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As a result of these regulations the Department is required to advise Base Records and other Service Departments of the amount of permanent or temporary wardisability pension being paid to applicants for gratuities, and to indicate whether the gratuities should be based on service or on the rates of permanent pension. To enable this work to be carried out, a large number of cases require to be reviewed, and up to 31st March, 1946, approximately 12,000 reviews had been undertaken and Service Departments supplied with the appropriate information.

During the war years the Department was greatly handicapped by lack of trained staff.

At the outbreak of war there were 1,197 officers in the Department: 644 joined the Armed Forces, the majority being on service outside New Zealand for lengthy periods; 36 officers made the supreme sacrifice; and at 31st March, 1946, there were still 207 members of the staff absent on military service.

Although the activities of the Department increased considerably during the war years, the effective strength of the staff did not increase beyond 1,100 officers until early in 1946, when ex-servicemen again rejoined the Department, and at 31st March, 1946, the staff working in the Department totalled 1,353.

The rehabilitation of ex-service members of the staff is a matter of outstanding importance to the Department and every effort is being made to ensure that officers rejoining the Department have facilities available to regain their lost departmental knowledge as soon as possible. As a measure of assisting them in this direction, a series of lectures on social security and war pensions legislation and departmental functions is being given. A frequent rotation of duties on a comprehensive staff-training basis is also a feature of the Departments' rehabilitation plan.

It is to the credit of all members of the staff that the large increase in the work of the Department was so efficiently carried out under the most difficult conditions, and in submitting this report I would like to express my appreciation for their loyalty and co-operation during the period under review.

H. DIGBY SMITH, Chairman, Social Security Commission.

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