

considerable assistance to the Public Trustee in administering private estates apart from military pay, and has saved the long delays which were unavoidable under the old system of pay-book wills. The Department has again to acknowledge the valuable assistance rendered by the Public Trustee.

RATES OF PAY.

The increased scale of pay for officers and nurses came into force from the 1st April, 1918, and has given satisfaction to these ranks. The issue of arrears of these increases has given the Pay Department a great deal of extra work.

The outfit grant to officers commissioned to the New Zealand Expeditionary Force before the signing of the Armistice was also increased to £40, while the uniform and upkeep allowance to members of the New Zealand Army Nursing Service was also increased in keeping with the advanced cost to the nurses of equipping themselves.

FINANCIAL ASSISTANCE.

The total cost of financial assistance paid to the 31st March, 1919, was £207,155 10s. 1d.

WAR-LOAN INVESTMENTS.

The total amount of investments in war-loan certificates handled by the Department on account of soldiers serving abroad, to the 31st May, 1919, was £20,000, under a scheme arranged whereby facilities were afforded soldiers to invest in the Dominion's war loans.

REGIMENTAL FUNDS.

In my last report it was stated that in addition to the sum granted by the Government to form the nucleus of regimental funds for units which were not specially provided for, the Advisory Board of the Federation of New Zealand Patriotic War Relief Societies had arranged to remit annually £12,000 for troops in France and £1,500 for troops in Egypt. The demobilization of the New Zealand Division now obviates the necessity for further remittances.

The amounts remitted by the Federation of Patriotic War Relief Societies to 31st May, 1919, were—France, £12,000; Egypt, £2,300: total, £14,300.

Apart from these funds, the regimental funds of the various units are sustained by distributions from the profits of divisional and regimental canteens in France and Egypt, and it has been decided that the balances remaining to credit of the regimental funds of these various units will be dealt with by a special Canteen and Regimental Funds Trust Board to be set up. In disposing of these funds the Board is to give effect to any special wishes of the units concerned.

EDUCATIONAL AND VOCATIONAL TRAINING.

Upon the evacuation of our troops from France to England, Headquarters New Zealand Expeditionary Force, United Kingdom, made special arrangements for educational and vocational training, so that troops desiring to take up courses for their future welfare should be given every facility during the period of waiting for embarkation. The training commenced in the United Kingdom is continued on the troopships *en route* to New Zealand. The sum of £50,000 was authorized by Cabinet for this purpose. The educational and vocational training-system has also been extended to undischarged soldiers who are patients in hospitals in the Dominion.

HOSPITAL COMFORTS.

During the campaigns in Gallipoli and France our soldiers were well looked after in the way of comforts while in hospital. When the casualties first commenced at Gallipoli and the necessity first arose a sum of money was cabled by the Government for this purpose, and has been supplemented from time to time by contributions from the New Zealand Red Cross Society, while various remittances have also been forwarded from Patriotic Societies, Guilds, &c., in New Zealand. The distribution of comforts in Egypt and in the hospitals in England which were under the control of the New Zealand Expeditionary Force authorities was in the hands of the New Zealand Expeditionary Force Chaplains, while the wants of New-Zealanders in British hospitals were attended to by the New Zealand War Contingent Association. Since the evacuation of fit men commenced the New Zealand War Contingent Association has placed a sum of money at the disposal of the Officer Commanding Troops on each transport leaving England, for the provision of comforts, prizes for games, &c., during the voyage to New Zealand. The amounts placed on board each ship vary from £25 to £60 in accordance with the number of troops carried; and, apart from the money spent as prize-money in games, the balance is usually expended at Colon in rep provisioning with fruit, &c., for the troops.

HOSPITAL TREATMENT OF RETURNED SOLDIERS.

Apart from repatriation, the principal item of expenditure in the future will be that in connection with the hospital treatment of sick and wounded soldiers, and those discharged soldiers requiring treatment owing to a recurrence of disabilities sustained on active service. The Department has made ample provision to accommodate all cases, and commitments to the extent of £133,420 have been entered into in providing sanatoria, surgical hospitals, convalescent homes, soldiers' wards at public hospitals, &c., the principal of these being—Sanatoria at Hatuma and Cashmere Hills; new buildings and extensions at the Rotorua and Hanmer Military Hospitals; and extensions to the public hospitals at Auckland, Christchurch, Dunedin, Napier, Palmerston North, and Masterton.

EXPENDITURE.

The total amount appropriated for expenditure for ordinary defence purposes was £501,697, and the amount expended £416,290.