

The proper and adequate direction of the Dominion's war effort has been materially assisted by the establishment of a War Cabinet, and my Advisers desire to emphasize the undoubted advantages that have resulted from this measure in placing the higher direction of the Dominion's war effort upon a wider basis.

By the establishment of a War Council, providing as it does for the direct collaboration with my Government of representatives of labour, employers, and farmers, it is felt that every section of the community has been afforded some means of expressing its views and exercising its proper influence on the country's war effort.

Most valuable assistance has been rendered, also, by the National Production Council, the Industrial Emergency Council, and other advisory bodies, which afford those immediately concerned in trade and industry the opportunity of consulting directly amongst themselves on war measures and of advising my Ministers of their respective requirements.

The Dominion's contribution to the war has been one of which we may be justly proud. An Expeditionary Force of large numbers, well trained and equipped, is now established overseas, and when it is put to the test of arms it will undoubtedly prove a worthy successor to the New Zealand Expeditionary Force of 1914-18. Although our forces have not as yet participated as a fighting unit in the Libyan campaign, we were nevertheless worthily represented in these operations by Signals, Engineer, and Transport personnel, whose services received high praise from the Commander-in-Chief.

In New Zealand there has been a rapid expansion of the forces available to defend our own shores against possible attack. Our coast defences, now continuously manned, have been constantly reviewed and strengthened; the Territorial Force has been expanded and is under concentrated training; a National Military Reserve, a Home Guard, a large and comprehensive Emergency Precautions Organization and a Women's War Service Auxiliary have been established and are being trained and equipped. My Ministers have taken, and will continue to take, every possible step to ensure that we are fully prepared here to meet any contingency that may arise. My Advisers are warmly appreciative of the ready response of local authorities and the general public to all demands and requests that the requirements of the time have necessitated.

After the fullest consideration, and notwithstanding a steady and most encouraging flow of volunteers, my Ministers during last year determined to introduce a system of universal military service as the most equitable method of meeting the greatly increased man-power requirements of the Dominion, and I am happy to say that under this system the splendid spirit of our young manhood undergoing military instruction has been fully maintained. I am particularly happy to say that a battalion of the Maori race has left our shores to play its part in the common cause.

In view of the vital importance of the closest possible liaison between British and Allied countries my Government have been represented by their Chiefs of Staff and others at various conferences on war strategy and supply, and, in addition, the Chief of the General Staff has visited the theatre of operations in the Middle East and from many sources gathered recent and valuable information for my Ministers.

His Majesty's ships of the New Zealand Naval Forces are disposed and employed to the best advantage and are constantly at sea. The mine-sweeping flotilla has been greatly strengthened by the taking up and conversion of suitable merchant vessels, and fast-motor launches have been requisitioned for duty as patrol craft. My Ministers have recently made provision for a naval training establishment at Motuihi Island at Auckland.