem both of Empire and local defence involves the employment of Naval, Military, and Air Forces. In so far as the defence of New Zealand is concerned, preponderance in any one of these three arms may, under certain circumstances, modify to some extent the organization of the others. Their correlation depends upon the task to be assigned to them in war. This is a matter of Government policy, which no doubt has received full consideration at the Imperial Conference. Whether the decision arrived at by this Conference will modify the existing military organization will not be known until after the publication of this report. Meanwhile the policy of the Defence Department will continue to be the administration of the existing law as laid down in the Defence Act, so far as the limited financial means available will permit.

APPENDICES.

APPENDIX I.—REPORT ON AVIATION.

GENERAL.

THE period under review has been largely occupied by organizing and experimental work.

The two companies—the N.Z. Flying-school, Kohimarama, and the Canterbury (N.Z.) Aviation Company (Limited), Christchurch—in existence during the war were running at a loss, on account of the cessation of training of pilots as candidates for service in the Royal Air Force; and in order to keep them and their valuable staffs and plants available for the future development of aviation in the Dominion it was deemed advisable that they should be subsidized until such time as the aviation policy was formulated, when it was considered they would be in a position to pay their way.

In addition to the two companies operating at the beginning of the year two new companies have been formed, and the list of aerial companies in the Dominion is now as follows: N.Z. Flying-school, Kohimarama, Auckland; Canterbury (N.Z.) Aviation Company (Limited), Sockburn, Christchurch; N.Z. Aero Transport Company, Timaru; N.Z. Aerial Transport Company, Hastings.

The N.Z. Aero Transport Company commenced active flying operations on the 1st December, 1920, and the N.Z. Aerial Transport Company on the 1st March, 1921.

AIR POLICY.

An aviation policy as set out hereunder received the approval of Cabinet on the 25th September, 1920:—

The Government to make provision for the development of aviation along lines which will enable the Dominion to possess civil aviation for commercial and other needs and at the same time to provide for the necessities of aerial defence in case of emergency.

The Government to establish an Air Board (already constituted), which would act purely as an advisory body to the Government on—(a) Matters of defence, (b) commercial undertakings, (c) aviation generally.

(a.) *Defence*.—To advise the Government with respect to—

- (i.) Purchase, rent, and preparation of key aerodromes:
- (ii.) Purchase and maintenance of war aeroplanes, and inspection of all aviation schools and their equipment by Defence staff:
- (iii.) Refresher courses for ex Royal Air Force pilots:
- (iv.) Defence machines which may be allotted to civil companies.

Survey of routes to be undertaken by officers of the Aviation Branch of the Defence Department or any competent aviator deputed by the Air Board.

(b.) *Commercial*.—As Defence aviation, owing to the great cost involved, cannot be developed without the development of the commercial side, the Air Board will advise the Government with respect to—

- (i.) Companies or private individuals that may be subsidized for the conveyance of mails, passengers, &c., on approved routes:
- (ii.) The allotment by way of loan or otherwise of Government machines:
- (iii.) Inspection of privately owned machines:
- (iv.) Regarding the reservation of rights of particular companies or individuals to fly for hire within prescribed areas.

The Board to make recommendations as to contracts to be entered into for the carriage of mails, passengers, &c. All contracts to be submitted for approval to the Minister in charge and the Postmaster-General, and to be confirmed by both.

(c.) *General*.—The Board to recommend in what direction assistance should be given to the Meteorological Department with a view to equipment to meet the needs of aviation. All reports and recommendations of the Board to be submitted to the Minister in charge and the Postmaster-General for their joint consideration. The Board to administer the details of the policy as defined by the Government. The Board to advise on the necessity for legislation and regulations regarding aviation generally.

GIFT AEROPLANES.

The following aeroplanes were accepted as a gift from the Imperial Government, and have now all arrived in the Dominion: Two Bristol Fighter aeroplanes; two D.H.4 aeroplanes; nine D.H.9 aeroplanes; twenty Avro aeroplanes.

A supply of spare parts calculated on a six-months basis has also been received for engines and machines.

Six of the aeroplanes are retained by the Government; the remainder were loaned to companies as set out hereunder for the development of civil aviation: N.Z. Flying-school—Six Avro aeroplanes, three D.H.9 aeroplanes; Canterbury Aviation Company (Limited)—ten Avro aeroplanes, two D.H.9 aeroplanes; N.Z. Aero Transport Company—two Avro aeroplanes, four D.H.9 aeroplanes.

GROUND ORGANIZATION.

On the 1st April, 1920, there were only two aerodromes—i.e., the N.Z. Flying-school's seaplane station at Kohimarama, Auckland, and the Canterbury Aviation Company's aerodrome at Sockburn, Christchurch—with an area of 200 acres.

During the year the following aerodromes have been opened: The N.Z. Aero Transport Company has acquired 80 acres at Washdyke, Timaru, and 77 acres at West Plains, Invercargill. Hangars have been erected at both these places, and workshops are to be installed. This company has also acquired the temporary use of an area of 70 acres on the foreshore of Anderson's Bay, Dunedin.

The N.Z. Aerial Transport Company has rented as a temporary measure an aerodrome of 200 acres, and converted a wool-shed for use as a hangar at Longlands, Hastings.

No land has as yet been procured for use as key aerodromes, but under the terms of the policy it is hoped that during the current year, as a result of inspections now being made, suitable sites will be obtained and brought into use.

Owing to the present lack of lighting and signalling systems along routes and at aerodromes night flying has been forbidden by instructions issued by the Air Board. Later, if the speed of aerial mail-services is to be taken full advantage of by operating during that period between the cessation of business hours on the one day and the opening-hour of the next day, night flying will become essential.

With the object of being able to install the necessary apparatus with the minimum delay, the extensive experiments now being made in the United Kingdom are being closely followed by the Air Board.

AVIATION REGULATIONS.

Provisional regulations have been drawn up and gazetted in order to bring civil aviation under control. These regulations provide for a system of inspection and licensing of aircraft and personnel which will ensure the greatest possible measure of safety to all concerned.

An Air Navigation Bill, necessary to bring into effect the International Air Convention, is being prepared for presentation to Parliament.

The present regulations, which came into force on the 18th March, 1921, conform as nearly as was possible under the Aviation Act, 1918, to the provisions of the Convention, but it will be necessary to amend them when the new Bill becomes law.

ACTIVITIES OF CIVIL COMPANIES.

No aerial mail-services of a permanent nature have been established, but several experimental services have been carried out from time to time.

(a.) *General.*—All companies have been active in what may be termed propaganda work—i.e., "joy riding"; numerous townships have been visited and the public treated to exhibitions and given opportunities of taking flights. In addition many extended trips have been undertaken. Appended is a tabular list showing passengers carried, hours flown, and approximate machine-mileage for the period under review, during which time only one accident entailing loss of life has to be recorded.

(b.) *N.Z. Flying-school.*—In April, 1920, a trial trip with mail was undertaken from Auckland to Awanui. Calls were made at Russell, Whangaroa, and Mangonui. Mails were also conveyed from Auckland to Raglan and Kawhia in a seaplane belonging to the N.Z. Flying-school. In June, 1920, a D.H.6 flew by stages from Auckland to Wellington, and on various occasions carried mails. In July, 1920, a trial trip was made from Auckland to Hokianga, return; calls were made at Kohukohu, Rawene, and Dargaville.

(c.) *Canterbury Aviation Company.*—On the 31st January, 1921, an experimental service was inaugurated between Christchurch and Timaru under contract with the Postmaster-General. The service was to be run return daily, Sundays excepted. With the exception of minor delays due to occasional slight engine trouble or unfavourable weather the service was maintained up to schedule. It was not, however, financially successful, but the experience gained by the Postal authorities and the aviation company was most valuable.

Endeavour is being made to push on the ground organization and the preparation of machines for the running of a service from Christchurch to Blenheim. It is considered that this route will prove to be more profitable, as the present facilities for conveyance of mails are comparatively slow and inconvenient.

EXPENDITURE.

The expenditure for the financial year ended 31st March, 1921, amounted to £14,355. Provision for the current year's expenditure is set forth in detail as a separate vote in the estimates of the Defence Department.

Whilst aviation is still in its infancy estimates are more or less hypothetical, as it is impossible to gauge the measure of progress during the coming year. The estimates for the year 1921–22 have therefore been calculated on a basis sufficiently elastic, compatible with economy, to permit of a maximum expansion of ground organization, &c., for the development of civil aviation and the provision of the nucleus of a fleet of aircraft for defence purposes.

