

The following gives the average cost of rations and forage per head per diem in the following districts:—

District.	Average Cost of Rations, Fuel, and Light and Straw per Diem.		Average Cost of Forage per Horse per Diem.	
	s.	d.	s.	d.
Auckland	1	6.179	1	9.291
Otago	1	6.056	1	5.720

The Canterbury and Wellington Districts were rationed regimentally by the units drawing the allowance of 2s. per man per diem and 1s. 6d. per horse per diem, though the latter allowance had in many cases to be exceeded.

73. FIELD TRANSPORT.

On account of the outbreak of war it has not been possible as yet to supply each Army Service Corps company with two wagons for training purposes. It is hoped during the present year to establish in each district a permanent cadre of two wagons, two pairs of horses, and two permanent Army Service Corps drivers, which will effect a saving to the Dominion in cartage charges, and be of the greatest use in training Army Service Corps companies.

74. FIELD COOKING.

The cooking for the Territorials in the camps was carried out partially by military cooks and partially by civilians. Roberts field cookers were used, supplemented in some cases by trench cooking. The field cookers with few exceptions were found satisfactory: the causes of failure were probably due to want of knowledge of the cookers.

It is considered that regimental officers should pay more attention to the utilization of Government rations to the best advantage. In very few camps that were visited had a menu been prepared. Variety in the preparation of food is very necessary, and this matter is being attended to.

75. THE PAST YEAR'S EXPENDITURE.

The amount voted out of the Consolidated Fund last year to defray the cost of defence was £512,328, of which sum £499,137 was expended, leaving a credit balance of £13,191. The credit balance is mainly owing to the fact that many permanent officers and non-commissioned officers have been despatched with the Expeditionary Forces, their pay then becoming a charge against the War Expenses Account. These officers and non-commissioned officers have been temporarily replaced in the Dominion by officers and non-commissioned officers of the Territorial Force.

76. THE ESTIMATE FOR THE CURRENT YEAR.

The rearrangement of the estimates in accordance with the recommendations set forth in the report of the Inspector-General of the Overseas Forces was carried out last year, and the estimates for the current year have been similarly arranged. They have been compiled very carefully, and show only what is absolutely necessary for the training and equipping of the Forces, and as far as pay is concerned are based on the assumption that the permanent officers, non-commissioned officers, and men who are at present with the Expeditionary Force will not have to be provided for this year under the Consolidated Fund.

77. EXPENDITURE FROM THE PUBLIC FUND.

Under the heading "Contingent defence" a sum of £50,000 was voted, of which £15,222 was expended, leaving a credit balance of £34,778. There is little chance of the estimate under this head being reduced for a few years, as the provision for drill-halls, &c., in many centres is necessary from an economical point of view, so that the expenditure incurred in hiring of halls, &c., may be reduced to a minimum. This applies with equal force to rifle ranges.

78. LIABILITIES OF OLD VOLUNTEER CORPS.

I am pleased to report that the liabilities of old Volunteer corps have practically all been liquidated by the Government, and only a nominal amount is asked for on the current year's estimates to meet any liability that as yet may not have been brought under the notice of Headquarters.

79. FINANCIAL INSTRUCTIONS AND ALLOWANCE REGULATIONS.

A number of amendments have been made to these regulations during the past year, which have had the object of making them more workable and of remedying many legitimate grievances in regard to the pay and allowances of the Forces.

80. INSPECTION OF ACCOUNTS.

During the year the Inspector of Departmental Accounts paid a visit to Army Headquarters for the purpose of inspecting the financial branch of the Department. He reported most favourably on the work of the branch, which in his opinion was understaffed, and made certain suggestions to improve the system of keeping accounts, which were immediately given effect to.