1922. NEW ZEALAND.

DEFENCE FORCES OF NEW ZEALAND.

REPORT OF THE GENERAL OFFICER COMMANDING THE NEW ZEALAND MILITARY FORCES, FOR THE PERIOD FROM 1st JULY, 1921, TO 30th JUNE, 1922.

Presented to both Houses of the General Assembly by Command of His Excellency.

REPORT.

The Hon. the Minister of Defence.

Headquarters, New Zealand Military Forces, Wellington, 11th July, 1922.

I have the honour to submit herewith the annual report on the Defence Forces, covering the period 1st July, 1921, to 30th June, 1922.

During the year under review the Department has endeavoured to carry out the universal-training provisions of the Defence Act so far as the limited means at its disposal permitted. The main estimates for the year 1921 22 amounted to £515,958, and provided for carrying out the full amount of training except that attendance at camps was to be restricted to officers and non-commissioned officers. This restriction was made in order to balance expenditure, which was extra to that provided for in the proposed scheme. The chief items of such extra expenditure were—

(1.) The pay of officers, non-commissioned officers, and men, who had been placed on leave pending retirement, and the compensation awarded them for loss of appointment:

(2.) Small-arms ammunition the new contract (which provided for a saving of £50,000 per annum) not being fully effected until after the 1st April, 1922.

In November, 1921, instructions were received that the expenditure provided for in the estimates was to be reduced by £107,000. This decision, coming as it did after seven months of the financial year had passed, necessitated very drastic cuts wherever possible, but more especially where they would take immediate effect. Among those made were the discharge of most of the temporary personnel, the closing of the School of Instruction, the cancellation of authority for camps (only a few of which had so far been held), the cancellation of refresher courses for an aviation service, and the cancellation of the Dominion Military and Rifle Association meetings for 1922. The result has been that the expenditure has been reduced by slightly more than the amount required, but that the Department has been much criticized.

A further decision that, after the year 1921-22, the vote for land defence and aviation was to be limited to £350,000 necessitated a complete revision of the existing scheme. Proposals for a revised scheme have been submitted, of which the following have already been put into effect:-

The reduction of the Permanent Forces and Civil Staff to a strength of approximately 100 officers and 400 other ranks.

The reduction of the strength of the Territorial Force by allowing trainees to be posted to the Reserve after four years' efficient training, two of which may be in the Cadets.

The conclusion of a new contract for the supply of small-arms ammunition.

Estimates for the expenditure during the year 1922-23 are based on these proposals, but, owing to the fact that the reductions in personnel and in the small-arms-ammunition contract do not take full effect until some time after the commencement of the current financial year, very little money can be provided for camps or aviation.

PERMANENT FORCES.

The decision to reduce the Defence vote to £350,000 necessitated the reduction of the permanent personnel by over one-third; among those retired being many highly qualified officers, warrant officers, and non-commissioned officers with excellent records of service both in New Zealand and in the field; also the thirteen Staff Cadets at the Royal Military College of Australia. Three officers

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