

The ammunition supplied by the Colonial Ammunition Company continues to be satisfactory. During the year very few complaints have been received, although nearly two and a half million rounds were fired by the various corps and Rifle Clubs.

A test was made during the year by the Testing Officer of samples from the oldest ammunition in stock, and showed that no deterioration had taken place, although it has been stored for some time.

Clothing and Equipment.

Although all corps are fully equipped with accoutrements, our reserve is not sufficiently large.

Tenders for an additional supply are now being invited, which should insure a sufficient supply when required.

A supply of nose-bags for Mounted corps has been obtained. These are kept in the Mobilisation Stores of districts, and issued when required at camps, &c.

The camp equipment is being maintained in good order, and tents not considered serviceable for military purposes are being disposed of at satisfactory rates. A small supply of the new-pattern operating-tent was obtained during the year.

Field Engineering and Signalling Equipment.

A new Field Engineering and Signalling equipment has been laid down, and the stores are now under order.

As it was considered that the bull's-eye lamps at present on issue to corps were of no practical use for signalling purposes, experiments were carried out, and it was found that these lamps, fitted with acetylene lights, gave very good results. As the conversion can be carried out at a small cost, the whole of the lamps are now being fitted with acetylene.

Transport.

A transport wagon, S.A.A. cart, and water-cart, with harness, and also a supply of pack-saddles, have been issued to each district. These were used at the Easter camps, and proved satisfactory.

Rifle Ranges.

The rifle ranges in the Dominion have been maintained in good order.

Repairs and additions have been carried out on the ranges at Trentham, Sumner, Alexandra South, Tauranga, Te Aroha, Woodend, Hamilton, Dannevirke, Penrose, Pelichet Bay, Bruce, Eketahuna, Millerton, Reefton, Clutha, Oamaru, and Stratford.

Land has been taken for a new rifle range at Fernhill, Hastings, and money granted for equipment.

The lease of a site for a range at Hawera has been approved, and an agreement is now being drawn up; and arrangements will shortly be made to provide a range at Masterton.

Land has also been taken for a new range at Cobden, Greymouth.

At Ashburton effort has been made to increase the area of the present site.

Drill-halls.

During the year many of the drill-halls in the Dominion have been added to and repairs carried out.

Additions have been made to the halls at Wellington, Gisborne, Napier, Greymouth, Blenheim, Spring Grove, Christchurch, and Caversham.

New drainage has been installed at the Mobilisation Store, Dunedin, and at the drill-shed at Auckland.

Retaining-walls have been erected at the Lyttelton shed, and one built at Fort Jervois for the N.Z. Garrison Artillery Volunteers.

Report has been called for regarding the drill-hall at Palmerston North.

DEPARTMENT OF FINANCE.

The sum voted last year by Parliament out of the Consolidated Fund for Defence services was £217,637, of which amount £195,685 was expended during the year.

The principal items that make up this expenditure are as follows:—

Salaries and pay,—

	£
• Headquarters	7,632
Permanent Force	42,627
Volunteer Force	10,255
Stores and magazines	4,939
Capitation and personal payments to adult Volunteers and Cadets ...	29,877
Training-camps and instruction	6,240
Easter manoeuvres, 1908	14,106
Efficiency fees and badges for Volunteers	3,097
Freight, cartage, and shipping charges	4,019
Railway fares and charges	4,489
Travelling allowances and expenses	5,993
Ammunition, cordite, &c.	27,813
Arms, equipment, ordnance, and other warlike stores	13,486
Maintenance of launches, including cost of three new motor-launches ...	3,244