It is proposed to establish a key aerodrome in or near Auckland for the combined use of land and sea aircraft. Should it be found impossible to obtain a site in the vicinity of the city it may be necessary to have a forward station for marine aircraft on the Waitemata Harbour. This station could be rented to a civil company during peace, and during war one of the local racecourses could be taken over as a forward aerodrome for land aircraft.

For the aerial defence of Auckland it is hoped to obtain shortly a nucleus of a fleet of torpedo-carrying aircraft. The machines at present in the Dominion can be used for coastal patrol; and as the fleet of torpedo aircraft and escorting fighters is gradually built up other bases will be established throughout the two Islands, and a skeleton organization capable of rapid expansion in war will be set up.

It is vitally necessary that in a National emergency the Dominion should possess adequate resources of highly-trained personnel, up-to-date machines, and properly equipped Aerodromes and workshops.

The Air Board is of the opinion that the present system of subsidising certain Aviation Companies has failed to secure these essentials and considers that for the future Civil Aviation should be subsidised only the extent to which it provides them.

In order that there may be at all times a force of trained pilots ready for service at the shortest notice, it is proposed that during the current year ex Royal Air Force pilots to the number of fifty will be given refresher courses; these, together with the civil pilots at present flying, will give sufficient flying personnel to form three squadrons.

NEW ZEALAND CIVIL AVIATION.

Flying Returns for the Year ended 31st March, 1921.

Company.	Flying-time.	Approximate Machine- mileage.	Number of Passengers carried.	Remarks.
	Hrs. min.			
N.Z. Flying-school	1,927 9	117,136	1,726	..
Canterbury Aviation Company (Limited) ..	491 37	29,647	3,141	..
N.Z. Aero Transport Company	185 34	11,519	1,430	Commenced flying, 1/12/20.
N.Z. Aerial Transport Company	7 0	455	57	Commenced flying, 1/3/21.
Totals	2,611 20	158,757	6,354	..

APPENDIX II.—REPORT OF THE DIRECTOR-GENERAL OF MEDICAL SERVICES.

THE number of service patients under treatment on the 1st April, 1920, and the 31st March, 1921, were as follows :—

	In-patients.	Out-patients.	Totals.
1st April, 1920	1,699	1,474	3,173
31st March, 1921	998	1,259	2,257

This shows a reduction of 916 during this period of twelve months. It is to be expected that the diminution in the number of patients will progress more slowly in the future, as the more chronic cases relatively increase in numbers.

Corresponding with the diminution of the number of in-patients, accommodation in the larger medical institutions has become available, and so enabled a concentration of patients in these, and the closing of smaller hospitals and homes. During the period under review the following institutions were closed on the dates mentioned :—

Anzac Home, Karitane—6th May, 1920.

Military Ward, Napier Hospital—28th June, 1920.

Military Section, Dunedin Hospital—31st July, 1920.

Chalmers Military Hospital, Christchurch—31st July, 1920.

Nurses' Convalescent Home, Lower Hutt—24th November, 1920.

Narrow Neck Military Hospital—30th November, 1920.

T.B. shelters, Auckland annexe (handed over to the Auckland Hospital Board—13th December, 1920.

Kamo Convalescent Home (handed over to Whangarei Hospital Board)—1st January, 1921.

Timaru Military Hospital—31st January, 1921.

The medical institutions remaining under the Defence Department are as follows: Rotorua Military Hospital, Pukeora Military Sanatorium, Trentham Military Hospital Hanmer Military Hospital, Cashmere Military Sanatorium. The work carried out at these institutions is the same as described in the last annual report.

HOMES FOR CHRONIC CASES.

There will remain for some considerable time a number of chronic and incurable cases which will require a certain amount of skilled nursing and medical supervision. The surroundings of an ordinary hospital are not suitable for cases such as these. It is desirable that these patients should be provided with accommodation in which the surroundings are more home-like, and in which they can receive more individual attention than they could in a hospital. With this in view homes have been provided in Auckland, Christchurch, and Dunedin.

In Dunedin the Montecillo Home, which was established some time ago, and is very efficiently conducted by the local branch of the Red Cross Society, is admirably serving this purpose.

In Auckland the Red Cross Society has provided the Evelyn Firth Home, which accommodates twenty-four patients. This home is beautifully situated on Point Resolution, and its appointments reflect the greatest credit on the Auckland Branch of the Red Cross Society. It is indeed a model of what such a home should be. It is conducted by the Defence Department and the Red Cross Society under a mutual agreement which is working very satisfactorily.

In Christchurch the patriotic bodies have provided an excellent house and grounds, and will maintain these. The house is at present being altered to adapt it to its purpose, and it is anticipated that the home will be opened very shortly. This institution will be known as the "Rannersdale Home."

It is hoped that a similar institution will become available in the Wellington District, although the necessity is not so immediately pressing as in the other centres, owing to the proximity of Trentham Military Hospital.

CASES OF PULMONARY TUBERCULOSIS.

The accommodation at the two military sanatoria (Pukeora and Cashmere) has proved sufficient for the purpose. Beds are now always available for cases as they arise, and none need to wait for vacancies.

Patients who have been discharged from sanatoria continue to be provided with accommodation suited to their condition, if such accommodation is not already available at their homes. Similar accommodation is provided for chronic cases for whom sanatorium treatment is not suitable. The accommodation so provided to date is as follows: Ninety-two tents, fifty shelters, thirty-seven alterations to verandas, &c.

All cases under treatment by the Defence Department are regularly examined by an expert in this disease, so that should any modification in treatment be required this can be carried out. After their discharge from medical treatment these cases are still followed up by the After-care Officer of Repatriation Department, who inspects the shelters &c., arranges for patients to be examined by Medical Officers if he thinks they require it, and in general is responsible for the welfare of these patients when not actually under medical treatment. A farm at Tauherenikau, conducted by the Repatriation Department, provides for the training of these patients in agricultural pursuits. Men employed at this farm are inspected every two months by a Medical Officer expert in pulmonary tuberculosis.

JAW AND FACIAL CASES.

The ward in the Dunedin Hospital utilized for these cases has been handed back to the Hospital Board, as the number of these cases requiring treatment has diminished. Lieut.-Colonel Pickerill continues to treat these cases, with excellent results.

Woodside Convalescent Home was provided by the Dunedin Centre of the Red Cross Society to accommodate these patients during their convalescence from and intervals between operations. As the accommodation of this home is not now fully occupied by these cases, other convalescent patients are also sent there.

TREATMENT OF CIVILIAN PATIENTS IN MILITARY HOSPITALS.

As the whole accommodation in military hospitals and sanatoria is not now required for service patients, arrangements have been made with the Department of Health whereby civilian patients requiring special treatment may be received into military institutions on repayment. The advantages of this are twofold. In the first place, it is an economy to have all beds occupied, as the majority of the services in a hospital require to be maintained at almost the same strength whether the hospital is fully occupied or not. In the second place, civilian patients are given the advantages of the special equipment, appliances, accommodation, and other opportunities for treatment offered by these institutions.

At Trentham and Rotorua Military Hospitals these civilian patients are comprised chiefly of children suffering from deformities, the result of infantile paralysis, and also from congenital and other deformities. At these institutions there are at present ninety-eight such cases under treatment.

The total sum received by this Department for the treatment of civilian patients to date is £4,841.

On account of the isolation of Hanmer Springs, and the inability of the Tourist Department to secure a Medical Officer for that district, the inhabitants earnestly requested the Department to arrange that the Medical Officers at the Military Hospital should give necessary treatment to local residents on repayment. In addition to this, the Tourist Department allows a sum of £350 per annum towards the payment of the salary of a Medical Officer of the hospital for attendance on patients attending the sanatorium.

PERSONNEL.

Every endeavour has been made to reduce the staffs of military medical institutions to the minimum consistent with efficiency. The following table shows the reductions which have been effected during the twelve months under review:—

	1st April, 1920.	31st March, 1921.
Medical Officers	49	25
Officers not medical	8	6
Trained nurses and masseuses	217	133
Non-commissioned officers and men	474	299
V.A.D.s and female domestic workers	127	143

It has been endeavoured, as far as possible, to replace medical orderlies by V.A.D.s and domestic workers. This is more economical, and, generally speaking, the work is performed more efficiently by female than by male staff.

