

SECTION XXVIII.

DEFENCE.

§ 1. Military Defence.

1. Development of State Military Systems.—A detailed historical account of the Australian defence forces prior to federation will be found in the Official Year Book No. 2, pp. 1075–1080. See also Official Year Book No. 12, p. 999.

The strength of the military forces of the several States prior to federation was generally nearly up to establishment. On 31st December, 1900 (the eve of Federation), it was.—New South Wales, 9,338; Victoria, 6,335; Queensland, 4,028; South Australia, 2,932; Western Australia, 2,696; Tasmania, 2,024; total for Commonwealth, 27,353. Cadets, reservists, and rifle club members are excluded.

2. Development of Commonwealth System.—Under the terms of the Constitution Act 1900, the Commonwealth took over control of defence matters in March, 1901. Particulars regarding development up to the initiation of the existing system will be found in Official Year Book No. 12, p. 999.

3. The Present Military System.—The defence of Australia at the present time is enacted and prescribed by the Defence Acts 1903–1918 of the Federal Parliament. The provisions of the Acts of 1903, 1904, and the regulations under them contain the main working principles of Australian defence, the necessary expansion being provided for in the amendments of 1909, 1910, 1911, 1912, 1914, 1915, 1917, and 1918. The main provisions of the Acts up to 1912 inclusive will be found in Official Year Book No. 6, pp. 1050 *et seq.* The principal provision of the Act of 1909 is the enactment of compulsory military or naval training, with regulations for registration, enrolment, and exemption. Statutes were passed subsequently, extending or modifying the legislative provisions, removing obstacles and difficulties, and, where necessary, providing machinery. (See also Year Book No. 12, pp. 100 *et seq.*)

(i) *Military Population.* In connexion with the numbers available, the figures of male population are of interest. The total number at cadet age, *i.e.*, between 12 and 18, at the Census of 1911 (3rd April) was about 260,000; at citizen soldier age, *i.e.*, between 18 and 26, 366,000; these latter, with 330,000 at ages between 26 and 35, give 696,000 as the total males at the best period for military service. In addition, there were about 614,000 between 35 and 60.

(ii) *Record for Anthropometric Purposes.* In connexion with the medical inspection it has been arranged that the colour and character of hair, and the colour of eyes of those examined, shall be recorded for statistical purposes.

A systematic record of height, weight and chest measurement of each trainee is also made.

In Official Year Book No. 11, pp. 1203–1209, an analysis is given of the data collected for the year ended 30th June, 1912.

(iii) *Compulsory Training.* By the Defence Acts of 1903 and 1904 all male inhabitants between the ages of 18 and 60 years were made liable to serve in Australia with the defence forces *in time of war*. The more recent Acts make training and service compulsory up to the age of 26 years *in time of peace*. By the Act of 1909 the principle of universal liability to be trained was made law for the first time in any English-speaking community. On 1st January, 1911, by proclamation, compulsory training was established. Details concerning the method of carrying out the scheme, with modifications suggested by the report of Lord Kitchener, will be found in Official Year Book No. 12, pp. 1001, *et seq.*, but owing to limits of space they have been omitted from the present Year Book.

(iv) *Rifle Clubs.* On the 31st December, 1921, there were 1,243 clubs with a membership of 47,632, and in addition 116 miniature rifle clubs having a membership of 4,414. Applications to form rifle clubs are made to the commandant of a district, and must be signed by not less than thirty male persons between the ages of sixteen and sixty, who are required to be natural-born or naturalised British subjects, and are not undergoing training under the universal clauses of the Defence Act. Persons, however, who are temporarily exempted from universal training may be permitted to join rifle clubs during the period of their temporary exemption. Members of rifle clubs must fire an annual course of musketry, but do not undergo any systematic drill.

(v) *Allotment of Units to Divisional Brigade, Battalion, and Training Areas.* The organisation is territorial, and the divisions based upon infantry units. There are 62 battalion areas, forming 15 brigades. The areas have approximately equal numbers of males of citizen soldier age, and each furnishes a battalion of infantry, and a proportion of other troops.

**ALLOTMENT OF UNITS TO BRIGADE, BATTALION, AND TRAINING AREAS,
31st DECEMBER, 1921.**

State.	Brigade Areas.	Battalion Areas.							Training Areas.	
		No.	No. of Battalions.	Providing the undermentioned units.				Total Nos. in Training Areas.		
				Infantry, Engineers, A.S.C. and A.M.C.	Light Horse.		Field Artillery.			
					Squadrons.	Nos.	Batteries.			Nos.
New South Wales ..	5	21	30,607	28	3,023	22	4,349	37,979	42	
Victoria ..	5	21	30,438	24	2,594	22	4,259	37,291	44	
Queensland ..	2	8	11,715	16	1,726	9	1,824	13,265	20	
South Australia ..	1	4	6,011	16	1,726	5	988	8,725	13	
Western Australia ..	1	4	5,505	4	429	4	694	6,628	14	
Tasmania ..	1	4	5,494	4	429	4	694	6,617	11	
Total ..	15	62	89,770	92	9,927	66	12,808	112,505	144	

(vi) *Administration and Instruction.* The staff provided for the administration and training of the various arms consists of 232 officers (Staff Corps), 52 quartermasters, and 555 warrant and non-commissioned officers (Australian Instructional Staff).

