

sufficient to remove hardship either by reason of an inadequate amount or by being paid for a portion only of the period of military service under limitations imposed by previous orders.

The question of pre-enlistment support is the governing factor in determining eligibility for the increased grant. If the amount received during the soldier's service by the widowed mother or other dependants by way of allotment, and any allowance already paid, is not equal to the amount contributed by the soldier prior to his enlistment, then a further grant is made to bring the amount into line. Where there has been any material change of circumstances during the soldier's service, such as the death of a breadwinner, however, pre-enlistment support is not insisted upon.

It was estimated that the amount required to meet these increased grants would be £65,000, and the amount actually paid to date is £60,572 18s. 2d.

8. OVERSEAS WAR-SERVICE GRATUITY.

The scale governing the payment of overseas war-service gratuity having been prescribed by Order in Council in September last as 1s. 6d. per diem, the payment of the gratuity was immediately proceeded with. Although the rate at which applications for the gratuity were dealt with may at first have been somewhat slow (during October the daily rate of payment averaged 300 cases), the position steadily improved as the staff became more familiar with the work, until during December the daily payments averaged 1,100.

Up to the 20th May 88,932 gratuities, aggregating £5,225,900, including 12,525 payments made to those entitled to receive the gratuity on behalf of deceased soldiers, have been paid here, in addition to which approximately 2,000 claims have been settled by the Staff Paymaster in London.

9. REGIMENTAL FUNDS.

The balance in hand to credit of canteen and regimental funds of units of the N.Z.E.F. to date is £69,534 5s. 4d. This balance has accrued from profits earned by the various canteens established by units overseas, although the primary object in arranging for the establishment of canteens was not to trade for profit, but to enable the soldiers to purchase what they required at the lowest possible price. However, with such a large turnover small fractional profits have resulted in a considerable credit balance accumulating. With a view to administering the balance of funds remaining in hand at the termination of the war a Canteen and Regimental Trust Board was established to deal with the funds in accordance with the wishes of those who contributed towards them. It is hoped that at an early date, the wishes and requirements of those concerned having been ascertained and viewed in their proper perspective, the Board will be enabled to carry out the objects for which it was established.

10. FINANCIAL ASSISTANCE.

The total cost of financial assistance paid up to the 31st March, 1920, was £261,218 6s. 3d.

11. EXPENDITURE.

The total war expenditure to the 31st March, 1920, was £76,953,075 14s. 8d., made up as follows:—

General expenditure (including pay and allowances,	£	s.	d.
£30,476,997 18s. 8d.)	69,800,449	4	4
Relief purposes	268,438	15	8
Repatriation	801,725	0	2
Charges and expenses of raising loans... ..	693,215	2	0
Gratuities, N.Z.E.F.	4,872,485	5	2
„ Imperial and Naval	45,152	17	8
Advances outstanding	471,609	9	8
	<u>£76,953,075</u>	<u>14</u>	<u>8</u>

A claim for £624,087 2s. 11d., representing amount due to New Zealand on account of cost of maintenance (including pay and allowances) of New Zealand troops in the Army of Occupation, has been submitted to the Imperial authorities. A claim amounting to £122,505 11s. 9d. has also been submitted for refund due to New Zealand from the Egyptian Government in respect of cost of maintenance (including pay and allowances) of New Zealand troops detained in Egypt from March to June, 1919, on account of suspension of demobilization in consequence of the Native riots there.

12. AMALGAMATION OF BASE RECORDS AND WAR EXPENSES BRANCH.

In order to effect economy these two offices have been amalgamated, and are now administered as one office, designated "N.Z.E.F. War Accounts and Record Office."

13. MEDICAL SERVICES.

These are under the personal control of Brigadier-General D. J. McGavin, C.M.G., D.S.O., who returned to the Dominion in May, 1919, from the Expeditionary Force abroad, to take up the appointment of Director-General, New Zealand Medical Services. This officer's special ability and long experience in the field has especially fitted him to deal with the many new problems which have arisen in connection with the medical and surgical treatment of disabled soldiers. He has been ably assisted by a highly skilled staff of experienced medical officers and nurses.

The number of "service" patients under treatment on the 1st June, 1919, and the 31st May, 1920, were as follows:—

	In-patients.	Out-patients.	Total.
June 30th, 1919	1,890	2,941	4,831
May 31st, 1920	1,581	1,476	3,057

These figures show that during the year, although in the early part transports were constantly arriving, the total number of patients actually under treatment has diminished by 1,774; they