

be required to supply an expeditionary force suitable for service oversea, it can be promptly sent without any dislocation of our own defences.

I propose that all boys between the ages of twelve and eighteen shall undergo elementary and progressive training either in a junior or senior cadet division; boys under the former age will undergo physical training only. All young men, except those physically unfit, between the years of eighteen and twenty-one will undergo two years' compulsory training. This training will be on stated evenings and on half and whole days during the year. In addition, there will be training for fourteen days in each year in training-camp.

As a further part of the proposed scheme, an active force will be organized consisting of 20,000 of all ranks, composed of men between the ages of eighteen and thirty years who choose to join voluntarily. This force will be organized on Imperial lines as to arms, equipment, establishment, and training. After these men have completed their services, they will pass to a reserve. In the event of such a force not being equipped in point of numbers by voluntarily enlisting, a selection will be made from those undergoing the compulsory training above outlined to make up the total.

This active force will be established on 1st March next in the larger centres of population only. The mounted rifles in the country will, however, be included. As the staff instructors gain experience, and as material and equipment are available, the scheme will be extended beyond the larger centres to the outlying districts of the Dominion.

The compulsory training for the junior and senior cadets and for young men between eighteen and twenty-one will commence as soon as the requisite registration can be completed.

I feel that the useful services of rifle clubs should not be lost to the Dominion, and the continuance and formation of these will be encouraged in every way. All those exempt from service in these forces and those who shall have completed their services may join the rifle clubs.

I do not propose that those undergoing compulsory military training shall be provided with uniform. Their training will take place in ordinary civilian dress.

As it is most desirable that there should be uniformity between the scheme followed by the Imperial General Staff and our own General Staff, steps will be taken to insure the necessary similarity of training and methods of defence. As a permanent central training-ground will be absolutely necessary in each Island, the House will be asked to authorise the setting-apart of a considerable area of land—say, 12,000 acres—in each Island, where continuous training may take place, where a permanent instructional staff can be located, and on which all necessary buildings, ranges, and other equipments can be erected.

As regards the expense of the proposed scheme, I may say that this is estimated at not more than £100,000 per annum, and this sum you will be asked to add to the present defence vote. I propose also to ask for a further sum of £150,000 for additional armament and field equipment, but the expenditure of this amount will be spread over a period of three years.

After it has been introduced I propose to set up a Select Committee to consider the proposals contained in the Bill. I feel sure that the House will assist to place this important legislation on the statute-book this session.

RETRENCHMENT.

The revenue for several years had, as you are aware, continuously increased to such an extent that from time to time heavy reductions by way of remissions, both in taxation and in the receipts of the various departments, have been effected. I would remind you of the fact that during the last fifteen years the total amount of remissions amounted to nearly seven millions, and of that amount during the session of 1907 the last remissions in taxation and reduction of revenue were made to the extent of £600,000 per annum.

The extraordinary drop in the value of some of our principal products brought about an alteration in the commercial condition of the country