(vii) *The Royal Military College, Duntroon,* Federal Territory, was established for the purpose of providing trained officers for the permanent forces. Admission is by open competitive examination, a definite number of vacancies being allotted to each State of the Commonwealth on a population basis. The age for admission is between sixteen and nineteen years, though there is a provision in the regulations by which members of the forces over nineteen years of age who pass the prescribed examination, and are approved by the Governor-General-in-Council, may be admitted. The College was opened in June, 1911. The normal college course lasts for four years, and is followed by a tour of duty in England, India, Hong Kong, or Singapore, after which graduates will be appointed to staffs or permanent troops. During the late war the course was temporarily modified. Over 153 staff-cadets were (June, 1918) specially graduated, and appointed to units serving at the front with the Australian and New Zealand forces. No fees are charged for maintenance and instruction, each staff-cadet being credited with an allowance of 7s. 6d. per diem to meet expenses of necessary uniform, books, instruments, etc. The course of instruction comprises both educational and military work, the former being mainly completed in the first two years. Cadets are prepared for light horse, artillery, engineer, and infantry duties.

In December, 1921, the staff numbered—military, 30; civil, 12.

(viii) *Railways and Defence.* A War Railway Council, consisting of military and railway officers, was instituted in 1911. Its chief duties are to furnish advice and information regarding railway transport for military purposes, and to secure co-operation between the Commonwealth Defence Department and the States' Railway Departments in regard to concentration and mobilisation of troops. To prevent delay in the transport of troops, particularly that caused by the transshipment of baggage and implements of war, the Council has recommended the adoption of a uniform railway gauge on lines linking up the States' capitals. An Engineer and Railway Staff Corps has been instituted, and numbered 47 officers on 31st December, 1921. Fuller details will be found in Official Year Book No. 6, pp. 1070-1.

(ix) *The Universal Training System in Operation.* Details regarding the various stages in the operation of the system will be found in Official Year Book No. 12, p. 1007, but limits of space preclude their repetition in the present volume.

4. **Strength of Military Forces.**—(i) *Strength in each District.* There was little alteration in the numbers serving in the Australian military forces from the institution of the Commonwealth to the year of the introduction of the compulsory training system. From 1913 to 1918, however, the annual increase was considerable. The following table shews the development :—

STRENGTH OF MILITARY FORCES, 1901, 1913, AND 1917 TO 1921.

(a) District.	1901. (b) 1/3/01	1913. 30/6/13.	1917. 30/6/17.	1918. 30/6/18.	1919. 30/6/19.	1920. 30/6/20.	1921. 31/12/21.
Hd.-Qrs. .. ..	..	(c) 277	(c) 377	(c) 473	(c) 362	(c) 463	(c) 458
1st Q'd.	4,310	4,625	11,415	15,899	13,938	13,323	14,752
2nd N.S.W.	9,772	12,105	28,783	41,751	37,851	38,558	46,924
3rd Vict.	7,011	10,840	29,131	39,492	34,770	30,762	41,484
4th S. Aus.	2,956	3,228	9,767	12,629	12,867	10,590	12,495
5th W. Aus.	2,283	1,685	4,882	6,333	5,508	4,400	6,540
6th Tas.	2,554	1,777	4,007	5,609	4,585	4,569	5,307
Total	28,886	34,537	88,362	122,186	109,881	102,665	127,960

(a) Approximately coterminous with boundaries of States. (b) Date of Commonwealth taking over the military forces from States. (c) Including cadets at Royal Military College of Australia, Duntroon.

(ii) *Strength of the Various Arms.* The numbers of the different arms of the service on the 31st December, 1921, were as follows :—

ARMS OF THE COMMONWEALTH DEFENCE, 31st DECEMBER, 1921.

Light Horse	8,438	Australian Instructional Corps ..	857
Field Artillery	2,156	Ordnance (including Armament	
Garrison Artillery	10,188	Artificers)	379a
Field Engineers	6,503	Pay Department, Rifle Range	
Signals	3,206	Staff, Rifle Club Staff, and	
Infantry	89,466	Clerical Staff	690a
Army Service Corps	2,256	Royal Military College	88a
Army Veterinary Corps	168	Provost Staff	17
Army Medical Corps	3,246		
Staff Corps	302	Grand Total	127,960

(a) Includes civilians.

(iii) *Classification of Land Forces.* The following table shews the strength of the land forces in each State, classified according to nature of service, on the 31st December, 1921 :—

CLASSIFICATION OF LAND FORCES,(a) 31st DECEMBER, 1921.

Branch of Service.	Army Head-quarters.	1st Military District.	2nd Military District.	3rd Military District.	4th Military District.	5th Military District.	6th Military District.	Total.
Permanently employed ..	(a)458	353	858	977	135	240	158	3,179
Citizen Soldiers ..	..	14,370	45,979	40,409	12,309	6,282	5,140	124,489
Unattached 1st of Officers ..	..	29	87	98	51	18	9	292
Engineer and Railway Staff Corps ..	..	9	10	11	5	8	4	47
Area Medical Officers ..	..	27	42	44	13	7	11	144
Rifle Clubs ..	..	10,789	12,732	11,025	4,991	4,737	3,364	47,638
Reserve of Officers ..	..	1,384	3,576	3,389	1,003	922	386	10,660
Chaplains ..	..	61	137	151	4	34	21	408
Total ..	458	27,022	63,421	56,104	18,511	12,248	9,093	186,857

(a) Includes Cadets at Royal Military College of Australia, Duntroon.