The staffs at military headquarters and at the offices of the Assistant Director of Medical Services of districts on these dates were as follows:—

	1st April, 1920.	31st March, 1921.
Medical Officers (full time)	19	4
Medical Officers (part time)	..	6
Clerks	75	36
Typists	6	3

The work at these offices continues to be considerable. It entails a great deal of searching of files, arrangements for the granting of treatment, admission to hospitals, and travelling of patients; the supervision of work in connection with the artificial-limb, splint, plaster, and surgical-boot workshops; the boarding and reports on patients in connection with pensions; the keeping of records, provision of medical attention and, in some cases, of massage for out-patients. In addition, there is a great deal of general correspondence of a miscellaneous nature.

ARTIFICIAL-LIMB SUPPLIES.

The artificial-limb factory in Wellington continues to run very smoothly, and has the work thoroughly well in hand. There are no patients whose stumps are ready for fitting who are not provided with artificial limbs. In the case of lower-limb amputees duplicate limbs have been supplied, and in many cases also peg legs. Upper-limb amputees have been provided with a second artificial arm where it is desired.

In addition to the artificial-limb factory in Wellington, workshops have been established in Dunedin, Christchurch, and Auckland. At these workshops repairs are effected to artificial limbs; and at Christchurch and Dunedin new limbs are completed from the rough, prepared in the artificial-limb factory. It is probable that this also will be done at Auckland in the future.

The amount of work carried out by the artificial-limb factory may be judged from the following figures, which cover the period under review: New lower limbs made, 85; new upper limbs made, 15; repairs to artificial limbs, 543; accessories issued, 4,435.

All employees of the artificial-limb factory and workshops are limbless men. Those who were not already trained in England have received their training in the artificial-limb factory in Wellington.

In the early days of this factory it was found difficult to secure a sufficient supply of seasoned willow for the manufacture of buckets for artificial limbs. In the process of seasoning the timber would crack and become unserviceable, this especially if by artificial means it was attempted to expedite seasoning. It appears that the most satisfactory way of providing seasoned willow without considerable loss through cracking is to ringbark the trees and allow them to stand until dead. The Hawke's Bay River Board and Farmers' Union have very kindly given free of charge to the Department a number of willow-trees for this purpose. About a hundred of these trees have been ringbarked, and it is anticipated that this supply will last for a very considerable time.

The total number of amputees on the register is 1,043. These are distributed as follows: Lower-limb amputations in New Zealand, 617; upper-limb amputations in New Zealand, 350; proceeded overseas, 17; died, 23; discharged in United Kingdom, 34; unable to trace, 2. (Note: This number includes 22 cases of double amputation.)

MEDICAL STORES.

The supply of drugs, dressings, and equipment for the various military medical institutions has been maintained throughout the period.

Owing to the economical buying of drugs, &c., by this Department, other Departments have requested to be allowed to obtain their supplies from these stores. To give an idea of the activity of these stores the following figures are quoted: Medical stores supplied to military hospitals, £10,771 13s. 1d.; medical stores supplied to Department of Health, £7,132 1s. 3d.; medical stores supplied to Hospitals and Charitable Aid Boards, £15,847 4s. 6d.; sales of dental equipment, £3,009 4s. 2d.

An estimated saving of £116 8s. 4d. has been effected by making up ointments, tinctures, solutions, &c., instead of purchasing them elsewhere already prepared.

Garrison dispensaries established in the different centres have effected an estimated saving in prescriptions of £2,849 15s.

PATRIOTIC BODIES.

The Red Cross Society has during the year continued its very valuable activities on behalf of returned disabled soldiers. The Y.M.C.A., Salvation Army, and other patriotic bodies have also rendered services for which no expression of appreciation is adequate. The residence of many of these patients in hospital is often very long, and without the provision of recreation and entertainments by these organizations life would be one of almost intolerable boredom. Thanks, however, to these societies and to the provision of vocational training, the patients need not have an idle moment. The advantages of this are not only moral, but conduce very considerably to the physical recovery of the individual. A note has already been made of what the Red Cross and patriotic bodies have done in the way of provision of homes for chronic cases.

The Wellington Centre of the Red Cross Society conducted a convalescent home for nurses and V.A.D.s in the house of Mr. George Scales at Lower Hutt, which he very kindly lent the Department for the purpose. This home served a very useful purpose; but, as the staff has diminished in numbers and other accommodation become available, it has now been closed.

ECONOMY.

As far as has been possible, consistently with efficiency and the maximum welfare of the disabled soldier, economy has been carefully studied by this branch. It has already been pointed out that the maximum use is made of these necessary institutions by the admission of civilian patients to beds not required by service patients. The personnel of staffs is carefully supervised, and figures already quoted show great reductions. Where it has been possible Medical Officers previously on full-time duty with the Defence Department have been made part-time officers, and in this way not only is an economy effected but the repatriation of these Medical Officers assisted.

A certain number of recently qualified medical men have become available for service in military medical institutions, thus releasing more highly paid Medical Officers. These medical men carry out the duties corresponding to those of house physician and house surgeon in civil hospitals. The supply of these has been very limited, as they are in constant demand for civil hospitals; but as more become available a further economy will be effected by their employment.

The diets of patients and the supply of fuel and lighting are carefully investigated with a view to avoid wastage, and all cases of loss or breakage of equipment are inquired into.

VOCATIONAL TRAINING.

The work of the Vocational Training Branch has become firmly established in all military hospitals. The following table shows the percentage of patients receiving instruction at the 31st March, 1921, as compared with the previous period, and the number of hours attended by each patient:—

	31st March, 1921.	1st April, 1920.
Percentage of patients receiving instruction ..	85·70	80·0
Average number of hours attended by each patient ..	45·25	21·0

Curative classes are prescribed by the Medical Officers for men requiring the same, and attendance is compulsory. The work includes: (a) Specific exercises for treatment of orthopædic cases, such as treadle-work, carpentry, basket-making, &c.; (b) curative occupation, which assists cure generally by providing interesting employment for body and mind. Bed patients do embroidery and other light forms of occupational work.

Vocational Classes.—Patients are given free choice of vocational classes, unless there are medical reasons to the contrary.

- (a.) New trades are taught to men who had no trade on enlistment or who are unable to resume their pre-war occupations. A report on vocational training received by each man is sent to the Repatriation Department, which continues the training after discharge from hospital.
- (b.) Patients returning to their pre-war occupations attend workshops for “brushing-up,” and take courses to qualify them for examinations.
- (c.) Patients not requiring further trade training learn trades likely to be of assistance; farmers, for instance, show great interest in motor mechanics, saddlery, carpentry, and boot-repairing. Book-keeping and general education are taken by men of various callings. Free courses at University, technical colleges, and correspondence schools are arranged for men requiring them.

The subjects taught since the inception of the branch number 112. The principal classes at present are leather-work, carpentry, motor engineering, commercial courses, basket-work, embroidery, general engineering, poultry-farming, boot-repairing, and bee-keeping.

Disposal of Produce.—Articles made are sold either to the public at ordinary rates or to the makers of the articles at reduced rates. Since May, 1920, the cost of material has been refunded to the Department, the amount so recovered being £1,501 13s. 4d. Patients show great keenness in making articles for their own use, providing themselves with furniture, saddlery, boots, beehives, basketry, travelling-trunks, &c. The price charged for these articles is cost of material plus a contribution of one-third of this to the Recreation Fund.

Reduction of Staff.—The centralization of patients into main hospitals has enabled very considerable economy of staff to be effected. During the year the number of instructors has fallen from fifty to thirty, and administrative and clerical staff from thirty-one to fourteen. Assistant vocation officers were dispensed with, and recently the branch was reorganized into two districts only, resulting in the further reduction of two vocation officers and their clerical staffs. During the year the total salaries have been reduced by 38 per cent.

Maintenance work for military hospitals, comprising carpentry, boot-repairing, tailoring, engineering, and electrical work, was performed by vocational classes during the year to the value of £1,518.

Splint-making.—Workshops for the making of splints and surgical boots, and other appliances, are in operation at Auckland, Christchurch, Dunedin, Trentham, and Rotorua. These workshops are no longer used for the training of patients: they are conducted simply as factories, all the work being done by paid workmen. So far as military requirements permit, work is undertaken for civilians. Surgical appliances to the value of £1,487 2s. 8d. were supplied to civilians during the year.

