deals with diplomatic matters; educational and other Government or local bodies' appointments of various kinds; the obtaining of all publications ordered by the Dominion; arrangements as to Defence officers undergoing training here; and generally deals with such matters as are

not specially undertaken by the other branches.

The Finance and Commercial Section is under the charge of the Accountant, Mr. Copus. It deals with the detail working of all financial matters and the accounts of the Department. In addition, the placing and execution of contracts for material (which involves asking competitive quotations in every case where practicable) for various Departments or local bodies and the obtaining of live-stock form part of the work of this branch, besides all insurance matters (life, fire, and marine), Public Trust Office business, and all work in connection with Government securities.

The Shipping and Emigration Section is under the charge of the Trade and Immigration Representative, Mr. Donne. It deals with the arrangements for the shipment of goods procured through the Finance and Commercial Section, and also the securing and arranging of passages for approved settlers. This section now also undertakes all the advertising in this country in connection with the Dominion, as well as the preparation and issue on loan of lantern-slides for the numerous lectures on the Dominion which are given all over the country.

The Produce Section, under Mr. Cameron, deals with all matters pertaining to produce, market cables, and also the work entailed in connection with the collection, display, &c., of

exhibits at the various exhibitions.

The Veterinary Section, under Mr. Crabb, deals mainly with the inspection of New Zealand meat arriving in this country, and with the export of live-stock from this country to the Dominion.

The Dairy Produce Section, under Mr. Wright, deals with the inspection of dairy-produce

arriving in this country from New Zealand.

In addition the following technical advisers are attached to the office: Major-General E. Harding Steward acts as Military Adviser and Inspector of Warlike Stores and Cadet Equipment ordered by the Defence and Education Departments; Messrs. Carruthers and Elliot act as Consulting Engineers and Inspectors as regards railway, public works, and other stores and material; Messrs. Preece, Cardew, and Snell act as Consulting and Inspecting Engineers in respect to telephone and telegraph material; Mr. Sandle acts as Adviser and Inspector for stationery, stamp-paper, &c.; Messrs. D. and C. Stevenson act as Marine Engineers for lighthouse and similar materials.

FINANCIAL.

As the more important financial transactions are confidential, I am embodying them in a separate letter. As you are aware, this is a very important and responsible part of the work of the Department, and involves the keeping of accounts and conducting of transactions with the Bank of England, the Bank of New Zealand, the Crown Agents for the Colonies, Messrs. J. and A. Scrimgeour, and the Inland Revenue Department. In addition, the business appertaining to the Lean and Stock Agents and the trustees of the sinking fund of loan of 1863 is carried out by the Department.

GENERAL AND COMMERCIAL.

Attached hereto are appendices containing statistical particulars which in themselves give a good indication of the extent and variety of the business transacted by the Department, but I desire to draw special attention to the following figures and particulars for purposes of com-

The amount of correspondence is again much above that of past years. The total number of letters received and despatched during 1911 amount to 167,668 (being a daily average of 536), as compared with 137,546 (being a daily average of 439) in 1910, and with 76,757 (being

a daily average of 245), the average of the eight years up to the year 1906.

The number of Government despatches received from and sent to the Dominion amounted in 1911 to 9,536, as compared with 8,598 in 1910, 8,267 in 1909, 5,084 in 1902, 2,560 in 1895, and 2,586 in 1892. The number of rail and book packets despatched during 1911 amounted to 3,431, as compared with 3,388 in 1910.

The number of cablegrams received from and sent to the Dominion in 1911 on public business

was 1,258, as compared with 1,273 in 1910, 958 in 1909, 306 in 1895, and 168 in 1892.

Publications relating to the Dominion, amounting to a total of 601,737 (as per attached list) have been circulated during the past year, as compared with 372,136 in 1910 and 175,943 in 1906.

INDENTS.

The number of orders of all descriptions received from the various Government Departments during 1911 was 639, involving the placing of 929 separate contracts, as compared with 483 and 767 respectively in 1910. In addition to these there were 415 standing orders, principally for publications, as compared with 381 in 1910 and 192 in 1902. The value of many of these indents is very considerable, and their placing and execution requires great care and experience, involving in every case where practicable the invitation of as many competitive quotations as possible. The figures show a marked increase, and they add considerably to the number of accounts and shipments.

In addition, a great quantity of bridge material, for which the contracts are let in New Zealand, is supplied from an inspected in this country. In 1911 this amounted to 2,530 tons of material of all descriptions, the checking and passing of which adds considerably to the

work of the office.