(iv) *Numbers Serving under Compulsory Provisions.* The next table shews those registered and training under the compulsory system, distinguishing citizen forces, senior cadets, and junior cadets. It has been decided to discontinue junior cadet training as an activity of the Defence Department as from 30th June, 1922 :—

UNIVERSAL TRAINING. — REGISTRATIONS, MEDICAL EXAMINATIONS, EXEMPTIONS, AND NUMBERS SERVING, CITIZEN FORCES, 31st DECEMBER, 1921 (1903 QUOTA).

Military Formation and District.	Total Registrations.	Total Medically Examined.	Number Medically Fit.	Percentage Medically Examined who are Fit.	Number Unfit and Temporarily Unfit.	Percentage Medically Examined who are Unfit and Temporarily Unfit.	Total Exemptions Granted in Training Areas.	Total Number Liable for Training.
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1903 QUOTA (TO 31st DECEMBER, 1921).

11th Mixed Brigade (1st M.D.)	3,673	2,741	2,335	85.19	406	14.81	1,461	2,212
1st Division (2nd M.D.)	4,129	3,525	3,194	90.61	331	9.39	959	3,170
2nd Division (2nd M.D.)	6,839	5,669	4,805	84.76	864	15.24	1,877	4,962
3rd Division (3rd M.D.)	4,870	4,112	3,504	85.21	608	14.79	1,282	3,588
4th Division (3rd M.D.)	3,489	2,656	2,260	85.09	396	14.91	1,258	2,231
4th Division (4th M.D.)	2,874	2,323	1,983	85.37	340	14.63	1,042	1,832
13th Mixed Brigade (5th M.D.)	1,989	1,201	1,046	87.09	155	12.91	935	1,054
12th Mixed Brigade (6th M.D.)	1,204	935	780	83.42	155	16.58	467	737
Total ..	29,067	23,162	19,907	85.95	3,255	14.05	9,281	19,786

UNIVERSAL TRAINING.—REGISTRATIONS, ETC.—*continued.*

1895 TO 1902 QUOTAS (TO 31ST DECEMBER, 1920). (a)

Military District.	Total Registrations in Training Areas.								Total.
	Quota, 1895.	Quota, 1896.	Quota, 1897.	Quota, 1898.	Quota, 1899.	Quota, 1900.	Quota, 1901.	Quota, 1902.	
1st ..	4,629	4,391	4,572	4,584	4,915	4,865	4,453	4,260	36,669
2nd ..	9,844	9,947	9,871	9,346	9,607	10,058	9,970	10,451	79,094
3rd ..	5,989	6,147	6,036	6,044	6,747	7,325	7,390	7,248	52,926
4th ..	3,304	3,219	2,958	2,914	3,014	3,225	2,878	2,805	24,318
5th ..	932	1,030	1,107	1,146	1,222	1,178	1,244	1,347	9,206
6th ..	1,237	1,324	1,293	1,144	1,248	1,381	1,222	1,181	10,030
Total ..	25,935	26,058	25,837	25,178	26,753	28,033	27,157	27,292	212,243

(a) Latest particulars available.

SUMMARY OF EXEMPTIONS; SUMMARY OF TRAINEES OF CITIZEN FORCE AGE SERVING WITH SENIOR CADETS AS AT 31st DECEMBER, 1921.

Formations.	Exemptions (D.A. 138).					Total.
	1903 Quota.	1902 Quota.	1901 Quota.	1900 Quota.	1899 Quota.	
1st Division (2nd M.D.)	959	859	887	1,131	1,029	4,865
2nd Division (2nd M.D.)	1,877	1,918	1,812	2,050	1,867	9,524
3rd Division (3rd M.D.)	1,282	1,301	1,209	1,086	976	5,854
4th Division (3rd M.D.)	1,258	1,121	1,175	1,181	935	5,670
4th Division (4th M.D.)	1,042	955	990	1,287	1,285	5,559
11th Mixed Brigade (1st M.D.) ..	1,461	1,547	1,878	2,173	2,199	9,258
12th Mixed Brigade (6th M.D.) ..	467	451	351	428	358	2,055
13th Mixed Brigade (5th M.D.) ..	935	852	770	717	634	3,908
Totals ..	9,281	9,004	9,072	10,053	9,283	46,693

Formations.	Trainees of Citizen Force serving with Senior Cadets.									Number serving under A.M.R. 375.
	1903 Quota.	1902 Quota.	1901 Quota.	1900 Quota.	1899 Quota.	1898 Quota.	1897 Quota.	1896 Quota.	Total.	
1st Division (2nd M.D.)	19	23	28	12	9	10	6	..	107	12
2nd Division (2nd M.D.)	39	41	36	21	20	9	11	6	183	13
3rd Division (3rd M.D.)	35	35	33	23	21	13	8	3	171	41
4th Division (3rd M.D.)	20	34	31	21	18	7	11	6	148	43
4th Division (4th M.D.)	27	21	21	16	9	5	3	..	102	56
11th Mixed Brigade (1st M.D.) ..	27	16	28	9	9	14	5	4	112	29
12th Mixed Brigade (6th M.D.) ..	5	7	9	7	2	2	2	2	36	4
13th Mixed Brigade (5th M.D.) ..	9	11	11	5	9	5	4	2	56	25
Totals ..	181	188	197	114	97	65	50	23	915	223

**UNIVERSAL TRAINING.—REGISTRATIONS, EXEMPTIONS, MISSING TRAINEES,
ETC., TO THE 31st DECEMBER, 1921 (1904 TO 1907 QUOTAS).**

SENIOR CADETS.