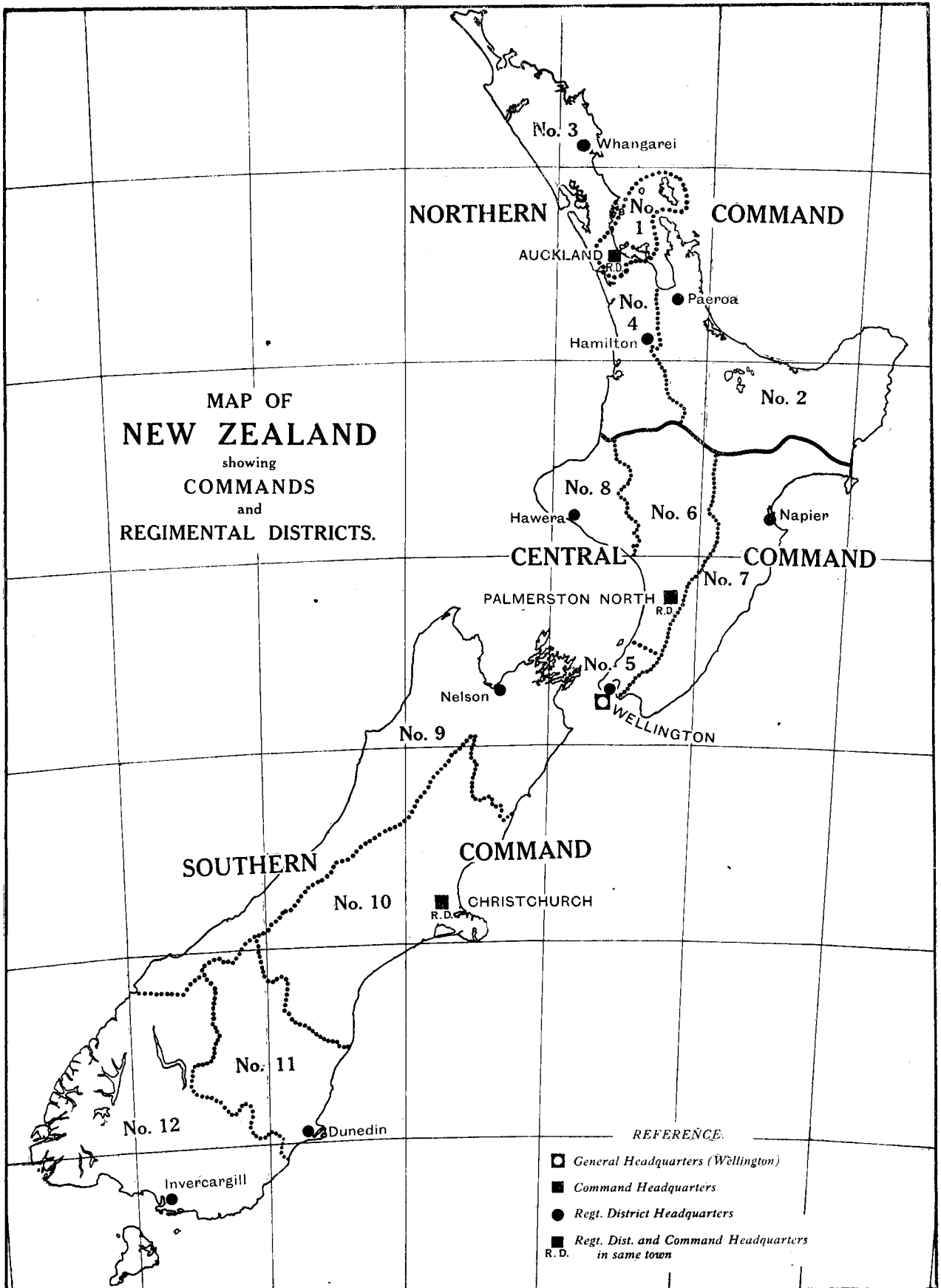
TABLE A.
GENERAL HEADQUARTERS (WELLINGTON)

HEADQUARTERS, NORTHERN COMMAND			HEADQUARTERS, CENTRAL COMMAND			HEADQUARTERS, SOUTHERN COMMAND		
Military Organization.			Military Organization.			Military Organization.		
1st Mounted Rifle Bde. (3 regiments)	1st Infantry Brigade (4 battalions)	1st Field Artillery Bde. (4 batteries)	1 Heavy Battery	1 Pack Battery	1 Coast Artillery Bat- tery	2nd Mounted Rifle Bde. (3 regiments)	2nd Infantry Brigade (4 battalions)	2nd Field Artillery Bde. (4 batteries)
Field Engineer Depot			Field Engineer Depot			Field Engineer Depot		
Signal Corps Depot			Signal Corps Depot			Signal Corps Depot		
Medical Corps Depot			Medical Corps Depot			Medical Corps Depot		
Army Service Corps Depot			Army Service Corps Depot			Army Service Corps Depot		
Training Organization. (cadet units.)			Training Organization. Cadet units.			Training Organization Cadet units.		

TABLE B.
GENERAL HEADQUARTERS (WELLINGTON)

NORTHERN COMMAND (H.Q., Auckland)			CENTRAL COMMAND (H.Q., Palmerston N.)			SOUTHERN COMMAND (H.Q., Christchurch)		
Regimental Districts			Regimental Districts			Regimental Districts		
No. 1, H.Q. Auckland	Areas	1A, 1B, 1C, 1D	No. 5, H.Q. Wellington	Area	5A	No. 9, H.Q. Nelson	Areas	9A 9B 9C 9D
No. 2, H.Q. Paeroa	Areas	2A 2B	No. 6, H.Q. Palm n. N.	Areas	6A 6B	No. 10, H.Q. Christchurch	Areas	10A 10B 10C 10D
No. 3, H.Q. Whangarei	Areas	3A 3B	No. 7, H.Q. Napier	Areas	7A 7B	No. 11, H.Q. Dunedin	Areas	11A 11B 11C 11D
No. 4, H.Q. Hamilton	Areas	4A 4B	No. 8, H.Q. Hawera	Area	8A	No. 12, H.Q. Invercargill	Areas	12A 12B 12C
H.Q. Auckland			H.Q. Wellington			H.Q. Nelson		
H.Q. Paeroa			H.Q. Wanganui			H.Q. Blenheim		
H.Q. Gisborne			H.Q. Palmerston N.			H.Q. Westport		
H.Q. Whangarei			H.Q. Dannevirke			H.Q. Greymouth		
H.Q. Dargaville			H.Q. Masterton			H.Q. Christchurch		
H.Q. Hamilton			H.Q. Hawera			H.Q. Ashburton		
H.Q. Pukekohe						H.Q. Timaru		
						H.Q. Dunedin		
						H.Q. Oamaru		
						H.Q. Alexandra		
						H.Q. Invercargill		
						H.Q. Gore		
						H.Q. Milton		

APPENDIX IV.—MAP OF NEW ZEALAND, SHOWING COMMANDS AND REGIMENTAL DISTRICTS.



APPENDIX V.—WAR EXPENSES ACCOUNT.

DETAILED STATEMENT OF EXPENDITURE FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH, 1921.

Particulars.	Expenditure.									
<i>Expenditure under Section 8 of the Public Revenues Amendment Act, 1914 (War Purposes), and Section 4, Finance Act, 1918, No. 2 (War Purposes).</i>										
Advertising, printing, office equipment, &c.—										
Office expenses—	£	s.	d.		£	s.	d.	£	s.	d.
Samoa	35	11	3							
Egypt	979	17	3							
United Kingdom	22,391	13	5							
New Zealand	81,913	9	8							
					105,320	11	7			
Advertising—										
Samoa	132	13	8							
Egypt	17	14	8							
United Kingdom	1,151	10	4							
New Zealand	11,142	12	6							
					12,444	11	2			
Printing and stationery—										
Samoa	72	11	7							
Egypt	2,881	16	9							
United Kingdom	17,931	7	2							
New Zealand	89,289	8	9							
					110,175	4	3			
Office equipment—										
Samoa	71	10	6							
Egypt	104	8	11							
United Kingdom	1,465	17	0							
New Zealand	9,240	0	6							
					10,881	16	11			
Cost of services rendered by Postal Department in connection with payment of allotments and pay-warrants in New Zealand	..				30,517	10	8			
Half-cost of expenses in connection with the raising and distribution of relief funds	..				5,701	13	7			
Preparation of war records and history ..	..				7,342	9	9			
					282,383	17	11			
Less credits	..				17,247	11	7			
								265,136	6	4
Amount fraudulently obtained from High Commissioner's Office by unknown person representing himself to be a member of N. Z. Expeditionary Force	..				..			22	10	0
Camps, expenses of (including concentration)—										
Main Body and Reinforcements—										
Expenses of New Zealand Forces abroad—										
United Kingdom, Egypt, &c. ..	296,824	15	7							
Samoa	11,116	4	2							
					307,940	19	9			
Camps in New Zealand—										
Narrow Neck	24,315	15	2							
Trentham	338,653	16	6							
Featherston	336,514	13	10							
Tunnelling Corps	583	19	2							
					700,068	4	8			
Other general expenses, including Main Body camps, Awapuni, Rangiotu, Waikanae, and other temporary camps	..				219,799	11	5			
					1,227,808	15	10			
Less credits	..				87,423	6	7			
								1,140,385	9	3

DETAILED STATEMENT OF EXPENDITURE FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH, 1921—continued.

