H.—24.

exertions in obtaining from His Excellency the Admiral the services of two expert naval officers, who held a most exhaustive inquiry into the matter, obtaining a mass of information on the system adopted in the colony for carrying out torpedo- and submarine-work, and furnishing a valuable report containing recommendations and suggestions which have been adopted and carried out, and which should prevent the possibility of a similar disaster. It may be stated in justice to all concerned that this is the only accident that has happened since the corps has been enrolled.

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During the year four torpedo-men have passed for and obtained Marine Board certificates as river-engineers, and several more are nearly ready to present themselves for examination. Like the Artillery branch, the officers and petty officers have been extensively employed as Instructors in submarine-mining work to the Naval Artillery Volunteers, and the progress made in this work under these Instructors is alike creditable to masters and pupils. The drill is popular, and very soon there will be a considerable number of efficient submarine miners in our Volunteer Force, a

very valuable contingent in war-time.

Recruits.—The recruits who have joined both the Artillery and Torpedo branches during the past year have been mostly colonials and the greater portion New-Zealand born. They are robust, active, intelligent and subordinate, calculated to make good soldiers, and as a rule anxious and impatient to become efficients, and as there is a long list of applicants for enrolment, who from their appearance, character, trade, and physique should do well in the Force, there is no likelihood of any dearth of recruits. It is hoped that men transferred to the Police, Prisons, &c., will not be entirely lost to the Permanent Force, but that arrangements will be made which will enable these men yearly to undergo at least a fortnight's course of gua-drill, &c., and thereby to retain their practical knowledge of guns and artillery should they be at any time required to assist in manning the batteries.

Conduct.—The conduct of the Permanent Force generally has been good: there have been cases of drunkenness, absence without leave, and the like, but really serious-offences have been

very rare.

Officers.—The changes amongst the officers during the past year have been the retirement of one captain on account of retrenchment, his place being filled by the transfer of the staff-officer to

battery duty, the services of a staff-officer being dispensed with.

Volunteers.—On the 31st December last the strength of the Volunteer Force of the colony was 6,700 of all ranks, as against 7,719 at the close of the previous year, and of those numbers 4,939 earned capitation last year, as against 5,758 in 1889. Too much reliance should, however, not be placed on the actual strength shown above those who earn capitation, as many of the men whose names are retained on the rolls are not in the colony. At the annual inspections when making inquiries as to the whereabouts of absentees, the invariable reply is, "Oh, this one is in Melbourne, and that one is in Sydney, but they are coming back shortly;" in fact, in a few instances, men who are in Johannisberg are retained on the strength of corps, but commanding officers are loth to strike such men off the strength, in case the corps might be below the minimum. I estimate that 500 of the total strength of 6,700 may be looked upon as on paper only, and fairly omitted from making any calculation as to the actual strength available for service. During shearing and harvest seasons, when the greater number of daylight-drills should take place, it will be found, as far as country corps are concerned, that seldom more than one-third (certainly not half) of the total strength of these corps are available for duty, as in many cases the men are employed outside the district, and entirely away from the control of their commanding officers.

Inspections.—I have great pleasue in stating that during the past year I have noticed a marked improvement generally in the corps inspected, more especially in the proficiency of officers and non-commissioned officers, who have evidently profited by the somewhat severe comments I deemed it my duty to pass upon them in my report last year. They have not only made themselves better acquainted with the more modern systems of tactics and drill, more especially as regards the latest adopted modes of attack and defence, but they have learned to command and control their subordinates in the matter of their expenditure of ammunition when on parade, and are less reticent to point out and put a stop to irregularities and inefficiency. In many instances the musters for inspection were very poor, as will be seen by the attached return, but those on parade undoubtedly presented a far more soldierlike appearance than was met with in the previous year. What is required is more daylight-parades, for which payment should be made and, if employers of labour still persist in refusing to give their men leave to attend, a certain number of days in each year, the greater part in summer, should be by statute proclaimed Volunteer holidays or half-holidays, by

which the men would be enabled to attend and good results would follow.

Mounted Corps.—Like the infantry corps, there is certainly a marked improvement generally in the mounted troops, and, as they are composed of officers and men who are good horsemen and well mounted, they would doubtless prove very useful in the case of an attack. There is a wide difference of opinion just now amongst military experts as to the difference between mounted infantry and mounted rifles. It is said that Lord Wolseley believes in mounted infantry, but not in mounted rifles; the Inspector-General of Cavalry in Great Britain, on the other hand, places his faith in mounted rifles; while the Germans ridicule the idea of mounted infantry, but say that mounted rifles will, before many years are past, take the place of cavalry. However, what seems to be required for a country like New Zealand is mounted rifles, who should be instructed both in cavalry and infantry drill, equal attention being given to mounted and dismounted drills; this kind of training should produce a body of men and horses whose services must be most valuable in time of war. All mounted-infantry corps, as well as some of the cavalry corps, have recently been made mounted rifles, and it is hoped the few hussars, &c., that remain will shortly become mounted rifles, and make themselves proficient in both mounted and foot drill as quickly as possible.

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Field Batteries.—The field batteries still meintain their reputation for drill and efficiency, but there appears to be a consensus of opinion amongst the battery officers that a capitation of £2 per