Formations.	Total Registrations.—Senior Cadets.					Exemptions, D.A. 138, Exempt Trainees on Strength of Areas on 31st December, 1921—Senior Cadets.				
	1907 Quota.	1906 Quota.	1905 Quota.	1904 Quota.	Total.	1907 Quota.	1906 Quota.	1905 Quota.	1904 Quota.	Total.
1st Division (2nd M.D.)	4,063	4,514	4,400	4,319	17,296	279	554	684	912	2,429
2nd Division (2nd M.D.)	6,862	7,287	7,275	7,733	29,157	667	937	1,238	1,682	4,524
3rd Division (3rd M.D.)	4,776	5,098	5,298	5,394	20,566	565	659	894	1,150	3,268
4th Division (3rd M.D.)	3,463	3,825	3,833	3,946	15,067	443	671	886	1,137	3,137
4th Division (4th M.D.)	2,872	3,171	3,171	3,261	12,475	370	548	764	935	2,617
11th Mixed Brigade (1st M.D.)	3,770	4,062	4,205	4,154	16,191	664	917	1,161	1,416	4,158
12th Mixed Brigade (6th M.D.)	994	1,216	1,312	1,300	4,822	109	228	365	392	1,094
13th Mixed Brigade (5th M.D.)	1,985	2,139	2,154	2,095	8,373	248	434	641	811	2,134
Total	28,785	31,312	31,648	32,202	123,947	3,345	4,948	6,633	8,435	23,361

Formations.	Missing Trainees on Strength of Areas on 31st December, 1921.—Senior Cadets.					Number actually in Training on Area Strength on 31st December, 1921.—Senior Cadets.				
	1907 Quota.	1906 Quota.	1905 Quota.	1904 Quota.	Total.	1907 Quota.	1906 Quota.	1905 Quota.	1904 Quota.	Total.
1st Division (2nd M.D.)	8	30	37	87	162	3,703	3,916	3,679	3,318	14,616
2nd Division (2nd M.D.)	6	27	99	195	327	6,119	6,321	5,933	5,854	24,227
3rd Division (3rd M.D.)	30	69	115	185	399	4,170	4,365	4,289	4,057	16,881
4th Division (3rd M.D.)	5	41	67	135	248	2,995	3,112	2,876	2,673	11,656
4th Division (4th M.D.)	2	5	19	19	45	2,467	2,606	2,376	2,306	9,755
11th Mixed Brigade (1st M.D.)	3	10	24	33	70	3,103	3,135	3,020	2,705	11,963
12th Mixed Brigade (6th M.D.)	..	1	5	21	27	885	987	942	887	3,701
13th Mixed Brigade (5th M.D.)	3	8	7	23	41	1,734	1,697	1,506	1,261	6,198
Total	57	191	373	698	1,319	25,176	26,139	24,621	23,061	98,997

**MEDICAL EXAMINATIONS, SENIOR CADETS, 1907 QUOTA, YEAR ENDED
31st DECEMBER, 1921.**

Formations.	Number of Examina- tions carried out.	Fit.		Unfit (A.M.R. 369).		Unfit (including those under A.M.R. 375, but excluding those under A.M.R. 369).	
		1907 Quota.	Per- centage.	1907 Quota.	Per- centage.	1907 Quota.	Per- centage.
1st Division (2nd M.D.)	3,963	3,813	96.22	36	.90	114	2.88
2nd Division (2nd M.D.)	6,734	6,219	92.35	43	.64	472	7.01
3rd Division (3rd M.D.)	4,987	4,574	91.72	12	.24	401	8.04
4th Division (3rd M.D.)	3,360	3,065	91.22	55	1.64	240	7.14
4th Division (4th M.D.)	2,861	2,619	91.54	93	3.25	149	5.21
11th Mixed Brigade (1st M.D.) ..	3,533	3,254	92.10	26	.74	253	7.16
12th Mixed Brigade (6th M.D.) ..	1,007	924	91.76	9	.89	74	7.35
13th Mixed Brigade (5th M.D.) ..	1,917	1,808	94.31	51	2.66	58	3.03
Total ..	28,362	26,276	92.64	325	1.15	1,761	6.21

SUMMARY OF MEDICAL EXAMINATIONS AS AT 31st DECEMBER, 1921.

JUNIOR CADETS.

