The Annual Report for the fiscal year ended Mar. 31, 1931, shows an increase in the number of ex-members of the forces who received in-patient hospital treatment, the number being 15,519 as against 12,939 in 1929-30 and 12,147 in 1928-29. The Department maintains eight hospitals which are situated in the following centres: Halifax, Saint John, Ste. Anne de Bellevue, Toronto, London, Winnipeg, Calgary and Vancouver. The sheltered employment workshops are still operated at Hamilton, Montreal, Halifax and Vancouver, and one shop by the Red Cross Society at Victoria.

The Pension Division of the Department is responsible for the administration of returned soldiers' affairs under the Pensions and National Health Act, and the War Veterans' Allowance Act. It also is responsible for all payments under the Pension Act.

The following is an epitomized statement of the manner in which the funds appropriated by Parliament have been dealt with, and also sets forth the cost of administration and the adjudication of pensions in amount and percentage.

Direct payments to men and dependants	.8 50,491,852
Payments for services to men and dependants	
Capital expenditures Payments to outside organizations	. 128,438 . 53,123
Recoverable expenditures.	. 231,947
Revenue-Insurance premiums	12 15 -\$ 1,904,078
Administration expenses.	\$ 57,668,393 1,444,868
Administration expenses	
	\$ 59,113,261
Expense of the Board of Pension Commissioners, Federal Appeal Board Veterans' Bureau, Pension Tribunal and Pension Appeal Court	1. 713,156
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DEPARTMENTAL ADMINISTRATIVE EXPENSI General departmental administration. Percentage—Departmental administration.	S. 8 1,444,868
General departmental administration	.\$ 1,444,868
General departmental administration. Percentage—Departmental administration. Adjudication of Pensions.	S. 1,444,868 2,415 p.c.
General departmental administration. Percentage—Departmental administration. Adjudication of Pensions. Board of Pensioa Commissioners. \$ 412,88 Federal Appeal Board. 99,20	5. 1,444,868 2-415 p.c.
General departmental administration. Percentage—Departmental administration. Adjudication of Pensions. Second of Pension Commissioners \$ 412,8 Pederal Appeal Board \$99,2 Veterans' Bureau 76,1 Pederal Appeal Board \$76,1 Pederal Appea	5. \$ 1,444,868 2-415 p.c.
General departmental administration. Percentage—Departmental administration.	S. 1,444,868 2-415 p.c.
General departmental administration. Percentage—Departmental administration. Adjudication of Pensions. Section 2017 Adjudication of Pensions Sec	S. 1,444,868 2-415 p.c.
General departmental administration Percentage—Departmental administration	5. \$ 1,444,868 2.415 p.c.

The Board of Pension Commissioners for Canada.—The Board of Pension Commissioners is responsible for the adjudication and award of pensions in respect of disabilities connected with military service and the award of pensions to the dependants of those who have died. It consists of three members and operates under the authority of the Pension Act.

The following statements illustrate the growth of the activities of the Board of Pension Commissioners:—

The number of disability awards in force at Mar. 31, 1931, shows an increase of 9,673, being due, in the main, to the reinstatement, as provided by the 1930