On behalf of the Department of Munitions and Supplies, since the beginning of January I have made visits, in some cases two or three weekly, to the five firms manufacturing military footwear. All the manufacturers complain that they have some difficulty in securing the heavy sides which are necessary for the military boot; and I might point out that the shortage of this class of sole-leather is getting very serious, as the specifications for the New Zealand service boot provides for two soles, and the edge of the soles must be § in. thick when finished.

Wellington.—Inspections have been made of the stocks of footwear in the hands of wholesale houses and retailers. A great deal of ignorance was manifested by retailers as to the essential provisions of the Act. It seemed not to be understood by them that all the stocks of footwear came within the scope of the Act irrespective of where and when they were purchased. In all cases where necessary, warnings have been given to dealers to brand the goods within a space of two months after such warning being given. As some misapprehension evidently existed in the minds of English exporting houses regarding the requirements of the Act, three representatives of large English firms have been seen and the details explained to them.

At the request of the Defence Department, since the 4th January weekly visits have been paid to the factories making military boots. The quality of the material has been subjected to a very rigid inspection. The workmanship has also been very carefully noted from the first operation down to the production of the finished boot. Small errors have in many instances been corrected,

and a general compliance with the specifications insisted upon.

Christchurch.—During the period since the Footwear Act has been put into operation over a hundred stocks have been examined, and a large amount of shoddy footwear has been found unbranded. Steps have been taken to have the same branded as required by the Act.

footwear and the examination of leather for export have also been dealt with.

Dunedin .-- Visits of inspection have been made to all factories and repairing-shops where the making of footwear is carried on in the district. In some instances it was discovered that footwear requiring to be stamped in compliance with the Act had not been branded. Letters of warning were sent in all such cases, and further visits revealed that care was exercised to give full effect to the law.

Invercargill.—I have to report having visited thirty-two business places-shops, warehouses, &c .-- in town and country dealing in boots and shoes, and found a fairly large percentage of shoddy or inferior makes, principally old stock. The average storekeeper states his inability

to tell leather insoles from composition.

New Plymouth .- I have visited twenty-one towns in addition to New Plymouth, and have inspected footwear in all factories, warehouses, and stores where boots and shoes are stocked in any quantity. In thirty-four cases I discovered boots and shoes which were not branded as required by the Act. It was thought sufficient to give a warning in each case, and to require the occupier to stamp without delay the lines which he had in stock.

DETAILS OF EXPENDITURE OF THE DI	EPARTMENT	OF LAB	OUR DURI	NG THE	YEAR.		
Salaries, temporary clerical assistance, and				other	£	s.	d.
officers acting as departmental agents					17,318		9*
Advertising and publications					72	2	9
Fares (at reduced rates), board and lodging, &	c., advan	ced to pe	rsons pro	ceed-			
ing to employment					775	7	10†
Fares (proportion of) contributed by Departme	ent to per	sons proc	eeding to	em-			
ployment (viz., 25 per cent. of fares on re	ailways)				340	14	11
Fees paid to assessors of Conciliation Councils					1,861	13	0
Legal and witnesses' expenses (see refunds of sa	me below)			49	15	6
Postage, telegrams, rent of letter-boxes and tel	ephones				1,565	7	5
Printing and stationery	-				2,164	12	3
Rent, office requisites, cleaning, fuel and lighting	ng				551	12	7
Travelling allowances and expenses, bicycles, &	c				4,674	13	3
Workers' dwellings-							
Administrative and travelling expenses	(recover	able and	credite	d to	•		
Workers' Dwellings accounts)					685	19	8
Fire insurance, rates, and repairs (recove	erable and	deredited	l to Wor	kers'	•		
Dwellings accounts)					1,491	18	7
Miscellaneous-			£	s. d.			
Arbitration Court and Conciliation Counci	ils		97 1	1 8			
General			362	8 9			
					460	0	5
					32,012	16	11
Less refunds—					•		
Fares			286 1	2 1†			
Legal and witnesses' expenses			49 1				
					336	7	7
					£31,676	9	4*

^{*} This total does not include the salaries of the Judge and members of the Court of Arbitration, £2,800 (appropriated by special Act).

[†] As mentioned on p. 2 of this report, the refunds of fares advanced amount to 96.5 per cent. The expenditure during the year 1915-16 (£775 7s. 10d.) includes a number of large accounts that were held over from the preceding year, for which the refunds appeared in that year's accounts.