Formations.	Total Number Medically Examined.			Number Fit.	Percen- tage who are Fit.	Number Unfit.	Percen- tage who are Unfit.
	Quota, 1908.	Quota, 1909.	Total.				
1st Division (2nd M.D.)	4,321	3,810	8,131	8,046	98.96	85	1.04
2nd Division (2nd M.D.)	6,249	6,480	12,729	12,511	98.29	218	1.71
3rd Division (3rd M.D.)	3,737	3,957	7,694	7,588	98.62	106	1.38
4th Division (3rd M.D.)	3,114	3,542	6,656	6,515	97.88	141	2.12
4th Division (4th M.D.)	2,763	2,781	5,544	5,461	98.50	83	1.50
11th Mixed Brigade (1st M.D.) ..	2,464	2,530	4,994	4,877	97.65	117	2.35
12th Mixed Brigade (6th M.D.) ..	966	839	1,805	1,762	97.62	43	2.38
(a) 13th Mixed Brigade (5th M.D.) ..	1,974	1,944	3,918	3,809	97.22	109	2.78
Total ..	25,588	25,883	51,471	50,569	98.25	902	1.75

(a) As at 30.6.21.

§ 2. Naval Defence.

1. Naval Defence under the States.—Information regarding naval defence systems prior to 1901 will be found in Official Year Book No. 12, p. 1011, but considerations of space preclude its insertion in the present volume.

2. Development of Commonwealth System from 1901.—Australian defence, in both its branches (naval and military), passed to the Commonwealth in 1901. Prior to 1905 a naval officer commanding administered the naval forces under the Minister. When the Council of Defence was established in that year, the Naval Board was constituted, and took over the administration of the Commonwealth naval forces, thereby ensuring continuity of policy and administration.

3. **The Present System.**—(i) *Australian Naval Policy.* An outline of the development of Australian naval policy will be found in Official Year Book No. 3, pp. 1060–1061, and in No. 12, p. 1012.

(ii) *The Building of the Australian Fleet.* Skilled artisans were despatched from Australia to gain practical experience in naval shipbuilding, construction proceeding both in Britain and Australia. Sailors of all ratings were also trained for the Commonwealth service. The first instalment of the Australian fleet unit consisted of two torpedo boat destroyers, of British construction, commissioned in September, 1910, and named *Parramatta* and *Yarra*. A third destroyer, the *Warrego*, was shipped to Sydney in parts, and was re-erected at the Commonwealth dockyard, Cockatoo Island, Sydney, and commissioned on 1st June, 1912. A description of these and the other vessels of the fleet will be found in Official Year Book No. 6, pp. 1066–7.

The battle cruiser *Australia* was commissioned in June, 1913, and arrived in Australian waters in the following September. Two light cruisers, the *Melbourne* and *Sydney*, arrived in Australian waters in 1913, and two submarines in 1914. Two additional cruisers, the *Brisbane* and the *Adelaide*, and three more destroyers, the *Swan*, *Huon* and *Torrens*, were built at the Commonwealth Dockyard, Sydney.

(iii) *Modifications Adopted and Proposed.* Certain modifications have been made in the original scheme. These have been prepared in tabular form, and are as follows:—

FLEET UNIT.—ORIGINAL ESTIMATED COST.

(Imperial Defence Conference, 1909.)

1 Battle cruiser	£2,000,000
3 Protected cruisers, £350,000 each	1,050,000
6 Destroyers (including 3 ordered before the Conference), £80,000 each	480,000
3 Submarines, "C" class, £55,000 each	165,000
Total	£3,695,000

AMENDED ESTIMATED COST.

(Consequent on Alteration of Type of Vessels on Admiralty Recommendation.)

1 Battle cruiser	£2,000,000
3 Protected cruisers, £450,000 each	1,350,000
6 Destroyers, £30,000 each	480,000
2 Submarines, "E" class, £105,000 each	210,000
Total	£4,040,000

LATER ESTIMATED COST OF FLEET UNIT, TOGETHER WITH COST OF VESSELS NOT INCLUDED IN ORIGINAL FLEET UNIT.

1 Battle cruiser	£1,705,000
(a) 3 Protected cruisers	1,400,000
(a) 6 Destroyers	653,000
2 Submarines	233,500
Auxiliaries—	
1 Submarine depot ship	£160,000
1 Oil tank vessel	120,000
4 Oil fuel storage vessels (built in Australia)	75,766
4 Hulks	25,000
	380,766
Total	£4,372,266

The following additional amount has been approved for new construction outside the original fleet unit and for increase in cost over estimate

	2,473,605
Total	£6,845,871

(a) Extra cost of building certain of these vessels in Australia is responsible for increase.

(iv) *Expenditure on Fleet Construction for the Royal Australian Navy.* The following is a statement of expenditure out of sums appropriated for construction of fleet :—

EXPENDITURE ON FLEET CONSTRUCTION, 1909 TO 1922.

