Lieut.-Colonel J. Lyons, M.R.C.V.S., Eng., N.Z. Veterinary Corps, relinquished the appointment of Director of Veterinary Services and Remounts, and was posted to the Retired List, dated 31st March, 1934.

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Captain W. C. Barry, M.R.C.V.S., was appointed Director of Veterinary Services and Remounts and granted the temporary rank of Lieut-Colonel, dated 1st June, 1934.

The majority of my officers, through the existing abnormal conditions, hold more than one appointment, and many junior officers are holding appointments and carrying out responsible duties which should be apportioned to senior officers. While this is not in the best interests of the Service, it is necessitated by the shortage of staff and normal promotions being in abeyance.

(b) MILITARY EDUCATION.

The following officers were successful in passing the Entrance Examination of the Staff College,

Camberley, in February-March, 1933:—
Captain C. S. J. Duff, R.N.Z.A.
Captain D. T. Maxwell, N.Z.S.C.

Captain W. G. Gentry, N.Z.S.C. Captain C. S. J. Duff, R.N.Z.A., proceeded to England on the 13th July, 1933, to undergo a

gunnery staff course and an artillery survey course.

It has not yet been found practicable for New Zealand to again resume representation at the Imperial Defence College, but the advantages of this College have not been lost sight of, and it is hoped that the time is not far distant when a nomination may be made. New Zealand was last represented in 1930.

In order to keep up the steady inflow of young officers, to meet requirements occasioned by retirements, resignations, and deaths, four cadets were sent to the Royal Military College of Australia

on the 16th February, 1934.

As pointed out previously, the Service is seriously understaffed in officers, and it is hoped it will be possible to send a further six cadets to the Royal Military College of Australia during the ensuing year.

These cadets will not graduate for service as officers in the New Zealand Military Forces until four years after their entry at the College. Although on qualifying they will meet the current wastage, the question of the immediate shortage still remains.

(c) Casualties.

Two "other ranks" of the Permanent Forces resigned during the year and thirteen were discharged for other reasons.

(d) VACANCIES IN THE PERMANENT FORCES (OTHER RANKS).

Recruits have been appointed to fill vacancies which have occurred since my last report and are

now undergoing instruction at the Training Depot, Trentham.

Recruits have also been appointed and are in training at the Training Depot, Trentham, to partly meet the increased establishment of the Royal New Zealand Artillery and Royal New Zealand Air Force. It is proposed to be fully recruited by 1st February, 1935.

(e) Liaison with Australia.

At the invitation of the Commonwealth Government an exchange of officers was effected during the camp-training period of the past training year, with a view to obtaining closer liaison between the

Military Forces of the Commonwealth and of the Dominion.

Under this arrangement Captain (Brevet Major) W. Bridgeford, M.C., Australian Staff Corps, General Staff, Director of Military Training Branch, Army Headquarters, was detailed for duty in New Zealand from 5th March, to 4th May, 1934, and Major N. W. McD. Weir, N.Z. Staff Corps, General Staff Officer, Military Training and Staff Duties, General Headquarters, for duty in Australia from 12th February to 5th May, 1934.

Apart from the interchange of ideas on methods of training, &c., which such an arrangement affords, I regard the personal contact so established between the two forces as of primary importance.

The Chief of the General Staff, Australian Military Forces, has expressed the desire that the scheme now initiated should continue, a proposal in which I fully concur.

2. COAST DEFENCES.

In accordance with the policy approved by Cabinet for strengthening the coast defences of the Dominion, preliminary steps have been taken to procure the new armament and equipment. At the same time a proportion of anti-craft armament and equipment has been ordered.

3. AIR SERVICES.

(a) ROYAL NEW ZEALAND ATR FORCE.

His Majesty the King has been graciously pleased to grant permission for the title of the New Zealand Permanent Air Force to be altered to the "Royal New Zealand Air Force," and this change was duly gazetted in February, 1934.

The strength of the Royal N.Z. Air Force remained unaltered (nine officers, forty-five other ranks) until April 1934, when the first batch (fifteen) of new enlistments, required for the maintenance of new equipment, were posted to the R.N.Z.A.F. Base, Hobsonville, Auckland.