

During the year the policy of the War Pensions Board has varied in several directions. Notably, as the result of the advice of specialists and of the experience gained in regard to the effect of war, a number of soldiers, who have contracted phthisis some considerable time after their discharge, in some instances as much as four years, and who previously had been refused pensions, were given the benefit of the Act. Further, it is now, and has been for some time, the practice when men are discharged from a sanatorium where they have had treatment for active tuberculosis to grant a full pension for at least twelve months and perhaps longer if the advice of the chest specialist warrants it, the supplementary pension being also invariably granted on application being lodged.

A demand has been made for an Appeal Board to deal with cases not adequately pensioned, and this the Government has decided to meet. It is recognized that medical opinion is apt to vary in certain cases, and the constitution of the Board, which will be chiefly medical, with power to increase or reduce pensions, is now under consideration.

#### NATIONAL PROVIDENT FUND.

The contributors to the fund at the 31st December last numbered 16,000. The revenue for the year was £90,000, and the accumulated funds amounted to £325,000. During the year the maternity claims paid out through the fund numbered 3,763, the amount to ordinary contributors being £3,838, and to members of approved friendly societies £12,492, a total of £16,330. The number of new contributors enrolled during the year was 4,683, the largest yet recorded, thus indicating a gratifying recovery from war conditions. The rehabilitation in civil life of contributors back from Army service appears to have been effected satisfactorily, inasmuch as 80 per cent. of the contributors who joined the colours were maintained in their membership, a result largely due to the assistance granted by the Government in paying one-half contributions while with the Forces. The total amount of this subsidy for the period of the war was £17,000.

#### FRIENDLY SOCIETIES.

With the exception of the "after-discharge sickness" of members, the measures adopted by the Government to assist friendly-societies' benefit funds to retain their pre-war solvency have now been practically wound up. The Mortality Reinsurance Fund, it is pleasing to state, shows on compilation of the experience a slightly lower mortality-rate than was anticipated at the time the war-risk premium was fixed by the Actuary, and in consequence refunds have been made to the societies in respect thereof. The total number of members insured was 11,638, of whom 1,390 died. The one-half subsidies paid by the Government to assist in covering this loss during the whole war period amounted to £40,445. The Government has also authorized grants to assist the Sick and Funeral Funds on account of the contributions due while members were with the Expeditionary Forces, and £23,614 has been paid up to the 31st March, leaving a few outstanding claims yet to be dealt with. As regards "after-discharge sickness," and its effect on the benefit funds, the Government has offered to subsidize one-half of the excess cost of such sickness as disclosed in the separate returns now being furnished by societies in respect of soldier members.

#### DEPARTMENT OF TOURIST AND HEALTH RESORTS.

During the year the Department resumed control of the Rotorua Sanatorium, which since the 1st January, 1916, had been used by the Public Health and Defence Departments for treatment of wounded soldiers.

The expenditure for the year was £68,858, or £2,217 in excess of the estimate, the increase being due in a large measure to extra expenditure for provisions, &c., at the hostels and huts.

The revenue exceeded the estimate by £7,519, being £42,219 against £33,689 for the previous year.

The Government recognizes that there are many developments necessary in connection with the tourist attractions of this country which have been restricted