Year.	Appropriation.						Expenditure.
							£
1908-9	..	Act No. 19 of 1908	..	..	..	..	24,855
1909-10	..	Act No. 19 of 1908	..	..	..	..	223,959
1909-10	..	Division No. 11A, New Works, etc.	..	..	..	..	60,000
1910-11	..	Act No. 18 of 1910	..	..	..	..	285,863
1910-11	..	Division No. 12, New Works, etc.	..	..	..	..	850,000
1911-12	..	Act No. 18 of 1910	..	..	..	..	1,108,494
1912-13	..	Act No. 18 of 1910	..	..	..	..	} 524,037
1912-13	..	Division No. 10, New Works, etc.	..	..	..	..
1913-14	..	Division No. 12, New Works, etc.	..	..	..	..
1914-15	..	Division No. 13, New Works, etc.	..	..	..	..
1915-16	..	Division No. 13, New Works, etc.	..	..	..	..
1916-17	..	Division No. 17, New Works, etc.	..	..	..	..	374,249
1917-18	..	Act No. 30 of 1917, New Works, etc	..	..	..	..	355,397
1918-19	..	War Loan Act No. 23 of 1917	..	..	..	..	533,694
1919-20	..	War Loan Act No. 13 of 1918	..	..	..	..	366,695
1920-21	..	Division No. 7, New Works, etc.	..	..	..	..	301,284
1921-22	..	Division No. 11, New Works, etc.	..	..	..	..	336,369
Total							6,845,871

(v) *Visit and Report by Admiral Sir Reginald Henderson.* At the invitation of the Government, Admiral Sir Reginald Henderson visited Australia to advise upon naval matters generally. A summary of his report will be found in Official Year Book No. 6, pp. 1067-8.

(vi) *The Compact with the Imperial Government.* Up to 1921 the Australian Government built its navy according to the terms of an official paper (cd. 5746-2) submitted to the Imperial Conference held in London in 1911, and on the plan formulated by Admiral Henderson (after an inspection of Australia's capitals and other ports and coast line in 1911). There is no formal contract or agreement between the British and the Commonwealth Governments. The last actual agreement was that of 1903, already described in Year Book No. 12 (see p. 1012). Before the expiration of the time for which this agreement was made the Commonwealth began the work of fleet construction. Up to the year 1911-12, £200,000 was annually paid. For 1912-13, £175,000 was set down in the estimates, and £166,600 paid. The Commonwealth Parliament amended the *Naval Agreement Act 1903*, by No. 10 of 1912 (*Naval Agreement Act 1912*), providing that the Governor-General may, from time to time, arrange with the Imperial Government for the reduction of the Australian Squadron, and for reduction in the naval subsidy. No amount under "Naval Agreement Act" will be found in the estimates for 1913-14 and later years. Some departures were made from Admiral Henderson's recommendations, but generally they were adopted.

The Washington Conference of 1921 has had a marked effect on Naval Defence schemes, and all warship building and naval base construction has been suspended.

(vii) *Naval College.* A naval college has been established at Captain's Point, Jervis Bay, consisting of numerous buildings necessary for the training of naval officers. The course is similar to that carried out in naval colleges in England. In December, 1920, there were 96 cadet midshipmen under training. There were also 17 officers, including naval instructors, and 68 members of the ship's company in residence at the college. A boy whose thirteenth birthday falls in the year in which the entrance examination is held is eligible to compete provided he is the son of natural-born or naturalised British subjects. From amongst those qualified the Selection Committee chooses the number required. The Commonwealth Government bears the whole expense of uniforms, victualling, travelling, as well as that of the educational course.

(viii) *Training Ships.* H.M.A.S. *Tingira*, moored in Rose Bay, Sydney, was commissioned in April, 1912, to train boys for the *personnel* of the Royal Australian Navy. The age of entry is fourteen and a half to sixteen years. Only boys of very good character and physique are accepted, after a strict medical examination. The boys must engage to serve until they reach the age of 25. The training lasts about one year, and they are then drafted to a sea-going warship of the Australian fleet. Recruiting has been satisfactory, there being 123 boys under training on 15th June, 1922.

(ix) *The Naval Station of the Commonwealth of Australia.* The following are the limits of the Naval Station which, since 1st June, 1919, have been controlled by the Commonwealth Government, acting through the Naval Board :—North: From a point in 95 degrees East longitude and 13 degrees South latitude along that parallel to the Eastward to the meridian of 120 degrees East longitude; thence along that meridian to the Northward to 11 degrees South latitude; thence in an easterly direction to the Southern termination of the Eastern boundary of Dutch New Guinea in about 141 degrees East longitude; thence along the meridian of the boundary to the Northward to the Equator; thence along the Equator to the eastward to 170 degrees East longitude. East: From a point on the Equator on the meridian of 170 degrees East longitude along that meridian to the Southward to 32 degrees South latitude; thence along that parallel to the Westward to the meridian of 160 degrees East longitude; thence along that meridian to the South Pole. South: The South Pole. West: From the South Pole by the meridian of 80 degrees East longitude to the Northward of 30 degrees South latitude; thence along that parallel to the Eastward to the meridian of 95 degrees East longitude; thence along that meridian to the Northward to 13 degrees South latitude.

(x) *Visit and Report of Lord Jellicoe.* At the invitation of the Government, Admiral of the Fleet Lord Jellicoe visited Australia in May, 1919, to advise the Dominion Authorities whether, in the light of the experience of the war, the scheme of naval organization which had been adopted or may have been in contemplation, required consideration, either from the point of view of the efficiency of that organization for meeting local needs, or from that of securing the greatest possible homogeneity and co-operation between all the Naval Forces of the Empire; and, should the Dominion Authorities desire to consider how far it is possible for the Dominions to take a more effective share in the Naval Defence of the Empire, to give acceptance from the Naval point of view in drawing up a scheme for consideration.

