Facilities for rifle practice are unquestionably of considerable importance, but as the future training policy is necessarily at present indefinite, the extension of the number of range-sites has remained in abeyance during the year, the musketry practice of Territorial units being largely carried out at the annual training-camps. Useful work is in the meantime being done on miniature-rifle ranges, several of which have been constructed during the year.

44. SMALL-ARMS AMMUNITION.

The Colonial Ammunition Company has more than fulfilled the contract regarding the supply of Mark VI small-arms ammunition for the Expeditionary Force, Territorials, and Senior Cadets, and during the year have installed machinery for the manufacture of Mark VII small-arms ammunition. On account of the initial difficulties which are invariably associated with new processes, some delay has been experienced with regard to deliveries, chiefly owing to war conditions, which have made it difficult for contractors to obtain the proper material to enable them to produce Mark VII small-arms ammunition that will conform in every respect to the specification laid down and carefully guarded by the Proof Officer. This difficulty is chiefly due to the inability of the contractors to obtain certain material.

Cordite has been coming to hand in sufficient quantities to meet all the requirements of the Dominion.

45. SMALL ARMS.

During the Armourer's inspection of the four districts for the year ended 31st May, 2,314 rifles were not produced for inspection. The condition of the rifles on issue shows a great want of care on the part of those responsible, and in this connection the matter has been taken up with the Officers Commanding Districts. The supply of component parts is still limited, but this limitation has not interfered with training in Expeditionary Force camps.

46. MACHINE GUNS.

A supply of machine guns, Lewis pattern, complete with spare parts, &c., was received during the year and issued.

47. ARTILLERY STORES.

Throughout the year the Artillery stores and armament in the Dominion have been inspected and checked.

The armament generally is well kept, with the exception of some of the Field Batteries, "F" and "J" in particular.

Supplies indented for from England have been coming forward in greater volume than was expected during the war.

A quantity of underproof cordite has had to be destroyed, and other lots are in isolation or waiting for the silvered-vessel test.

A quantity of Q.F. ammunition (6-pr., 12-pr., and 18-pr., and 4.5 in. howitzer) has been made up locally by the Ordnance Section, and when supplies of cordite, shell, &c., are available the whole of this work can be carried out in the Dominion.

A number of mercantile-marine ships have been armed and provided with ammunition and stores; others have been fitted for the reception of defensive armament should such a course be necessary.

48. Engineer Units.

All the Territorial Engineer units are short of equipment, but as far as possible they have been provided with sufficient stores to carry out preliminary training. Vehicles, harness, and saddlery are items of equipment mostly required by all units. The accommodation for Engineer stores in each district is very limited and unsuitable, and would be found quite inadequate if the units were supplied with their full equipment.

As previously pointed out, the stores on charge to Engineer units cannot be satisfactorily accounted for and kept in good order and condition in the present circumstances. Losses are continually taking place; the stores depreciate owing to want of cleaning and proper storing, and the unit equipment ledgers are not properly kept. This unsatisfactory state of affairs is due to the fact that members of Territorial companies are entrusted with the care of the stores. In the first place, they have not the time to devote to the work, and, secondly, they have not yet the experience required for the proper care and storage of equipment and stores. The remedy appears to be to either have a nucleus of the Permanent Force appointed to each district to look after the stores and assist in the training, as in the case of Field Artillery, or to appoint a permanent Storeman to each district to be responsible for the care and custody of all Engineer stores in the district. This trouble will be overcome on reorganization of the Territorial Forces on demobilization of the Expeditionary Force now abroad.

49. Arms and Equipment on charge to Districts.

A Court of Inquiry was set up for the purpose of ascertaining the position of units in regard to comparison of the stock held and ledger balance caused through the departure of men with Expeditionary Force. This Court dealt with the Engineer and Artillery units, and from experience gained it was found impossible to arrive at the actual deficiencies until the following information was obtained, viz.: (1) Equipment in possession of units on the 31st July, 1914; (2) equipment taken away with Main Body; (3) equipment withdrawn to equip Reinforcements. Balance as shown by ledgers after allowing for (2) and (3). Considerable difficulty has been experienced in obtaining above information, Wellington and Auckland Districts having not yet complied. As soon as information is obtained it is proposed to inquire into and report upon losses.