

the New Zealand Post Office Savings-bank. These require careful discrimination to carry out the wishes of the Government.

Many cables have been despatched in this connection during the past twelve months, representing approximately 2,000 withdrawals, totalling to over £30,000. Since the establishing of the Expeditionary Force Pay Office in March, 1916, this branch deals with *allotted pay* and the Pay Office with *deferred pay*.

13. *Financial Matters in connection with the New Zealand War Contingent Association, and the New Zealand Hospital, Walton*, besides other places, have caused a considerable amount of account work, correspondence, and cabling.

14. *Funds for Comforts, &c.*, received from the Government and other sources have necessitated keeping special accounts, whilst the correspondence entailed with contributors and the Government has been heavy. Grants are made to hospitals and others for distribution to New-Zealanders in small sums, and in various other ways the moneys received have been and will be spent to the best advantage, either directly by the Department or through the War Contingent Association and others, in provision of comforts for the sick and wounded, soldiers in distress, prisoners of war, &c. Up to the 31st December, 1916, £154,831 had been received from various sources for disposal.

15. *Funds for Purposes connected with War, such as Red Cross, St. John Ambulance, &c.*—Large sums have been received and dealt with, especially with regard to Red Cross purposes. Accounts are kept, and arrangements made as to disposal of moneys for special purposes. By arrangement with the Red Cross Society, any Red Cross amounts specially for New-Zealanders are dealt with by the High Commissioner. £66,988 has been paid to the British Red Cross Society, whilst other Red Cross sums received and dealt with in other ways amounted to £32,127 at the 31st December, 1916.

16. *Finance in connection with War.—Advances by Imperial Government*: This has been a very important matter dealt with. In the first case details of the arrangements with the Imperial Government for war and redemption advances were carried out, and the sums agreed upon. Subsequent advances have since been arranged under revised conditions. The details of arrangements *re* interest on advances, and capital liability of the Dominion on redemptions, were carefully gone into with the Imperial Government. To the 31st December, 1916, the net advances for war purposes amounted to £9,910,000, and for redemptions to £3,250,000.

*Advances to War Office*: The needs of the New Zealand Expeditionary Force whilst in Egypt was the subject of correspondence and arrangements with the War Office. A monthly payment is made to that Department, and goods supplied and expenses incurred are set against these advances. Subsequent arrangements with the War Office have been made as to a capitation charge per head for New Zealand men in Gallipoli, Egypt, France, &c. The Staff Paymaster, London, is kept supplied with funds required for pay, allowances, &c., and correspondence, &c., is constantly in progress on various matters requiring attention.

17. *Transport Movements—Reconditioning and Discharge, Hire, Disposal of Cargoes and Stores, &c.*—The above has involved very much labour. The correspondence and cabling has been extremely heavy with the Government, shipping companies, Admiralty, War Office, New Zealand Headquarters, Marine Surveyors, and others; whilst the arrangements for reconditioning necessitated instructing Marine Surveyors, with whom matters had to be gone into very exhaustively, considerable sums being involved. Arrangements as to delivery of cargoes, disposal of surplus stores and fittings, have also been carried through. Many payments of hire and other moneys have been made, whilst vessels have been discharged as instructed. Alterations in movements of these vessels occasion much correspondence and cabling.

Generally, this matter has caused and is still responsible for much special work. All the New Zealand transports now come here, and though reconditioning has not been required in some cases, there is a large amount of other work and accounts in connection therewith. The whole or partial reconditioning of many transports has been dealt with, whilst several vessels have required considerable attention in other ways. Much of this is of a secret nature, involving arrangements now current with the Admiralty.

18. *Hospital Ships*.—A very large share of the arrangements respecting these vessels whilst in home waters has been carried out. The supply of funds for the Officers Commanding, payment of accounts for charges of all kinds, including provisioning, coaling, pilotage, water, &c., have been very heavy, necessitating much detail work.

19. *Stores and Equipment for Expeditionary Force and British Contingent*.—These matters covered, particularly during the early part of the war, the making of contracts and obtaining supplies of all kinds, particularly clothing, boots, &c. Much careful attention and discrimination was necessary to avoid acceptance of inferior supplies and payment of exorbitant prices. Difficulty was often experienced, as the usual channels of supply were not available owing to the heavy demands from Imperial and other sources. The British Contingent received special attention, the equipment required being obtained from the War Office and other sources.

20. *War Pensions, Claims, and Payments*.—This is growing into a large undertaking. Forms, accompanied by letters with full details, are sent out to soldiers and their dependants who may be entitled to ask for a pension or allowance. These are carefully examined, further details obtained, and, if in order, transferred to the Dominion for consideration and decision. When pensions or allowances are granted arrangements for regular payments are made. The number of European war pensions and allowances granted and on the books of the Department total 216, representing approximately £10,400 per annum. Many of the claims after examination are turned down for various reasons, the claimants not coming under the terms of the Acts.

21. *Wheat (Supply of): Insurance and Disposal*.—The arrangements for shipment and insurance of the Canadian wheat bought by the Government were carried out. Payment of the accounts of