The subjects, on which advice was requested, were :—The Naval strategical problem affecting Australian waters and the Pacific; future composition of the Australian Navy; Naval Bases and requirements in the Pacific and East Indian Waters; general organization and administration of the Naval Forces.

The decisions of the Washington Conference of 1921 have now to be taken into consideration in connexion with Naval Defence schemes for the Pacific.

4. **Vessels and Personnel of the Australian Navy.**—The following table shews the vessels of the Royal Australian Navy :—

LIST OF SHIPS OF THE ROYAL AUSTRALIAN NAVY, JUNE, 1922.

Vessel.	Description.	Displacement.	Power.
		Tons.	H.P.
<i>Adelaide</i>	Light Cruiser	5,500	25,000
<i>Anzac</i>	Flotilla Leader	1,660	36,000
<i>Australia</i>	Battle Cruiser	18,800	44,000
<i>Brisbane</i>	Light Cruiser	5,400	25,000
<i>Cerberus</i>	Gunboat	920	1,600
<i>Countess of Hopetoun</i>	First Class Torpedo Boat ..	93	1,100
<i>Encounter</i>	Depot Ship	5,880	12,500
<i>Franklin</i>	Yacht	370	350
<i>Geranium</i>	Sloop	1,250	2,000
<i>Huon</i>	T.B. Destroyer	700	11,300
<i>Mallow</i>	Sloop	1,200	1,800
<i>Marguerite</i>	"	1,250	2,200
<i>Melbourne</i>	Light Cruiser	5,400	25,000
<i>Parramatta</i>	T.B. Destroyer	700	9,000
<i>Pioneer</i>	Light Cruiser	2,200	7,000
<i>Platypus</i>	Submarine Depot Ship ..	3,460	2,611
<i>Platypus II.</i>	Turret Ship	3,480	1,660
<i>Stalwart</i>	T.B. Destroyer	1,075	27,000
<i>Success</i>	"	1,075	27,000
<i>Swan</i>	"	700	10,000
<i>Swordsman</i>	"	1,075	27,000
<i>Sydney</i>	Light Cruiser	5,400	25,000
<i>Tasmania</i>	T.B. Destroyer	1,075	27,000
<i>Tattoo</i>	"	1,075	27,000
<i>Tingira</i>	Boys' Training Ship	1,800	..
<i>Torrens</i>	T.B. Destroyer	700	10,000
<i>Warrego</i>	"	700	9,000
<i>Yarra</i>	"	700	9,000
FLEET AUXILIARIES—			
<i>Biloela</i>	Fleet Collier	5,700	2,300
<i>Kurumba</i>	Fleet Oiler	3,970	..
SUBMARINES, "J" CLASS—			
1, 2, 3, 4, 5, 7		1,900	1,400
		(submerged)	..
		1,170	3,600
		(on surface)	..

Practically the whole of this Fleet was assembled in Port Phillip on 28th May, 1920, and was reviewed there by H.R.H. the Prince of Wales.

Besides the Sea-going Forces, there is a R.A.N. Reserve, which is composed of Citizen Naval Trainees. The *personnel* of the Sea-going Forces, which was originally largely composed of Imperial Officers and men, is now mainly Australian in character and will become more so as time goes on. Strength of Naval Forces at latest available date was :—

**STRENGTH OF NAVAL FORCES (PERMANENT AND RESERVES),
15th JUNE, 1922.**

Description of Force.	Numbers Borne.		
	In Training.	Officers.	Men.
Royal Australian Navy (Seagoing) .. ..	..	406	3,566
Cadet Midshipmen undergoing training at R.A.N. College ..	48	..	..
Boys undergoing training on H.M.A.S. <i>Tingira</i>	123	..	..
Royal Australian Naval Reserve (Seagoing) .. ..	..	43	..
Royal Australian Naval Reserve .. ..	..	109	3,657

§ 3. Air Defence.

A Royal Australian Air Force has been formed, and is administered by a Board consisting of two Air Force members and a Finance member. To this Force is entrusted the air defence of the Commonwealth, the training of *personnel* for co-operation with the naval and military forces, and the refresher training of pilots engaging in civil aviation. The present establishment of the Force includes the following units:—

- (a) Head-Quarters, Royal Australian Air Force, with representation at the Air Ministry in London; and
- (b) One Station at which are located an Aircraft Depot with store and repair facilities, a Flying Training School, and one Squadron of Citizen Force *personnel* with a nucleus of permanent *personnel*.

In deciding all matters of policy the Minister is assisted by a representative Air Council, which includes officers of the Navy, Army, and Air Force, and the Controller of Civil Aviation.

§ 4. Expenditure on Defence.

1. **Expenditure, 1916-17 to 1922-23.**—The following table gives the expenditure on Defence from 1916-17 to 1921-22, and the estimate for 1922-23.—

EXPENDITURE ON DEFENCE, 1916-17 TO 1922-23.

