

The Air Board is of the opinion that the present system of subsidising certain Aviation Companies has failed to secure these essentials and considers that for the future Civil Aviation should be subsidised only to the extent to which it provides them.

In order that there may be at all times a force of trained pilots ready for service at the shortest notice, it is proposed that during the current year ex Royal Air Force pilots to the number of fifty will be given refresher courses; these, together with the civil pilots at present flying, will give sufficient flying personnel to form three squadrons.

NEW ZEALAND CIVIL AVIATION.

Flying Returns for the Year ended 31st March, 1921.

Company.	Flying-time.	Approximate Machine- mileage.	Number of Passengers carried.	Remarks.
	Hrs. min.			
N.Z. Flying-school	1,927 9	117,136	1,726	..
Canterbury Aviation Company (Limited) ..	491 37	29,647	3,141	..
N.Z. Aero Transport Company	185 34	11,519	1,430	Commenced flying, 1/12/20.
N.Z. Aerial Transport Company	7 0	455	57	Commenced flying, 1/3/21.
Totals	2,611 20	158,757	6,354	..

APPENDIX II.—REPORT OF THE DIRECTOR-GENERAL OF MEDICAL SERVICES.

THE number of service patients under treatment on the 1st April, 1920, and the 31st March, 1921, were as follows :—

	In-patients.	Out-patients.	Totals.
1st April, 1920	1,699	1,474	3,173
31st March, 1921	998	1,259	2,257

This shows a reduction of 916 during this period of twelve months. It is to be expected that the diminution in the number of patients will progress more slowly in the future, as the more chronic cases relatively increase in numbers.

Corresponding with the diminution of the number of in-patients, accommodation in the larger medical institutions has become available, and so enabled a concentration of patients in these, and the closing of smaller hospitals and homes. During the period under review the following institutions were closed on the dates mentioned :—

Anzac Home, Karitane—6th May, 1920.

Military Ward, Napier Hospital—28th June, 1920.

Military Section, Dunedin Hospital—31st July, 1920.

Chalmers Military Hospital, Christchurch—31st July, 1920.

Nurses' Convalescent Home, Lower Hutt—24th November, 1920.

Narrow Neck Military Hospital—30th November, 1920.

T.B. shelters, Auckland annexe (handed over to the Auckland Hospital Board—13th December, 1920.

Kamo Convalescent Home (handed over to Whangarei Hospital Board)—1st January, 1921.

Timaru Military Hospital—31st January, 1921.

The medical institutions remaining under the Defence Department are as follows: Rotorua Military Hospital, Pukeora Military Sanatorium, Trentham Military Hospital Hanmer Military Hospital, Cashmere Military Sanatorium. The work carried out at these institutions is the same as described in the last annual report.

HOMES FOR CHRONIC CASES.

There will remain for some considerable time a number of chronic and incurable cases which will require a certain amount of skilled nursing and medical supervision. The surroundings of an ordinary hospital are not suitable for cases such as these. It is desirable that these patients should be provided with accommodation in which the surroundings are more home-like, and in which they can receive more individual attention than they could in a hospital. With this in view homes have been provided in Auckland, Christchurch, and Dunedin.

In Dunedin the Montecillo Home, which was established some time ago, and is very efficiently conducted by the local branch of the Red Cross Society, is admirably serving this purpose.

In Auckland the Red Cross Society has provided the Evelyn Firth Home, which accommodates twenty-four patients. This home is beautifully situated on Point Resolution, and its appointments reflect the greatest credit on the Auckland Branch of the Red Cross Society. It is indeed a model of what such a home should be. It is conducted by the Defence Department and the Red Cross Society under a mutual agreement which is working very satisfactorily.

In Christchurch the patriotic bodies have provided an excellent house and grounds, and will maintain these. The house is at present being altered to adapt it to its purpose, and it is anticipated that the home will be opened very shortly. This institution will be known as the "Rannersdale Home."