Particulars.	Expenditure.					
	£	s.	d.	£	s.	d.
<i>Expenditure under Public Revenues Amendment Act, 1914, and Finance Act, 1918—continued.</i>						
Canteens on transports (as per statement attached)	..			189,278	13	7
Less credits	..			198,791	19	5
						Cr. 9,513 5 10
Clerical assistance—						
Expeditionary Forces Branch ..	278,769	12	2			
Records Branch	130,908	3	7			
Headquarters and District Headquarters	223,073	0	11			
Overtime	8,805	13	10			
United Kingdom	41,022	12	3			
Audit Office	40,303	11	0			
Samoa	111	13	4			
				722,994	7	1
Less credits	..			11,881	5	10
						711,113 1 3
Commissions of Inquiry—						
Defence Stores	18	14	6			
Trentham Camp	1,150	13	10			
Lieutenant A. H. Grierson	24	2	3			
Thacker inquiry	99	0	8			
Motuihi	369	13	2			
Alien Service Branch (Jugo-Slav) ..	1,907	18	3			
Defence Expenditure Commission ..	3,671	10	8			
Somes Island	35	9	6			
Wanganui Detention Barracks ..	130	6	4			
Lieutenant Crampton's Court-martial ..	513	18	10			
Influenza—Narrow Neck	27	8	1			
Disappearance of Rifleman J. Russell ..	26	15	4			
				7,975	11	5
Less credits	..			159	6	3
						7,816 5 2
Compassionate allowances—						
F. Annear—illness contracted on duty ..	90	0	0			
A. T. Griffin—illness contracted on duty	248	6	0			
				..		338 6 0
Cost of preparing article on Veterinary Services for inclusion in Official History	..			..		15 0 0
Discharged Soldiers' Information Department—Expenses and grants (this covers expenditure up to date of coming into operation of Repatriation Act, 1918; expenditure after that date comes under the heading of "Repatriation")—						
Fares of men travelling to employment ..	906	15	7			
Salaries	7,818	10	5			
Office expenses	3,093	5	2			
Postage, telegrams, &c.	878	16	3			
Printing and stationery	796	17	2			
Motor-hire	221	7	7			
Office equipment	97	0	0			
Tuition and lodging-allowances ..	4,870		3			
Subsidized wages	2,228	6	2			
				20,911	4	7
Less credits	..			50	17	0
						20,860 7 7

DETAILED STATEMENT OF EXPENDITURE FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH, 1921—continued.

Particulars.	Expenditure.								
	£	s.	d.	£	s.	d.	£	s.	d.
<i>Expenditure under Public Revenues Amendment Act, 1914, and Finance Act, 1918—continued.</i>									
Distribution of war news and casualty lists in New Zealand	..			..			423,188	0	0
Donations refunded and transferred ..	..			..			3,274	13	9
Equipment (including purchase of boots, clothing, G.S. wagons, ammunition-carts, &c.)—									
Samoa	12,947	0	6						
Egypt	160,661	5	6						
United Kingdom	2,270,597	14	0						
New Zealand	3,242,995	7	11						
Other places, &c.	2,386	11	8						
				5,689,587	19	7			
Less credits	..			475,609	6	4			
							5,213,978	13	3
Forage—									
Samoa	111,215	5	7						
Egypt	379,115	11	2						
New Zealand	215,496	2	11						
United Kingdom	39,912	0	0						
				745,738	19	8			
Less credits	..			159,001	18	11			
							586,737	0	9
Freight on Great Britain and Belgian relief produce	..			..			656	16	11
Grants to regimental funds—									
3rd New Zealand Rifle Brigade ..	1,000	0	0						
2nd New Zealand Infantry Brigade ..	1,000	0	0						
4th New Zealand Infantry Brigade ..	1,000	0	0						
New Zealand Medical Corps ..	141	0	0						
Divisional Signal Corps	60	0	0						
Army Service Corps	109	0	0						
Field Troop Engineers	41	0	0						
Field Artillery Brigade	329	10	0						
Mounted Signal Troop	18	10	0						
				3,699	0	0			
Grants to soldiers' hostels—									
New Zealand	1,397	13	10				3,699	0	0
England	19,430	0	0						
				20,827	13	10			
Less credits*	..			7,668	17	10			
							13,158	16	0
Grants to New Zealand War Contingent Association for assistance to fit men on leave in England	..			6,500	0	0			
Less credits	..			756	9	9			
							5,743	10	3
Grant to replace contents of registered letter lost in transit between Chalmers and Timaru Military Hospitals	..			..			20	0	0
Grant to E. C. Wood for expenses (obtaining crews for transports and hospital ships)	..			..			100	0	0
Grant of half-value financial assistance warrants remitted to 14454 C. P. Marshall, but stolen	..			..			33	15	10
Grant to regimental funds, military hospitals in New Zealand (provided from proceeds of sale of fat and waste)	..			..			100	0	0
Half-cost of reinsurance of death benefits of members of friendly societies serving with the Expeditionary Force	..			..			7,422	9	5
Hammer Farm—									
General expenses	1,095	13	9						
Less credits	384	19	0						
				710	14	9			

* For realizations on closing clubs in the United Kingdom.

DETAILED STATEMENT OF EXPENDITURE FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH, 1921—*continued*.

Particulars.	Expenditure.					
	£	s.	d.	£	s.	d.
<i>Expenditure under Public Revenues Amendment Act, 1914, and Finance Act, 1918—continued.</i>						
Home defence (forts, harbour patrols, examination of steamers, guarding cables, wireless stations, railway picquets, &c.)—						710 14 9
Auckland District	103,642	6	7			
Wellington District	165,562	4	1			
Canterbury District	48,308	12	9			
Otago District	44,265	3	2			
Censors	21,359	9	6			
Cost of guarding wharves—						
Auckland	1,723	2	4			
Wellington	1,072	11	4			
Lyttelton	742	16	7			
Dunedin	865	4	2			
Mine-sweeping	34,603	15	5			
Fitting guns on “Iris” and “Tutanekai”	240	13	6			
				422,385	19	5
Less credits	..			20,297	3	2
						402,088 16 3
Hospital Ship “Maheno”—						
Charter hire	178,513	3	5			
Conditioning, fitting, &c.	204,154	13	3			
Equipment—General	2,517	1	6			
Equipment—Medical and surgical	994	10	0			
Medical comforts	2,772	2	2			
Wages of crew	66,611	17	4			
Rations, ship's stores, and other miscellaneous expenditure	122,409	13	7			
				577,973	1	3
Less credits	..			6,506	11	7
						571,466 9 8
Hospital Ship “Marama”—						
Charter hire	293,442	4	3			
Conditioning, fitting, &c.	192,433	19	6			
Equipment—General	3,059	18	8			
Equipment—Medical and surgical	1,115	13	8			
Medical comforts	1,787	17	7			
Wages of crew	61,232	4	1			
Rations, ship's stores, and other miscellaneous expenditure	114,045	15	4			
				667,117	13	1
Less credits	..			9,246	3	3
						657,871 9 10
League of Nations—						
New Zealand's proportion Secretariat expenses	..			..		1,948 0 0
Maintenance of indigent enemy subjects in New Zealand	..			..		102 10 0
Mechanical transport, including motor-cars, bicycles, oil for motors, &c.—						
Samoa	1,822	0	7			
Egypt	9,477	8	9			
United Kingdom	65,938	17	8			
New Zealand	61,686	5	0			
				138,924	12	0
Less credits	..			17,141	11	10
						121,783 0 2
Medals and decorations	..			3,574	7	8
Less credits	..			30	14	6
						3,543 13 2

DETAILED STATEMENT OF EXPENDITURE FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH, 1921—continued.

