

porary abolition of the annual training in camp of Territorial units and by the closest attention to economy in all branches of the Department.

Included in the past year's expenditure is the cost of the following activities : Civil aviation, £12,700 ; rifle clubs, £16,620 : total, £29,320 — leaving the sum of £501,722, which was devoted to the training and preparation for war of the New Zealand Military Forces. This represents a *per capita* cost for purely land defence of 7s. 11d. for the population of the Dominion.

The New Zealand Military Forces have been reorganized during the past year. This reorganization has, unfortunately, entailed the abolition or amalgamation of a number of the old regiments and units of the Territorial Force, but this was found to be necessary to facilitate economy in administration.

Sufficient supplies of military equipment and ordnance stores have now been received from England to enable the whole of the Territorial Force to be rearmed and re-equipped with modern equipment.

#### WAR EXPENDITURE.

The activities arising from the war are rapidly diminishing, and are now limited almost entirely to repatriation, the issues of medals and other awards to individual members of the New Zealand Expeditionary Force, payments in connection with war expenses, and the administration of hospitals and after-care of disabled soldiers requiring medical treatment.

The War Accounts and Records Branch, which comprised a staff of 417 on the 1st April, 1920, is now reduced to 70, showing a reduction of 347 for the year.

The expenditure from the vote "War Expenses" for the past year was £3,170,118.

It was not found practicable to hand over the military hospitals to civil administration as early as originally intended, but arrangements have now been made to relieve the military authorities of the administrative responsibility connected with the after-care of ex-soldiers. It is anticipated that this change will enable economy to be effected without in any way prejudicing the interests of the soldiers.

#### REPATRIATION.

The Repatriation Department was set up for the purpose of re-establishing discharged soldiers in civil life, and up to the 31st March, 1921, assistance totalling £1,859,310 had been rendered to 50,181 men. Of this amount £1,524,352 is by way of loan, and it is gratifying to be able to report that repayments already total £508,592, or one-third of the amount advanced. The Department is now receiving repayments at an average rate of £35,000 per month.

#### SUMMARY OF ASSISTANCE RENDERED.

Nature of Assistance.	Number* assisted.	Amount.
Loans :—		£
Established in business .. .. .	5,516	1,019,066
Household furniture .. .. .	10,367	484,798
Tools of trade .. .. .	1,003	20,488
Grants—		
Training facilities, subsidies, &c. .. .. .	6,858	324,762
Transportation to employment, &c... .. .	2,462	4,922
Unemployment sustenance .. .. .	1,073	5,274
Placed in employment .. .. .	22,902	..
Totals .. .. .	50,181	£1,859,310