operation of hospitals, treatment of patients in contract hospitals and the operation of medical out-patient departments; the employment of a specialist staff, tubercular, neuropsychiatric and surgical; the aftercare of the tuberculous; and dental treatment. The Department is operating eight hospitals and the number of patients in these institutions on Mar. 31, 1929, was 1,623. In addition, 1,350 were undergoing treatment in other institutions under the supervision of the Department. The number of patients who received in-patient treatment during the fiscal year was 12,147, and out-patient treatment was given in 104,091 cases.

The Department operates a central factory and nine fitting depots in connection with the manufacture of artificial limbs and other prosthetic appliances. The number of appliances, including repairs, issued during the fiscal year was 48,329.

Sheltered employment workshops are operated by the Department at Toronto, Hamilton, Montreal, Halifax, Winnipeg and Vancouver, and by the Red Cross Society at Victoria. They are known as Vetcraft Shops. In connection with the sale of products from these shops, a sales force is maintained. The Department manufactures the poppies and wreaths sold on Armistice Day.

Vocational training is still carried on to a limited extent, and in certain centres the Department maintains an employment service, while in others it co-operates with the Dominion-Provincial Service, particularly in the placement of handicapped men. A measure of relief is continued to pensioners who are out of employment.

Among the other activities of the Department may be mentioned the provision of veterans' care for indigent ex-members of the forces; general supervision of the activities of the Last Post Fund; payment of workmen's compensation in respect of pensioners of 25 p.c. and upwards; payment of compensation allowances to ex-members of the forces undergoing hospital treatment; co-operation with the trustees appointed under the Canteen Funds Act; aftercare of the blind, in co-operation with the Canadian National Institute for the Blind; and, by arrangement with similar departments in other countries and Dominions, the care of ex-members of the forces of those countries when in Canada. For the benefit of former Canadians who are now resident in the United Kingdom, an office is maintained in London, England.

The following is an epitomized statement of the manner in which the funds appropriated by Parliament were dealt with by the Department during the fiscal year:—

Direct payments to men and dependants. \$ Payments for services to men and dependants. Capital expenditure. Stores purchased. Payments to outside organizations. Recoverable expenditure.	45, 121, 655, 00 3, 906, 048, 41 74, 308, 55 495, 460, 42 53, 341, 58 492, 156, 54
	50,142,970.50
Insurance premiums revenue	1,663,003.40
Administration expenses	51,805,973.90 1,538,152.72
\$	53,344,126.62
Expense of the Federal Appeal Board and the Board of Pension Commissioners	283,934.90
-	53,628,031.52