By Mar. 31, 1947, re-establishment credit amounting to \$637,098 had been applied to the purchase of 1,291 veterans insurance policies, with 234 applications pending. The total value of the policies in force was \$4,837,500. (See Section 6, p. 1154.)

Approximately 80 p.c. of the policies sold outside Canada have been to veterans residing in the United States, 8 p.c. to residents of the United Kindgom, 6 p.c. to Newfoundland and the remaining 6 p.c. to other countries. Ex-service women and widows of veterans accounted for 64 of the policies sold to which they have applied \$17,403 re-establishment credit.

Veterans may purchase veterans insurance at any time within three years after discharge or the date of the coming into force of the Act which was February, 1945.

Section 3.—Post-Discharge Treatment

Subsection 1.—General Policy

The general policy with regard to post-discharge treatment is based on two fundamental principles designed to provide the best possible professional medical and surgical care for veteran patients. The first principle is close co-operation with the universities, so that Veterans' Hospitals may be used as teaching hospitals for either undergraduate or post-graduate teaching. The second principle is that consultant staffs at the Departmental hospitals should, so far as possible, be employed on either a part-time or a temporary basis, thus permitting these specialists to be also engaged in their work as teachers in the universities or as consultants in the districts. These outside contacts on the part of the staff assure the veteran patients the latest and soundest methods of diagnosis and treatment.

In districts where no Departmental hospital exists veterans with service-related disabilities and other veterans, in case of need, may receive medical service through doctors of their own choice.

Subsection 2.—Treatment Facilities

As was anticipated, the veteran patient load showed a gradual and steady increase throughout 1946. With the peak load over by late spring, an adjustment of accommodation was required to provide for the long-term needs of the Treatment Services, these were met by the closing up of a large proportion of the Service hospitals taken over to meet the peak, and the abandonment of obsolescent facilities that formed part of the Department's regular hospital accommodation.

Of the 17 Service hospitals, representing over 5,000 beds, taken over by the Department, the following, with a total of approximately 3,500 beds were slated for abandonment during 1947: Sydney (Naval), Lachine (R.C.A.F.), Ottawa (Army), Malton Convalescent (Army), Crumlin Convalescent (Army), Portage la Prairie Conditioning Centre (Army), Brandon (Army), Gordon Head Conditioning Centre (Army), Sussex (Army), Hamilton (Army). The closing date in each instance will be adjusted to meet the actual patient load.

Coincident with the closing of these Service hospitals, new construction will come into use. The permanent building program, which is given in detail at pp. 1057-1058 of the 1946 Year Book, has been seriously handicapped by the prevailing shortage of material and labour. Since that list was published, additional replacements have been recommended as follows: at Calgary, 100 beds, plus facilities; at Winnipeg, 200 replacement beds, plus facilities; at London, 200 replacement beds,