

received in April, 1921. The present c.i.f.e. price for phosphate rock is substantially below the peak war prices, though still above pre-war prices. Owing to reduced f.o.b. charges and freights and careful handling of the business it was possible to make reductions in the c.i.f.e. price during the year. Additional improvements in production and transport charges will result in still further reductions in the c.i.f.e. price. The phosphate rock from these islands contains 85 to 86 per cent. of tricalcic phosphate of lime, and constitutes the richest large deposit in the world. Nauru and Ocean Island phosphate, in the finely ground natural state and converted into superphosphate, is giving excellent results.

STATE FOREST SERVICE.

The preliminary organization of the staff into the seven conservation regions, as outlined in the departmental reports in 1920, has been completed.

The net expenditure for the year was £107,582, an increase of £28,031 over the previous year, which is accounted for by the increased staff, the greater activity in field-work, the preventive operations in connection with forest fires, purchase from the Native Lands Settlement Account of a valuable timber area, and the extension of planting-areas.

The revenue from all sources for the year was £30,836, an increase of £11,139 over the previous year.

The borrowing-powers conferred by the Finance Acts of 1916, 1918, and 1920 limit the total authority to £500,000. The unexpended balance of this authority at the end of the financial year was approximately £213,200.

REPATRIATION.

The work of re-establishing discharged soldiers in civil life, which has been proceeding for over three years, is nearing completion, and the early absorption of this special branch has been arranged. A great measure of success has been attained in what was admittedly one of the gravest tasks confronting the Government at the conclusion of the world war. Briefly, the intention was to help every discharged soldier requiring assistance to secure for himself a position at least as good as that relinquished by him when he enlisted, and, so far as lay in our power, to recoup him for any disability, physical or financial, suffered through war service. In order to do this it was necessary to find work for all those requiring it; to provide facilities for the educational and vocational training of partially disabled men and such as had lost opportunity; to make suitable arrangements for the after-care and systematic following-up of all serious cases, including the blind, limbless, tubercular, &c., and to provide financial assistance for the purchase or establishment of businesses, for the acquisition of furniture to set up homes, for necessary tools and equipment required in the pursuit of vocations, for transportation to employment, and for the various other contingencies arising in connection with the absorption of the men. Over eighty Boards and Committees were set up throughout the Dominion, composed of prominent local residents representative of the various social and industrial organizations, and the success achieved is due in no small measure to the enthusiastic and devoted work of these bodies.

EMPLOYMENT.

Up to the 20th March last 26,854 men had been placed in employment, and the total number awaiting employment at that date throughout the Dominion was only 259. It has been necessary to make unemployment sustenance allowances in only 188 cases of hardship during the past two years, and the total amount expended as "out of work" pay is but £5,536, or an average payment of 1s. 4d. per demobilized soldier.

TRAINING.

Training was arranged for 7,417 partially disabled soldiers, apprentices, &c., and 6,897 of these have finished their training. No less than 91 per cent. of this number completed the full course laid down, and were absorbed by the