

APPENDIX II.

SCALE OF QUALITIES AND VALUES REPRESENTING THE AVERAGE RETURNS FOR NEW ZEALAND WOOL SOLD DURING THE SEASON 1913-1914.

Description of Wool.	Range of Values per Pound according to Quality.		Description of Wool.	Range of Values per Pound according to Quality.	
Superior merino combings	..	From 12 to 14½	Superior crossbred	..	From 10½ to 12
Medium to good merino	..	9¾ „ 11½	Medium to good crossbred	..	9 „ 11
Inferior merino	..	8½ „ 9½	Inferior crossbred	..	7¾ „ 9
Superior half-bred	..	12 „ 14	Lincoln and Leicester	..	8¾ „ 10½
Medium to good half-bred	..	9¾ „ 12	Lambs, good	..	11 „ 13
Inferior half-bred	..	9 „ 10	Lambs, medium	..	9 „ 10¾

NOTE.—All inferior classes of wool, such as inferior lambs' wool, black wool, dead wool, pieces, bellies, locks, crutchings, seedy or other faulty wool, shall be valued at prices proportionately to those shown above.

Given under the hand of His Excellency the Right Honourable Arthur William de Brito Savile, Earl of Liverpool, Member of His Majesty's Most Honourable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Grand Cross of the Most Excellent Order of the British Empire, Member of the Royal Victorian Order, Knight of Grace of the Order of Saint John of Jerusalem, Governor-General and Commander-in-Chief in and over His Majesty's Dominion of New Zealand and its Dependencies; and issued under the Seal of the said Dominion, at the Government House at Wellington, this second day of December, in the year of our Lord one thousand nine hundred and eighteen.

W. F. MASSEY, Prime Minister.

Approved in Council.
J. F. ANDREWS,
Clerk of the Executive Council.

God save the King!

CORRESPONDENCE DURING YEAR 1919.

Letter from N. L. T. WEST, Esq., War Office, to the CONTROLLER OF IMPERIAL GOVERNMENT SUPPLIES, Wellington.

War Office (Raw Materials Department),
Imperial House, Tothill Street, Westminster S.W. 1,
7th January, 1919.

SIR,—
Profits on Wool.

I am directed to refer to your letter of the 10th August last (No. 618).
It will not be possible to show the profits earned on the 1916-17 and 1917-18 clips separately from those earned on subsequent clips, but a reasonable estimate based on averages can ultimately be made.

Owing to the magnitude and complexity of the Imperial Government's transactions in wool the accounts for the year to the 31st March are not yet complete.

I am to say that a further letter will be addressed to you as soon as these are available.
Yours, &c.,
N. L. T. WEST.

The Controller, Department of Imperial Government Supplies, Wellington, New Zealand.

CORRESPONDENCE DURING YEAR 1920.

Letter from the DIRECTOR-GENERAL OF RAW MATERIALS, London, to the DEPARTMENT OF IMPERIAL GOVERNMENT SUPPLIES, Wellington.

Imperial House, Tothill Street, Westminster, S.W. 1,
1st March, 1920.

DEAR SIR,—
I have the pleasure to refer to my letter of the 21st June, 1919, enclosing the preliminary wool accounts for the period ending 31st March, 1918, and I have now to direct your attention to the final accounts as follows: (1) Report by Messrs. J. A. Heselton, Son, and Butterfield on the rebates to Allies on military purchases, and profit-sharing for the Commonwealth of Australia and the Dominion of New Zealand; (2) statements accompanying the auditors' report.

In my letter of the 21st June I pointed out to you that the estimate of rebates on military wools and the division of the remaining profits then sent you was framed on admittedly incomplete data and would require through-going revision. A great deal of time has since been spent by the auditors and this Department upon minute investigation of the whole subject. I am now glad to be able to inform you that the figures now set forth are recommended by the auditors for final acceptance, and that you will be perfectly justified in asking the Government of New Zealand to accept them. Owing to the immense complexity of the business, many points were bound to arise, and did arise, which offered room for a certain amount of legitimate doubt, but under directions from this Department all such questions were settled in a manner favourable to the dominions.

I have particularly to draw your attention to the distribution of the underwriting profit. It was made clear at your end that the dominions desired to be fully covered against marine loss, and