Canteen staff serving overseas are employed under full service conditions.

The Board's policy has been to render service, but through the necessity to fix selling-prices at a level which discourages personnel from purchasing goods for resale outside the Services, profits totalling more than £1,000,000 have been earned. In all cases, canteen prices are equal to or lower than those charged in chain stores for similar articles. After making periodical distributions of profits to the Services, an undistributed balance of £869,398 remained at 31st March, 1946.

Official price-lists are frequently revised, and these lists are prominently displayed for the information of canteen patrons.

Close supervision of the operation of wet canteens ensures that a well-conducted service is maintained under pleasant and hygienic conditions.

The Board continues to operate motion-picture programmes in the more isolated camps, despite the small attendance in view of the reduced Service personnel.

Excellent relations are enjoyed between the Board and the commercial community, also with Government Departments.

The disposal of surplus assets has been conducted on commercial lines, and the various items of equipment are realizing satisfactory prices. Where possible, preference has been given to discharged servicemen in disposing of equipment in short supply.

The Canteen Service for the Forces in Japan is operated by a combined Canteen Service for all British Commonwealth Occupation Forces under the auspices of the Australian Army Canteen Service. Large quantities of foodstuffs and miscellaneous canteen requisites, including ice-cream-manufacturing plants, are being shipped from New Zealand by the Board and will be of considerable assistance in providing a first-class service.

In this connection the Canteen Board is acting as buying agents for the Australian Army Canteen Service.

The sales figures shown below indicate the extent of the Board's operations over the war and post-war period, whilst percentages are shown in tabular form for comparative purposes:—

	(1)	(2)	(3)	(4)	(5)	(6)
Year endec 31st March		Net Profit.	Gross Profit.	All Expenditure.	Net Profit.	Administration Expenses included in Expenses.
	£	£	Per Cent.	Per Cent.	Per Cent.	Per Cent.
1940	85,626	11,608	$26 \cdot 88$	$13 \cdot 32$	$13 \!\cdot\! 56$	3.83
1941	338,623	51,066	29.08	14.00	15.08	1.97
1942	574,739	87,739	$26 \cdot 67$	11.40	$15 \cdot 27$	0.95
1943	1,742,871	278,514	$21 \cdot 99$	6.01	15.98	0.40
1944	2,284,962	307,101	18.69	$5 \cdot 32$	$13 \cdot 37$	0.36
1945	1,810,897	265,865	$20 \cdot 57$	6.09	$14 \cdot 68$	0.39
1946	1,151,944	143,071	18.60	7.56	$12\cdot 42$	0.59
	7,989,662	,.				
Total net profit		1,144,964				
Distributed		275,566				
Undistributed		869,398				