

Heavy charges for the sea transport of the returning troops, their pay, maintenance, &c., have to be met.

I submit hereunder a statement showing the receipts and expenditure of the War Expenses Account as disclosed by the Treasury books for the quarter ended the 30th June, 1919 :—

WAR EXPENSES ACCOUNT AS AT 30TH JUNE, 1919.

					£
Balance brought forward on 1st April, 1919	..	..	..	..	7,979,826
Receipts—				£	
Loan-money	..	..	..	..	1,645,610
Other receipts	..	..	..	..	34,943
				—	1,680,553
					9,660,379
Expenditure ..	..	..	..	..	1,300,826
Balance at 30th June, 1919	..	..	..	..	*£8,359,553

* The balance on 30th June is made up as follows: Cash in Public Account, £443,424; investments, £3,820,218; imprests outstanding, £4,095,911: total, £8,359,553.

EDUCATIONAL AND VOCATIONAL TRAINING OF UNDISCHARGED RETURNED SOLDIERS.

Special attention is paid to the educational and vocational training of returned soldiers by the Defence Department. Workshops have been built and equipped at nineteen hospitals and sanatoria. The funds for necessary buildings and a considerable portion of the equipment have been provided by the New Zealand Red Cross and other patriotic societies. There are sixty-eight instructors now engaged by the Department, and the subjects taught number fifty-nine. The work has a valuable curative effect, and is designed to prepare soldiers to go back to civil life. The Educational and Vocational Training Branch works in close association with the Repatriation Department, which arranges to carry on the training after the soldier is discharged.

The total number of soldiers benefiting from the scheme in August was 1,033; some of these attend several classes, the total number on the class rolls being 1,457.

REPATRIATION OF DISCHARGED SOLDIERS.

As indicated in the Budget of last year, a Department of Repatriation has been established under the authority of the Repatriation Act, 1918, to deal with all matters affecting the return of our soldiers to their civil life. It has also taken over the duties and work hitherto undertaken by the Discharged Soldiers Information Department. The new Department, which commenced its activities at the beginning of the year, is concerned with the soldier after his discharge, and was controlled by a Ministerial Board comprising the following members of the Executive Council: The Minister of Railways (Chairman), the Minister of Agriculture, the Minister of Education, and the Minister of Lands. Quite recently two returned officers, who had been on active service with the New Zealand Expeditionary Force, on their elevation to ministerial rank were appointed to fill the vacancies on the Board caused by the resignations of the Minister of Agriculture and the Minister of Education.

It will be remembered that the proposal to control repatriation by a composite Board of Ministers evoked considerable criticism. The experiment, however, has proved satisfactory both to the Department and to its District Boards and Committees. In this connection, too, it is interesting to note that the Dominion of Canada, which inaugurated its Department under the control of one Ministerial Head known as the "Minister of Soldiers' Civil Re-establishment," has now found it expedient, after two years of experience, to vest the control of this great national work in a Repatriation Committee consisting of six Ministers of the Dominion Government.

The Repatriation Board, in organizing the work of the new Department, came to the conclusion that the most satisfactory results would be attained