

The Department is continuing to assume responsibility for workmen's compensation in the case of pensioners of 20 p.c. and upwards; this provision is assisting materially in the placement of disabled men in industry, as not only are the premiums paid to the various Workmen's Compensation Boards returnable to the employers, but the Department reimburses these Boards the amount of compensation payable, less any premiums returned.

A measure of relief to pensioners has been continued by the Department. The method adopted is to issue orders on grocers, landlords, coal-dealers, etc. Such expenditure during the calendar year 1925 was \$389,549. Relief was granted in 37,183 cases, but to only 3,495 different individuals.

The Department is operating, directly or in co-operation with the Red Cross Society, "sheltered employment" workshops at Halifax, St. John, Montreal, Toronto, Hamilton, London, Kingston, Winnipeg, Vancouver and Victoria. On Dec. 31, 1925, 310 men were employed in these workshops.

The total expenditure by the Department for the years ended Mar. 31, 1924 and 1925, was as follows:—

	1924.	1925.
Direct payments to men and dependants in cash, consisting of pensions, pay and allowances, relief, etc.....	\$ 41,570,222	\$ 43,158,981
Payments for services to men and dependants, including hospital treatment, orthopaedic appliances, transportation of patients and pensioners, funeral expenses and sheltered employment under the control of Department, and employers' liability compensation.....	5,648,188	5,073,080
Payments to outside organizations not under the direct control of the Department, such as the Last Post Fund, Canadian Red Cross for sheltered employment, Royal Commission on Pensions and Re-establishment and Federal Appeal Board.....	238,426	317,456
Capital expenditure.....	6,121	10,340
Recoverable expenditure and casual revenue.....	1,593,223	1,558,248
Total payments apart from administration.....	\$ 49,056,180	\$ 50,118,105
Administration, including salaries, telephones, telegrams, transportation, stationery, rent, light, heat, etc.....	2,485,645	1,946,184
Total.....	\$ 51,541,825	\$ 52,064,289

The cost of administration in respect of the above expenditure and of the collection of premiums under the Returned Soldiers' Insurance Act was 3.816 p.c. in 1925.

Returned Soldiers' Insurance.—The Returned Soldiers' Insurance Act of 1920 (10-11 George V, c. 54) was placed under the jurisdiction of the Board of Pension Commissioners for Canada. The Board confines itself, however, to supervision and adjudication on claims. All collections and payments are made by the Department. No applications under the statute could be received after Sept. 1, 1923.

The total number of policies in force on Dec. 31, 1925, was 26,556, representing an insurance of \$60,484,549. During the calendar year, the premium income was \$1,564,482, interest added Mar. 31, 1925, \$97,539, total, \$1,662,021. Expenditure during the year in respect of death claims, cancelled insurance and surrendered policies, amounted to \$662,749. The total number of death claims to Dec. 31, 1925, was 1,218, amounting to \$3,626,300. The balance in hand as at Dec. 31, 1925, apart from interest from Apr. 1 to Dec. 31, 1925, was \$3,898,566.

Disposal of Canteen Funds.—An Act was passed at the 1925 session of Parliament (15-16 Geo. V, c. 34), providing for the disposal of the canteen funds,