

73. REGULATIONS.

During the year the following regulations and instructions have been issued:—

- (1.) Scale of depreciation of clothing and the establishment of a scale of "life."
- (2.) Vocabulary of stores.
- (3.) Regulations governing the issue of clothing to home-service soldiers.
- (4.) Regulations relating to accounting for linen, bedding, and stores on transports.
- (5.) Instructions regarding standardization of card-cabinets throughout the Dominion.
- (6.) Instructions for the care and preservation of harness and saddlery.
- (7.) Regulations for camp and barrack services, including schedules of furniture and fittings in camps, drill-halls, offices, and hospitals throughout the Dominion, thus ensuring proper accounting for and supervision of stores, equipment, &c., repairing of furniture, and detailed duties in connection with the above.
- (8.) Schedules of cleaning-materials.
- (9.) Regulations in connection with the organization and formation of Ordnance Department and Ordnance Corps.
- (10.) Ordnance Regulations bringing the Ordnance Department into line with the British Army—*i.e.*, remodelling stores on Ordnance lines, including departmental ledgers and accounting for, &c.

74. WAR ACCOUNTS.

The work of this Department has grown to such an extent that it was found absolutely necessary during the year to provide additional office accommodation for the staff.

Allotments.—The allotment warrants sent out in March totalled 53,013, or an increase of 22,107, during the year.

Expenditure.—The total expenditure to the 31st March, 1917, was £22,226,428 12s. 2d., including pay of troops, cost of transport, supplies, equipment, and other charges in connection with the war, as well as the amount paid from War Expenses Account for relief purposes in Belgium and New Zealand.

Soldiers' Accounts.—Every effort is made to facilitate the final settlement of soldiers' accounts, but some delay in doing so is unavoidable. This is entirely due to the long distance from the overseas base, and the consequent late arrival of acquittance rolls from the front. By the time these are collected and passed for entry in London a period of six months will sometimes elapse before they are received in New Zealand.

Soldiers' Remittances.—Facilities have been afforded for the remittance of money to and from soldiers through the Staff Paymaster in London and the Base Cashier, Cairo. Remittances not exceeding £10 are sent free of exchange, the cost of the cablegram only being charged for, the average charge for each remittance working out at 10s. The total amount remitted under this heading to the 31st March, 1917, was £100,461, and the number of remittances on some occasions has reached between sixty and a hundred per day. A large number of remittances sent through other sources—*i.e.*, banks, mercantile firms, &c.—are handed over by their London branches to the N.Z.E.F. Staff Paymaster in London for credit of and payment to soldiers.

Hospitals and Hostels.—The expenditure for hospital maintenance has largely increased consequent upon the return of invalided soldiers and provision of accommodation therefor. The total payments for hospital accommodation (new buildings, &c.) to the 31st March, 1917, amounted to £87,126. The payments to public hospitals for maintenance of soldiers in these institutions have also largely increased.

A sum of £3,500 has been provided by the Government towards the cost of building hostels for soldiers in New Zealand and abroad.

Deceased Soldiers' Estates.—Arrangements have been made with the Public Trustee to make inquiries on behalf of the Defence Department for the purpose of obtaining information regarding legal next-of-kin, &c., to facilitate settlement of balances of military pay owing to deceased soldiers' estates, and the expert assistance rendered by the Public Trust Office is of great value. Every effort is made to obtain as soon as possible the pay-books of deceased soldiers, which contain provision for a will, the importance of which can be realized when the estate is a valuable one. Owing to the conditions which obtain at the front many pay-books are never recovered, but it will be understood that the Department is unable to assume that a pay-book will not come to hand until after a reasonable period has elapsed.

Pre-audit Claims.—The arrangement whereby a section of the Controller and Auditor-General's staff is located in the same building as the War Accounts staff is proving very successful. By this arrangement the audit of war accounts proceeds concurrently with the payment of claims, thus preventing an accumulation of war accounts, and ensuring that the requirements of law are fully met as the work of accounting proceeds and before any payment is actually made.

75. ARMY SERVICE CORPS.

The Army Service Corps companies are now fully equipped with clothing, and went into annual camps by detachments, where they carried out the supply and transport duties of the various regimental camps very satisfactorily.

The Army Service Corps is at present about 40 per cent. under establishment, mainly due to so many men enlisting in the Expeditionary Force. Every effort will be made to complete establishment at the next posting.

Owing to the war the difficulty in filling the artificer ranks, also the officers' and non-commissioned officers' positions, is becoming more pronounced.