SECTION III.—DEPARTMENTAL AND LOAN EXPENDITURE

25. From the outset of rehabilitation activity early in 1940 up till 31st March, 1944, a total of £2,987,506 under all heads has been directly expended or advanced by the Government on the rehabilitation of New Zealand ex-servicemen and ex-servicewomen. Of this sum, £2,050,414 has been disbursed since 31st March, 1943.

26. Table V of Appendix II summarizes under major headings the break-up of the aggregate sum expended from the commencement of rehabilitation activity, and also the sum expended during the twelve months ended 31st March, 1944.

SECTION IV.—DEMOBILIZATION

(i) Developments in Liaison Procedure

27. Towards the end of 1943 several selected Army officers who had already served during the present war, after attending a course of instruction at the Head Office of the Rehabilitation Department, proceeded to the Middle East, and later to the Pacific, to lay the foundation of an Army Education and Rehabilitation Liaison Service. These officers are working under the command of the A.E.W.S. and they are organizing a census of every man serving in the Middle East with a view to imparting trade, technical, and academic tuition during the service of the men in preparation for their ultimate demobilization. The Army Education and Rehabilitation Liaison officers overseas (known as the Education and Rehabilitation Service, or E.R.S.) maintain contact with the Rehabilitation Department for the purpose of obtaining up-to-date information regarding. New Zealand conditions and rehabilitation measures. One of the Liaison Officers concerned generally accompanies each returning draft of sick and wounded personnel, and on board ship supplies information and advice to the men as well as machinery details of the draft to the Rehabilitation Department. The maintenance of its information service by the E.R.S. in combat areas, at base, and on board the hospital ship is of extreme importance in the rehabilitation of overseas personnel, who in many cases have been absent from New Zealand for several years, during which they have naturally been unable to keep informed on changing conditions here.

28. An extension of the Education and Rehabilitation Liaison Service in the Forces is contemplated as far as Air Force and naval personnel in the United Kingdom are concerned, and here it is planned to co-operate with the Air Force Education Service. The pursuit of educational and rehabilitation liaison work in the Forces overseas is expected to assist materially in the successful industrial absorption of men invalided back to New Zealand during hostilities, as well as to constitute a first step towards

planned repatriation at the point of mass demobilization.

29. During the period under review it became necessary to overhaul the procedure under which particulars of men and women invalided out of the Forces were supplied to the Department. A new arrangement has been negotiated with the Service arms in accordance with which full service particulars of all men and women discharged or demobilized from the Forces for any reason will henceforth be supplied to the Department. This comprehensive arrangement will close the gaps in information which have hitherto been occasioned by man-power and compassionate releases from the Forces and also by the posting of certain officers to reserve without transmission of advice to the Rehabilitation Department. Until this complete arrangement was introduced the first intimation of releases other than those of men and women invalided out of the Forces came generally from a direct application for assistance of one or another kind from the men or women concerned.

(ii) Progress in Demobilization

- 30. By 31st March of the current year a total of 42,656 servicemen and women who had been discharged or transferred to the various Service reserves had been handled by the Rehabilitation Department. Of this number, 22,320 were returned men and 215 were returned women, while 19,657 men and 464 women had been dealt with by the Department on demobilization after service in New Zealand only. This figure does not include all discharges or releases for other purposes from the Forces, but only the cases of all men and women medically boarded out of the Forces plus others released on man-power or other grounds who applied for rehabilitation assistance of one or another bind
- 31. Table VI of Appendix II shows the numerical progress of demobilization at three-monthly intervals since the commencement of the war. As will be seen from the table referred to demobilization has proceeded uniformly and the Rehabilitation Board, due probably to a combination of circumstances, from an employment point of view has not found it difficult to deal satisfactorily with the cases of all ex-servicemen and women as they arose.

(iii) Analysis of Causes of Demobilization

32. By far the greater number of discharges has, as was so from the outset, been due to sickness rather than battle casualties.

33. Table VII of the Appendix analyses in detail the reasons for the demobilization of the total of 42,656 men and women whose cases had been dealt with as at 31st March, 1944.

SECTION V.—TREATMENT

(i) General Provision

34. The War Pensions Branch of the Social Security Department, in its administration of the War Pensions Act and amendments, has continued to provide the treatment facilities to ex-servicemen described in the last annual report of the Rehabilitation Board.

35. The War Pensions Branch has not found it necessary to bring to the notice of the Board any treatment problems seriously handicapping the recuperation and therefore the personal rehabilitation of ex-servicemen. As also the cases of almost all ex-servicemen and certainly all men returned and discharged through sick and wounded channels are known to the Rehabilitation Department through its contact service, the absence of such general problems gives ground for satisfaction at the success with which this important aspect of rehabilitation is being handled.