

storage space will also be required (a) so that the stock of targets and other essential items be maintained to meet urgent demands; (b) so that green timber can be purchased, stored, and seasoned. By this means quite 10s. per 100 superficial feet can be saved.

During the year a card system has been introduced, by means of which the cost of each article, whether repaired or manufactured, is accurately recorded, in addition to which it will be possible to check production.

#### 55. LAUNDRY-WORK.

Laundry-work throughout the Dominion has been placed, since last reporting, upon a very satisfactory footing. Contracts are now let in Auckland, Rotorua, Palmerston North, Wellington, Christchurch, Dunedin, and Port Chalmers for washing of all clothing at reasonable prices, inclusive of hospital linen, transports, &c. At Hanmer the laundry is attached to the hospital, and labour is employed.

#### 56. TROOPSHIPS.

These are now, so far as Ordnance supplies are concerned, on a satisfactory footing. The net reduction in cost of running our own transports during last year was £105 7s. per week.

Since the introduction of Equipment and Ordnance Regulations, recoveries for loss of stores and equipment in Expeditionary Force camps, districts, and troopships amounted to £15,144 6s.

#### 57. PRODUCE.

The amount recovered from the disposal of produce throughout the year was £6,113 15s. 3d.

During the past twelve months experiments were made in conjunction with the Railway Department for the conversion of old horse-shoes to bar iron, intended for reissue for the purpose of manufacturing new shoes. This work has turned out most satisfactorily, saving on the completed new horse-shoes 1s. 3d. per set.

#### 58. STORAGE.

During the year the new store in the Ordnance yard at Buckle Street was completed. The building greatly relieved the congestion, but owing to the scarcity of various lines it was necessary to place contracts for bulk supplies covering a greater period than is usual, with the result that it became necessary to take over Te Aro Railway-station. This building has been completed, and has been a great help. A portion of the building is allotted to the Medical Services for the purpose of storing bulk supplies.

#### 59. RETURNED EFFECTS DISTRIBUTION. (DECEASED AND INVALIDS.)

During the year this section received and distributed through the Dominion 32,857 packages; and in addition 228 kits of deceased soldiers whose next-of-kin reside in other countries have been collected and despatched. In connection with above work it is satisfactory to note that only one complaint was received during the year, which after investigation was not found to be due to any departmental neglect.

#### 60. ORGANIZATION.

A feature of the year has been the establishment of the Ordnance Corps and Department upon a regular basis. The result has been most satisfactory. Ordnance depots have been established at Trentham and Featherston Camps. The depots are in direct account with the several services, thus relieving Camp Quartermasters of an enormous amount of detail work and responsibility and at the same time ensuring an effective system of accounting, care, and custody.

On reviewing the work of the past two years a vast improvement is noticeable in the methods of accounting, care and custody of arms, equipment, and stores throughout the Dominion, and with the continued co-operation and active assistance of the administrative staffs in districts, groups, and regiments greater efficiency and economy will result. To further this end it is proposed to give all group and unit Quartermaster Sergeants a complete training in the Ordnance Department before their appointment to districts. Most efficient help has been rendered by the Munitions and Supplies Department, the members of which have been untiring in their efforts to assist the Department of Defence in every possible way.

#### 61. FINANCE.

*Permanent Staffs, Territorial Force, &c.*—The amount voted last year from the Consolidated Fund for defence purposes was £521,141, of which an amount of £428,123 was actually expended, leaving an amount of £93,018 unexpended. This is mainly accounted for by (a) warlike stores on order from England being diverted for use in the field, (b) reduction of Territorial training.

It is very probable that the whole amount provided on the current years' estimates will not be required, but it is considered advisable to keep the estimates up to that pertaining to normal times, so that when peace is declared money will be immediately available to restore the efficiency, equipment, &c., of our home Forces to their former high standard.

#### 62. WAR ACCOUNTS.

The work of this department is still increasing, and the Civil staff as at 31st May, 1918, numbered 346. Considerable inconvenience has been caused by lack of sufficient office accommodation, but arrangements have been made whereby it is hoped that this will be remedied in the near future.

*Allotments.*—The allotment warrants sent out in March totalled 61,198, or an increase of 8,185 during the year.