The expenditure provided for in the estimates shows a net increase of £3,014,000 as compared with the actual expenditure for last year. Increased debt charges alone account for £2,500,000 of this increase, practically all of which is in respect of war, and which is in fact a war cost which is being met from the ordinary revenues of the State.

Other increases are £113,000 for education, £300,000 in the amount to be transferred to the Social Security Fund, and £1,108,000 for war pensions, these increases being offset to some extent by decreases in other items.

This last-mentioned amount includes £625,000 to cover the cost during the War pensions balance of this financial year of an increase in war pensions. It is proposed increases. that the disablement pension will be increased from £2 to £3 per week, while the maximum economic pension will be £1 15s. and the rate for children 10s. 6d. per week as from 1st July next. These proposals will provide for a single disabled serviceman £4 15s. a week, a married man without children £5 15s., with 10s. 6d. added for each dependent child. If there is a wife and two children, there will be an income of £6 16s. per week, tax-free, going into the home. Those who have done the fighting to save our civilization and their dependents should be a first charge on the income of the Dominion and their dependants should be a first charge on the income of the Dominion and they should be paid at such a rate as will free them from all economic worries.

The following table sets out the weekly rates which it is proposed to provide:—

	Maximum Disablement Pension.	Economic Pension (if qualified).	Wife.	Child.	Total.		
Ex-serviceman	£ s. d. 3 0 0 3 0 0 3 0 0 3 0 0	£ s. d. 1 15 0 1 15 0 1 15 0 1 15 0	1 0 0	£ s. d 0 10 6 1 1 0	£ s. d. 4 15 0 5 15 0 6 5 6 6 16 0		

It is also proposed to place the widows of servicemen in as nearly as possible widows' the same position as they were in whilst their husbands were serving, and in order pensions. to effect this it is proposed to increase the pensions to war widows without children from £1 10s. weekly to £2 weekly, and those of widows with children from £2 weekly to £2 10s. weekly. Also it is proposed to increase the economic pensions from 17s. 3d. for widows without children to £1 weekly. Widows with children will receive an economic pension at the flat rate of £1 5s. weekly.

In addition to the economic pension the widows with children will receive a payment of 10s. 6d. per week for each child up to the usual qualifying age.

The following table shows the proposed rates for widows of servicemen:—

		War Pension.		Economic Pension (if qualified).		Child.		Total.					
Widow (without children) Widow with one child Widow with two children	•,•	• •	£ s. 2 0 2 10 2 10	d. 0 0	£ 1 1	s. 0 5 5	d. 0 0 0	£ 0 1	s. 10 1	d. 6 0	£ 3 4	s. 0 5 16	d. 0 6 0

In circumstances where existing commitments render it necessary for further assistance to be granted, the Soldiers' Financial Assistance Board is being authorized to make grants to meet each particular case.

As regards the Social Security Fund, expenditure is estimated at a total of social Security £17,403,080 being £1,453,000 in excess of last year's results.