

*(d.) Drill-halls.*

Some progress has been made in the provision of essential drill-halls, but much remains to be done. Several sites have been secured, important additions have been made to some halls, whilst other new buildings will be commenced shortly. Existing halls have been improved and maintained. Several years must elapse before the reasonable requirements of the Department for drill-halls accommodation can be met.

*(e.) Rifle Ranges.*

New ranges are urgently required at Gisborne, Waikato Camp, and Burnham Camp. At Burnham the range will be situated within the camp area, and negotiations are proceeding for the acquisition of selected sites at Gisborne and at Waikato Camp. The acquisition and construction of full-sized rifle ranges is an expensive matter, but their importance compels their provision. In the event of mobilization the absence of rifle ranges at the mobilization centres (Waikato and Burnham Camps) would be most serious. It is hoped to commence all three ranges in the near future.

*(f.) Stores and Equipment.*

Until suitable Ordnance storehouses are erected at Waikato and Trentham Camps particularly the accommodation cannot be regarded as satisfactory, since the temporary and scattered buildings at these camps inevitably cause deterioration of stores and equipment and prevent proper supervision and economical employment of Ordnance personnel. The matter is receiving attention, but, except at Waikato Camp, the financial situation prevents much improvement being effected for at least two years.

Improvements have been effected in Ordnance workshops, improved and additional machinery having been installed, while a workshop has been established at Auckland. The shops will be kept fully employed in repair and maintenance work, and in keeping the equipment in New Zealand up to date in accordance with improvements and alterations decided on from time to time by the War Office.

The system of accounting for stores is very satisfactory, and few losses occur, particularly when the nature of the Department's transactions—issues to some forty thousand individuals, erection and dismantling of numerous canvas training-camps, &c.—is remembered. The losses that do occur are confined almost entirely to loss of equipment of untraceable trainees, losses in transit, and minor shortages in some of the innumerable articles used at the various training-camps.

The sale of surplus stores is still proceeding, but business is slackening off, and the special staff employed on this work is being reduced from time to time. The prices realized, however, are so much higher than are obtainable by other methods of sale that the retention of the present method is warranted in the public interest. A method of conducting sales at various centres throughout the Dominion has been inaugurated, and should prove most satisfactory.

The gradual exhaustion of war-time stocks of clothing necessitate fresh supplies being purchased to provide requirements for the Territorial Force and Cadets, and provision has been made in the estimates accordingly.

There was a serious loss of artillery equipment in the fire at the Lower Hutt Drill-hall in November last. The four damaged 6-in. howitzers have been replaced from reserve, which is thus badly depleted. The full extent of the damage is not yet known, but the necessary tests of the damaged pieces are in hand.

The artillery equipment, including ammunition, in harbour defences and on issue to units cannot receive the attention it really requires from the present reduced numbers of Royal N.Z. Artillery. No serious deterioration is yet noticeable, but under present conditions the equipment will not last as long as it should, nor will it be found in such good order on mobilization as would otherwise be the case.

*(g.) Ammunition.*

Gun ammunition: The position is materially the same as when my last annual report was submitted, and a decision is anxiously awaited upon the recommendations already made. An adequate reserve of gun ammunition is a vital necessity for any defence scheme.

Small-arms ammunition: A new contract for the supply of small-arms ammunition which ensures adequate supplies and effects a considerable decrease in expenditure has been arranged with the Colonial Ammunition Company.

*(h.) Horses.*

The question of the supply of horses in the event of mobilization is still under investigation.

*(i.) Mechanical Transport.*

Mechanical traction of artillery: The available supply of suitable horses for war purposes is constantly dwindling, and the subject of mechanical traction for artillery is one which cannot be neglected, particularly for medium artillery.

During the past year trials have been carried out with certain types of vehicles which can be procured locally, and it has been made clear that for medium artillery off the road for war conditions nothing short of a "track" or "caterpillar" vehicle is suitable. Since this opinion was formed, indications have been received that War Office experience confirms it. It is hoped during the coming year to make a start by procuring two tractors for training and experiment in this important subject.