H.-24.

successfully operated with regard to military supplies. To do so would require that the career of a payment voucher should be controlled by one and the same person from start to finish, and further involve that the approving or other responsible officer would fail to check the contract, and as a consequence pass items in favour of non-existent contractors for imaginary supplies. There is also the Audit check of claims, which in the case of military supplies are pre-audited and would not be passed for payment without reference to the Contract Register, as copies of all orders issued by the Military Supplies Board are sent to this office for record at the time of issue."

Foodstuffs for Training-camps.

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13. The following table indicates the cost per man per day for food in the two important training-camps, and illustrates a slightly upward tendency, which I am satisfied is reasonable when regard is had to the increased prices now generally ruling and to the superior quality of the supplies purchased:—

1916.			Featherston Camp.			Trenth am Camp.	
				s.	d.	s.	d.
January	 			 1	6.006	1	5.5
February	 			 1	6.023	1	5.5
March	 			 1	7.739	1	7.5
$oldsymbol{\Lambda} ext{pril}$	 			 1	$7 \cdot 732$	1	7.5
May	 			 1	7.871	1	8
June	 			 1	7.952	1	5.75
July	 			 1	8.259	1	6.5
August	 			 1	8.259	1	6.75
September	 			 1	7.577	1	7
October	 			 I	7.535	1	5.8
November	 			 1	8.354	1	7.25
December	 			 1	8.867	1	9
1917.							
January	 			 .1	7.642	1	6.5
February	 			 1	7.592	1.	7.375
March	 			 1	7.733	1	7.25
April	 			 1	7.981	1	8
May	 			 j	8.244	1	8.25

COAL-TRADE BRANCH.

Falling-off of Importations.

1. Owing to the difficulty in securing sufficient tonnage to keep the New Zealand coal-import trade at normal, the attention of the Government was, towards the close of last year, directed to the then immediate possibility of hard steam-coal supplies running short of demands for Imperial and national purposes. The following figures show the proportion of imported coal—all of which is hard steam-coal:—

Calendar Year.				New Zealand Output.	Imported.	Total.	
					Tons.	Tons.	Tons.
1912	• •			• •	 2,177,615	364,359	2,541,974
1913					 1,888,005	468,940	2,356,945
1914					 2,275,614	518,070	2,793,684
1915					 2,208,624	353.471	2,562,095
1916					 2,341,000	293,956	2,634,956

Reserve of Admiralty Hard Steam-coal.

2. On this being fully considered it was decided to endeavour to secure outside tonnage to assist the Railway Department, and to request the Admiralty to endeavour to place some of their supplies at the disposal of the New Zealand Government. As a result of this some 34,415 tons of hard steam-coal was imported early this year. This supply has been treated in the nature of a reserve, and has been placed at the disposal of the coal-consumers at an approximate price of £2 10s. per ton, with the right to return Newcastle or New Zealand West Coast coal, say, within two months. It is satisfactory to be able to record the fact that this reserve stock of coal has been of material benefit, directly or indirectly, to many essential industries and undertakings, including the Railway Department, Wellington Gas Company, Colonial Sugar-refining Company, Northern Steamship Company, Shaw, Savill, and Albion Company, Defence Department, Lyttelton Harbour Board, New Zealand Shipping Company, New Zealand and African Steamship Company, and the Union Steamship Company.