Particulars.	Expenditure.								
	£	s.	d.	£	s.	d.	£	s.	d.
<i>Expenditure under Public Revenues Amendment Act, 1914, and Finance Act, 1918—continued.</i>									
Military Service Act: Expenses of administration, including Recruiting, Military Service, and Medical Boards—									
Auckland District—									
Salaries, &c.	22,750	1	8						
Travelling expenses and allowances . .	10,199	14	7						
Office expenses	2,593	18	5						
				35,543	14	8			
Wellington Head Office and District—									
Salaries, &c.	66,729	5	10						
Travelling expenses and allowances . .	14,541	18	4						
Office expenses	16,531	12	6						
				97,802	16	8			
Canterbury District—									
Salaries, &c.	23,756	15	8						
Travelling-expenses	11,016	18	7						
Office expenses	2,829	10	5						
				37,603	4	8			
Otago District—									
Salaries, &c.	17,011	17	3						
Travelling-expenses	7,735	19	2						
Office expenses	1,601	12	9						
				26,349	9	2			
Ballot Branch	..			53,249	18	2			
Government Statistician's Office—Expenses	..			50,456	5	3			
				301,005	8	7			
Less credits	..			1,875	15	10			
							299,129	12	9
Medical (including expenses and equipment of hospitals, field hospitals, and ambulances; surgical instruments; fees; dental treatment; comforts; cost of funerals, &c.)—									
Hospitals—									
Trentham Military Camp—Expenses . .	88,764	3	8						
Trentham Military Camp—Cost of building	7,195	10	8						
Featherston Military Camp	11,936	1	9						
Berhampore Temporary Hospital, Wellington	624	12	3						
Oriental Bay Kiosk, Wellington . . .	313	16	0						
Kaiwarawara Temporary Hospital, Wellington	916	5	6						
Izard's Convalescent Home, Upper Hutt	1,269	4	9						
Taumarua Convalescent Home, Lowry Bay	4,121	1	7						
Lahmann Home, Miramar	2,341	17	8						
Victoria Military Ward, Wellington Hospital	1,061	8	10						
Otaki Sanatorium	978	9	2						
Wanganui Convalescent Home	2,497	5	7						
King George V Military Hospital, Rotorua	210,430	16	11						
Auckland Military Annexe	33,736	17	2						
Epsom Convalescent Home, Auckland . .	4,649	10	8						
Point Chevalier Hospital, Auckland . .	433	13	10						
Devonport Convalescent Home, Auckland	2,989	16	5						
Te Waikato Sanatorium, Cambridge . .	13,032	9	3						
Carried forward	387,293	1	8						

DETAILED STATEMENT OF EXPENDITURE FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH 1921—*continued*.

Particulars.	Expenditure.								
<i>Expenditure under Public Revenues Amendment Act, 1914, and Finance Act, 1918—continued.</i>									
Medical (including expenses &c.)— <i>contd.</i>	£	s.	d.	£	s.	d.	£	s.	d.
Hospitals—									
Brought forward	387,293	1	8						
Evelyn Firth Convalescent Home.									
Auckland	661	12	6						
Whangarei Hospital	2,000	0	0						
Napier Hospital	4,150	0	1						
Hatuma Sanatorium	125,481	8	2						
Hanmer—Queen Mary Military Hospital	91,303	9	1						
Cashmere Hills Sanatorium, Christchurch	42,550	11	2						
Anzac Convalescent Home, Karitane ..	2,454	8	8						
King Edward Pavilion, Dunedin ..	10,828	11	5						
Chalmers Orthopædic Hospital, Christchurch	37,601	1	11						
Timaru Orthopædic Hospital ..	16,783	19	2						
Invercargill Convalescent Hospital ..	2,247	13	6						
Wairarapa Hospital, Masterton ..	3,000	0	0						
Palmerston North Hospital ..	1,500	0	0						
Aotea Convalescent Home, Egypt ..	11,698	8	5						
Lady Godley's Convalescent Home, Egypt	1,027	2	7						
Pont-de-Koubbeh New Zealand General Hospital, Egypt	22,294	16	5						
Brockenhurst Hospital, England ..	161,164	5	3						
Walton-on-Thames Hospital, England	239,744	0	0						
Hornchurch Hospital, England ..	73,305	18	3						
Codford Hospital, England ..	31,442	15	0						
Brighton Convalescent Home ..	8,709	3	1						
New Zealand Nurses' Rest Home (Barnstaple)	177	15	7						
All other hospitals (including maintenance in public hospitals)	521,162	11	11				1,798,582	13	10
Medical—									
Equipment—									
Samoa	6,479	1	4						
Egypt	23,016	12	5						
United Kingdom	126,902	11	10						
New Zealand	232,426	5	8						
Maori	1,362	1	9						
Other places	3,017	5	11				393,203	18	11
Fees for examination of recruits—									
New Zealand	67,985	8	10						
Maori Contingent	570	18	4						
Dental treatment							68,556	7	2
Funerals and upkeep of graves ..							61,908	0	7
Artificial-limb manufacturing ..							16,687	8	9
Sunnyside Laundry, United Kingdom—							19,536	17	2
Expenses							12,786	12	8
Training of massage students ..							8,969	15	6
Motor-hire							1,691	6	4
Salaries of administrative officers ..							73,437	1	1
Purchase of site for medical headquarters at Dunedin							3,000	0	0
							2,458,360	2	0
Less credits							128,050	18	1
							2,330,309	3	11

DETAILED STATEMENT OF EXPENDITURE FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH,
1921—continued.

Particulars.	Expenditure.								
<i>Expenditure under Public Revenues Amendment Act, 1914, and Finance Act, 1918—continued.</i>									
National Efficiency Board—Administrative expenses—									
Auckland District—	£	s.	d.	£	s.	d.	£	s.	d.
Salaries	794	3	7						
Travelling expenses and allowances ..	668	6	7						
Printing and stationery	73	4	8						
Office expenses	893	7	10						
				2,429	2	8			
Wellington Head Office and District—									
Salaries	2,907	19	9						
Travelling expenses and allowances ..	869	11	8						
Printing and stationery	771	12	3						
Office expenses	2,168	1	5						
				6,717	5	1			
Canterbury District—									
Salaries	1,577	13	4						
Travelling expenses and allowances ..	1,643	19	0						
Printing and stationery	445	5	4						
Office expenses	1,096	2	5						
				4,763	0	1			
Otago District—									
Salaries	1,106	2	9						
Travelling expenses and allowances ..	909	19	2						
Printing and stationery	138	2	11						
Office expenses	1,096	3	8						
				3,250	8	6			
				17,159	16	4			
Less credits				737	16	8			
							16,421	19	8
Military-supplies Purchase Office—									
Salaries	16,556	10	4						
Office equipment	538	15	1						
Postage, telegrams, &c.	1,803	16	8						
Office expenses	2,714	16	8						
Travelling-expenses	531	8	10						
Printing and stationery	2,067	15	1						
Experiments	612	6	2						
				24,825	8	10			
Less credits				617	15	3			
							24,207	13	7
New Zealand Expeditionary Force Educational and Vocational Training—									
New Zealand	61,695	14	1						
Abroad	75,937	2	9						
				137,632	16	10			
Less credits				10,766	3	2			
							126,866	13	8
Pay and allowances—									
Samoa—									
Allotted	115,621	2	6						
Pay	119,516	4	4						
Hospital Ship No. 1: "Maheno"—									
Allotted	32,889	17	7						
Pay	28,275	4	1						
Hospital Ship "Marama"—									
Allotted	41,610	18	3						
Pay	22,075	14	0						
Main Body and Reinforcements—									
Allotted	14,407,868	13	8						
Pay	10,045,714	6	5						
Pay (camps)—Allotted and pay	4,665,909	5	4						
Carried forward				29,479,481	6	2			

DETAILED STATEMENT OF EXPENDITURE FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH, 1921—*continued*.

