

War Expenses Account, 1946-47

War Expenses Account has now been brought to the stage of what may be termed "mopping-up operations." It has been possible at this stage to eliminate and transfer to the Consolidated Fund continuing defence items and to limit the use of the account to adjusting unsettled commitments of the past, meeting the cost of the J Force, and paying certain items of our rehabilitation programme.

Expenditure for this year for the residual costs still chargeable to the account is estimated at £32,000,000, as follows:—

	£(m.)
Navy	1.2
Army (including cost of J Force)	11.0
Air (including cost of J Force)	2.9
U.N.R.R.A.	4.1
Reverse lend-lease	1.5
Rehabilitation	8.0
Purchase of surplus assets from U.S.A.	1.7
Gift of food supplies to Britain	1.0
Miscellaneous	0.6
	£32.0

Finance for this expenditure will be provided by—

	£(m.)
National savings	6.0
From U.S.A. Government in reimbursement for war supplies not eligible for reciprocal aid	3.2
Disposal of surplus assets	10.5
Sale of reserve stocks and other commodities	5.2
Miscellaneous receipts	8.1
	£33.0

The estimates for the Service Departments cover costs connected with the J Force, estimated to amount to £4,000,000, the balance being required to meet accounts unpaid at 31st March last and rapidly diminishing charges such as for deferred pay, leave privileges, &c., which will be incurred this year.

The amount provided here for rehabilitation covers only a small portion of our total programme and is for such items as educational grants, trade training, tools of trade, business loans, &c.

A portion of the amount will also be set aside for transfer to the Land for Settlements Account for purchase and development of land for rehabilitation purposes.

It has been the established policy of the Government to apply such moneys as can be accumulated in War Expenses Account over current requirements to the repayment of war debt, and it is