Particulars.	Expenditure.								
<i>Expenditure under Public Revenues Amendment Act, 1914, and Finance Act, 1918—continued.</i>									
Pay and allowances— <i>continued.</i>	£	s.	d.	£	s.	d.	£	s.	d.
Brought forward	..			29,479,481	6	2			
Retrospective married allowance	..			548,683	14	3			
Retrospective children's allowance	..			306,245	1	1			
Retrospective widowed mothers' and other dependants' allowances	..			114,158	9	6			
Allowances to wives of Imperial Reservists and difference between N.Z. Expeditionary Force pay and Imperial pay to members of Imperial Forces resident in New Zealand	..			268,975	14	9			
Payments to London General Post Office for allotments paid through post-offices in the United Kingdom	..			576,100	0	0			
Less credits	..			31,293,644	5	9			
				303,437	1	10	30,990,207	3	11
<i>Per capita</i> payments to War Office for maintenance of New Zealand troops in the field—Ammunition, extra transport, &c.	..			15,735,000	0	0			
Less credits*	..			1,365,279	9	9	14,369,720	10	3
Postage, telegrams, telephones, &c., and preparing war-news cables for despatch to New Zealand from the United Kingdom, and cable charges thereon—									
Postage, &c.—									
Samoa	..	..	..	2,084	6	10			
Egypt	..	..	..	26,663	18	11			
United Kingdom	..	..	..	85,105	9	0			
New Zealand	..	..	..	159,752	11	5			
Other places	..	..	..	603	6	9			
Preparing war-news cables in High Commissioner's Office and cable charges thereon				7,363	1	2			
Less credits	..						281,572	14	1
							18,453	13	1
							263,119	1	0
Prisoners of war—									
Expenses at—									
Motuihi Island	..	..	..	42,539	16	4			
Narrow Neck	..	..	..	7,867	19	11			
Somes Island	..	..	..	54,067	16	9			
Featherston	..	..	..	11,639	8	9			
Samoa	..	..	..	760	15	3			
Ripa Island	..	..	..	1,451	15	10			
Escape and capture	..	..	..	4,429	0	11			
Escorting and other expenses, including repatriation of aliens				6,741	15	7			
Less credits	..						129,498	9	4
							1,602	0	2
							127,896	9	2
Pukeora Farm..	..	..	..	..			3,009	6	5
Less credits	..			..			1,278	5	5
Proportion damages by New Zealand troops during riots at Ismailia, Egypt	..			..					
Purchase of horses—									
Remounts	..	..	..	78,203	18	10			
Artillery	..	..	..	63,775	10	6			
Transport and undescribed	..	..	..	46,877	11	2			
Wages of grooms	..	..	..	16,369	6	10			
Travelling and other expenses	..	..	..	11,435	9	0			
Motor-hire	..	..	..	191	17	1			
Cost of horses, mules, &c., issued by Imperial authorities in France and Egypt				182,723	11	11			
Less credits	..						399,577	5	4
							111,891	19	5
							287,685	5	11

* For amount refunded by War Office and remitted to New Zealand, £750,000; and amount redebited to War Office account advances in excess of actual cost of maintenance of troops in field, £1615,279 9s. 9d.

DETAILED STATEMENT OF EXPENDITURE FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH,
1921—continued.

Particulars.	Expenditure.								
	£	s.	d.	£	s.	d.	£	s.	d.
<i>Expenditure under Public Revenues Amendment Act, 1914, and Finance Act, 1918—continued.</i>									
Rations—									
Samoa	64,712	1	5						
Egypt	207,172	11	6						
United Kingdom	1,052,363	15	11						
New Zealand	1,533,468	18	6						
				2,857,717	7	4			
Less credits				464,440	3	4			
							2,393,277	4	0
Sale of surplus military stores—									
Credits for cash received with orders				87,124	2	11			
Less refunds where goods could not be supplied				28,626	2	11			
							<i>Cr. 58,498</i>	<i>0</i>	<i>0</i>
Expenses in connection with sale of surplus stores				5,932	10	8			
							5,932	10	8
Superannuation paid by Government on behalf of Civil servants serving with the Expeditionary Force—									
Public Service Fund	69,776	18	3						
Government Railways Fund	47,490	3	10						
Teachers' Fund	13,489	8	8						
				130,756	10	9			
Less credits				935	6	3			
							129,821	4	6
Soldiers' Financial Assistance Board—									
Assistance granted—									
Rent	117,897	2	2						
Mortgages, interest	50,798	8	2						
Rates	10,477	16	1						
Insurance	76,363	1	1						
Management of businesses	290	8	4						
Friendly societies	647	6	3						
Medical	3,040	17	1						
Instalments	2,262	5	8						
Miscellaneous assistance	1,937	13	4						
				263,714	18	2			
Administrative expenses—									
Salaries and travelling-expenses	17,351	5	1						
Office expenses	4,933	5	1						
Postage	964	10	0						
				23,249	0	2			
Less credits				286,963	18	4			
				9,660	18	11			
							277,302	19	5
Transport of troops (including charter of steamers, meals, and fares of men travelling to join, freight, cartage, &c.)—									
Samoa	19,899	18	3						
Egypt	71,043	4	0						
United Kingdom	518,021	15	9						
New Zealand	1,645,813	2	4						
Other places	6,186	13	0						
Motor-hire	4,811	0	6						
				2,265,775	13	10			
Charter hire, conditioning, reconditioning, &c., of transports under charter to New Zealand Government				5,258,790	17	10			
Passage-money for troops ex miscellaneous steamers				1,358,595	10	9			
Cost of transport of New Zealand Expeditionary Force horses from United Kingdom				739	3	6			
				8,883,901	5	11			
Less credits				523,461	19	6			
							8,360,439	6	5

DETAILED STATEMENT OF EXPENDITURE FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH, 1921—*continued*.

Particulars.	Expenditure.								
<i>Expenditure under Public Revenues Amendment Act, 1914, and Finance Act, 1918—continued.</i>									
Travelling expenses and allowances—	£	s.	d.	£	s.	d.	£	s.	d.
Samoa	149	10	0						
Egypt	639	5	6						
United Kingdom	487	5	10						
New Zealand	15,165	14	1						
Motor-hire	828	10	11						
				17,270	6	4			
Less credits				234	5	2			
							17,036	1	2
War bonus to clerical staff to 31st March, 1920 —									
Military staff	24,523	12	1						
Civil staff	17,333	12	1						
Cost-of-living bonus, 1st January to 31st March, 1920	15,521	8	4						
				57,378	12	6			
Less credits				629	9	11			
							56,749	2	7
Wanganui Detention Barracks—									
Pay of staff	2,039	9	11						
Rations	576	8	11						
Miscellaneous expenses	603	18	3						
				3,219	17	1			
Less credits				36	8	0			
							3,183	9	1
War graves and memorials—									
New Zealand's proportion of expenses of Imperial War Graves Commission				11,649	0	0			
Travelling expenses <i>re</i> memorial-sites, &c., in battle-areas				126	14	9			
							11,775	14	9
Total expenditure for war purposes under section 8 of Public Revenues Amendment Act, 1914, and section 4 of Finance Act, 1918 (No. 2)							70,190,656	11	8
<i>Relief Purposes.</i>									
Under Appropriation Act, 1914, section 25..				20,000	0	0			
Under section 6, Public Revenues Amendment Act, 1915—									
Belgium				239,785	5	0			
New Zealand				160	16	0			
Comforts for wounded soldiers, Mediterranean area				992	14	8			
Comforts for prisoners of war (Turkey) ..				500	0	0			
Contributions towards Etrambrieres Hospital, France				7,000	0	0			
Total expenditure for relief purposes							268,438	15	8
<i>War Gratuities.</i>									
Under section 7, Expeditionary Forces Amendment Act, 1918				5,591,262	19	1			
Under section 24, Finance Act, 1919—Imperial and Naval				69,204	6	4			
							5,660,467	5	5
Charges and expenses of raising loans ..							697,599	4	6
Expenditure under Repatriation Act, 1918 ..							1,473,527	9	11
Imprests outstanding—							78,290,689	7	2
In New Zealand	379,456	16	1						
In London	4,029	2	2						
							383,485	18	3
Grand total of expenditure from beginning of war to 31st March, 1921							£78,674,175	5	5

STATEMENT SHOWING CREDIT AND DEBIT BALANCES IN CONNECTION WITH CANTEN ACCOUNTS
FROM THE BEGINNING OF THE WAR TO THE 31ST MARCH, 1921.

	Dr.			Cr.				Dr.			Cr.		
	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
Main Body ..	646	7	7	..	..	..	"Tofua" (109) ..	..	..	..	23	17	4
2nd Reinforcements ..	86	1	2	..	..	..	"Ruahine" (110) ..	30	18	10	..	..	..
3rd Reinforcements ..	11	17	5	..	..	..	"Matatua" (111) ..	..	..	..	151	8	4
4th Reinforcements ..	..	..	..	270	10	6	"Oxfordshire" (4B) ..	..	..	..	54	16	2
5th Reinforcements ..	..	..	..	140	3	5	"Briton" (5B) ..	..	..	..	28	0	10
6th Reinforcements ..	..	..	..	400	14	11	"Ruapehu" (6B) ..	18	0	0	..	..	..
7th Reinforcements ..	..	..	..	961	18	0	"Zealandic" (8B) ..	..	..	..	21	2	11
"Waitemata" (29) ..	..	..	..	41	9	0	"Port Melbourne" (9B) ..	..	..	..	9	4	2
8th Reinforcements ..	..	..	..	427	14	2	"Hororata" (10B) ..	552	6	5	..	..	..
9th Reinforcements ..	..	..	..	628	5	9	"Athenic" (11B) ..	31	4	1	..	..	..
"Dalmore" (40) ..	..	..	..	14	18	7	"Ajana" (12B) ..	126	16	11	..	..	..
3rd and 4th N.Z. Rifle	..	..	..	..	..	..	"Westmoreland" (13B) ..	18	10	2	..	..	..
Brigade ..	..	..	..	354	13	0	"Willochra" (14B) ..	..	..	..	5	17	7
"Waitemata" (45) ..	..	..	..	9	10	7	"Bhamo" (15B) ..	..	..	..	29	4	8
"Waihora" (41) ..	..	..	..	7	1	8	"Raranga" (16B) ..	..	..	..	295	17	9
"Aparima" (46) ..	..	..	..	16	13	8	"Malta" (Egypt) ..	161	8	6	..	..	..
10th Reinforcements ..	..	..	..	167	8	8	"Kaikoura" (Egypt) ..	..	..	..	11	2	4
11th Reinforcements ..	..	..	..	362	5	5	"Corinthic" (17B) ..	..	..	..	53	19	2
12th Reinforcements ..	..	..	..	343	13	8	"Ionic" (18B) ..	..	..	..	198	0	4
13th Reinforcements ..	..	..	..	182	9	9	"Remuera" (19B) ..	..	..	..	90	4	11
14th Reinforcements ..	..	..	..	330	14	3	"Tainui" (20B) ..	35	15	4	..	..	..
14th Mounted ..	49	12	6	..	..	..	"Kia Ora" (21B) ..	..	..	..	64	9	1
15th Reinforcements ..	..	..	..	167	11	10	"Northumberland"	..	..	..	..	..	..
16th Reinforcements ..	..	..	..	75	16	0	(22B) ..	110	10	0	..	..	..
17th Reinforcements ..	..	..	..	284	18	2	"Arawa" (23B) ..	12	19	7	..	..	..
18th Reinforcements ..	..	..	..	105	6	5	"Paparua" (24B) ..	..	..	..	58	8	8
19th Reinforcements ..	..	..	..	382	18	9	"Carpentaria" (25B) ..	..	..	..	36	19	3
20th Reinforcements ..	..	..	..	204	1	11	"Rimutaka" (26B) ..	..	..	..	37	5	0
19th Mounted ..	..	..	..	40	11	8	"Pakeha" (27B) ..	..	..	..	92	4	9
21st Reinforcements ..	..	..	..	412	4	7	"Tofua" (28B) ..	..	..	..	99	6	4
22nd Reinforcements ..	..	..	..	359	7	4	"Waimana" (29B) ..	..	..	..	95	3	5
23rd Reinforcements ..	..	..	..	434	10	1	"Prinzessen" (30B) ..	..	..	..	87	2	8
24th Reinforcements ..	..	..	..	213	1	6	"Maunganui" (31B) ..	..	..	..	10	19	4
25th Reinforcements ..	..	..	..	319	16	7	"Ruahine" (32B) ..	..	..	..	108	3	2
26th Reinforcements ..	..	..	..	356	15	4	"Tahiti" (33B) ..	..	..	..	165	0	5
27th Reinforcements ..	..	..	..	288	9	9	"Chupra" (34B) ..	..	..	..	5	16	10
28th Reinforcements ..	..	..	..	306	11	5	"Ulimaroa" (Egypt) ..	42	11	7	..	..	..
29th Reinforcements ..	..	..	..	245	7	8	"Kigoma" (35B) ..	..	..	..	183	16	5
30th Reinforcements ..	..	..	..	429	6	11	"Ruapehu" (36B) ..	..	..	..	28	3	7
31st and 32nd Reinforce-	..	..	..	..	..	..	"Marama" (37B) ..	..	..	..	51	19	8
ments ..	..	..	..	465	8	10	"Briton" (38B) ..	..	..	..	3	19	5
29th and 34th Mounted	..	..	..	..	..	..	"Giessen" (39B) ..	33	12	6	..	..	..
Rifles ..	..	..	..	155	18	7	"Matatua" (40B) ..	4	19	11	..	..	..
33rd Reinforcements ..	..	..	..	232	5	1	"Port Hacking" (41B) ..	17	1	6	..	..	..
34th Reinforcements ..	..	..	..	123	4	11	"Somerset" (42B) ..	83	6	11	..	..	..
35th Reinforcements ..	..	..	..	89	10	2	"Mamari" (43B) ..	..	..	..	0	18	7
36th Reinforcements ..	..	..	..	276	14	4	"Ellenga" (Egypt) ..	..	..	..	16	14	4
37th Reinforcements ..	..	..	..	317	2	1	"Cordoba" (44B) ..	209	9	11	..	..	..
"Ionic" (104) ..	..	..	..	35	6	10	"Ayrshire" (45B) ..	116	16	2	..	..	..
38th Reinforcements ..	..	..	..	194	18	11	"Athenic" (46B) ..	80	13	6	..	..	..
39th Reinforcements ..	..	..	..	186	14	11	"Hororata" (47B) ..	71	16	4	..	..	..
40th Reinforcements ..	..	..	..	236	16	7	"Tainui" (48B) ..	104	2	7	..	..	..
41st Reinforcements ..	..	..	..	265	7	4	"Corinthic" (49B) ..	255	4	..	..	..	..
42nd Reinforcements ..	..	..	..	114	11	8	"Adolph Woermann"	..	..	..	..	..	..
43rd Reinforcements ..	..	..	..	240	9	10	(50B) ..	11	2	6	..	..	..
Return voyages—	..	..	..	..	..	..	"Ionic" (51B) ..	228	19	7	..	..	..
"Maunganui" (56) ..	..	..	..	7	15	11	"Paparua" (52B) ..	89	19	..	..	..	..
"Tahiti" (57) ..	..	..	..	36	3	8	"Remuera" (53B) ..	167	13	4	..	..	..
"Waitemata" (59) ..	144	7	0	..	..	..	"Arawa" (54B) ..	310	10	0	..	..	..
"Ulimaroa" (60) ..	..	..	..	7	18	2	"Ruahine" (55B) ..	136	12	7	..	..	..
"Mokoia" (62) ..	..	..	..	22	4	6	"Rimutaka" (56B) ..	176	17	7	..	..	..
"Navua" (63) ..	..	..	..	26	16	1	"Kigoma" (57B) ..	110	8	6	..	..	..
"Willochra" (66) ..	..	..	..	15	16	0	"Ruapehu" (58B) ..	138	6	8	..	..	..
"Tofua" (67) ..	..	..	..	77	16	3	"Athenic" (59B) ..	47	0	11	..	..	..
"Maunganui" (68) ..	..	..	..	8	6	2	"Tainui" (60B) ..	..	..	..	9	12	10
"Tahiti" (69) ..	..	..	..	6	18	9	General Account ..	921	7	10	..	..	..
"Ulimaroa" (74) ..	..	..	..	65	16	8	..	5,421	17	9	15,204	19	2
"Tofua" (83) ..	..	..	..	101	1	7	..	..	..	..	25	3	1
"Willochra" (95) ..	17	16	11	..	..	..	..	..	..	..	..	..	..
"Maunganui" (96) ..	..	..	..	89	1	5	..	..	..	..	..	..	..
"Tahiti" (97) ..	..	..	..	171	3	7	..	294	18	8	..	..	..
"Maunganui" (103) ..	8	15	2	..	..	..	..	9,513	5	10	..	..	..
"Remuera" (105) ..	..	..	..	60	7	5	..	£15,230	2	3	£15,230	2	3
"Tahiti" (107) ..	..	..	..	53	14	10	..	..	..	..	..	..	..
"Ulimaroa" (108) ..	..	..	..	103	6	11	..	..	..	..	..	..	..
							Balance brought down ..	..	..	..	£9,513	5	10

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