Particulars.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23. (Estimate)
	£	£	£	£	£	£	£
Naval Forces	1,442,405	1,466,164	1,546,586	1,611,325	2,429,852	2,275,590	2,088,900
Military Forces	1,348,593	1,088,351	1,196,028	946,409	1,340,719	1,460,078	1,356,229
Air Services	12,156	14,660	4,151	26,813	(d)62,888	(d)146,820	(d) 251,042
Naval Works	594,134	44,377	8,120	7,663	24,809	80,075	155,952
Construction of Fleet	374,249	(a)	(b)	(b)	301,284	336,369	50,000
Military — Additions, New Works, Military Stores, etc.	347,930	133,578	88,897	89,008	693,255	960,711	195,200
Air Services—Works .. ..	..	..	..	19,991	(d)77,040	130,604	115,465
Rent, Repairs and Maintenance	84,283	73,678	79,221	78,461	108,728	(e)110,571	(e)111,525
Sites for Defence purposes ..	129,809	(a)	(a)	(a)	(a)	..	..
Proportion of Public Works Staff, Salaries and Contingencies	19,200	17,715	31,880	28,962	26,723	23,318	23,600
Supervision of Public Works by State Officers	2,831	1,188	1,630	1,801	2,094	1,994	2,000
Interest on Transferred Properties	129,570	129,548	136,699	130,470	122,325	93,586	97,940
Audit	12,389	22,565	10,118	16,104	17,298	15,032	14,525
Pensions and Retiring Allowances	1,089	1,277	1,391	1,202	2,162	2,633	2,597
Defence Officers' Compensation (including Navy) .. ..	..	..	..	..	..	300,000	..
Miscellaneous	2,801	11,455	35,530	50,572	53,753	22,349	117,887
	4,501,439	3,004,556	3,140,251	3,008,781	5,262,930	5,964,730	4,587,862
Buildings, Works and Sites provided from Loan Fund (excluding construction of Fleet) .. ..	..	(c)717,088	414,430	566,853	401,286	345,987	266,279
War Expenditure and War Gratuity	61,541,566	66,958,360	83,447,990	70,822,326	65,469,800	41,105,913	42,306,334
Total Expenditure on Defence	66,043,005	70,680,004	87,002,671	74,397,960	71,134,016	47,416,630	47,160,475

(a) Provided from Loan Funds for Works. The expenditure in respect of Construction of the Fleet in 1917-18, 1918-19, and 1919-20, was £355,397, £533,694, and £366,696 respectively.
 (b) Provided from War Loan Fund. See previous note. (c) Includes Construction of Fleet, £355,397.
 (d) Includes Civil Aviation. (e) Includes Rent of Aerodromes, etc.

2. Expenditure for Defence Purposes, 1901-2 to 1921-22.—In the following table Defence expenditure for the whole Commonwealth period 1901-2 to 1921-22, and the estimate for the year 1922-23 are given :—

ANNUAL DEFENCE EXPENDITURE.

Year.	Naval.		Military.		Air.		Total Defence Expenditure. (a) (b)
	Under Ordinary Votes and Appropriations.	Total Naval. (a)	Under Ordinary Votes and Appropriations.	Total Military. (a)	Under Ordinary Votes and Appropriations.	Total Air. (a)	
	£	£	£	£	£	£	£
1901-2	178,819	178,819	777,620	780,260	..	..	959,079
1902-3	149,701	149,701	595,115	600,652	..	..	750,353
1903-4	240,005	240,091	502,517	615,673	..	..	855,764
1904-5	200,394	206,036	533,945	728,562	..	..	924,598
1905-6	250,273	252,016	548,439	718,329	..	..	970,345
1906-7	255,120	256,066	585,516	779,729	..	..	1,035,795
1907-8	259,247	510,205	634,579	824,539	..	..	1,334,744
1908-9	263,207	267,262	686,365	783,330	..	..	1,050,592
1909-10	269,051	329,739	928,393	1,205,666	..	..	1,535,405
1910-11	303,493	1,465,034	1,092,305	1,540,992	..	..	3,006,026
1911-12	461,546	1,634,466	1,667,103	2,443,382	..	4,000	4,081,848
1912-13	806,881	1,660,616	1,805,806	2,680,466	3,072	5,223	4,346,305
1913-14	1,006,424	1,987,101	1,944,297	2,756,404	3,012	8,795	4,752,300
1914-15	1,526,351	6,821,091	1,477,878	12,715,471	6,742	18,217	19,554,779
1915-16	1,550,012	8,470,036	1,512,343	37,444,879	10,503	46,162	45,961,077
1916-17	1,510,542	6,641,249	1,544,775	59,364,998	12,156	36,758	66,043,005
1917-18	1,544,590	3,766,174	1,283,063	66,884,734	14,660	29,096	70,680,004
1918-19	1,650,375	9,435,658	1,392,859	77,451,327	4,151	135,686	87,002,671
1919-20(b)	1,728,327	5,645,374	1,163,792	68,102,458	26,813	Cr. 34,880	73,712,952
1920-21(b)	2,550,609	3,658,589	1,615,933	59,300,435	62,888	139,926	63,098,950
1921-22(b)	2,330,965	3,167,736	2,126,006	41,771,436	155,082	285,686	45,224,858
1922-23(b)	2,200,042	2,713,409	1,871,203	41,533,069	268,412	413,997	44,660,475

(a) During the war years and subsequently, war expenditure and war expenditure on works included in total. (b) Not including War Gratuity (see p. 950).

NOTE.—In the year 1900-1 the approximate Defence Expenditure made by the States was :—

Ordinary Services	£800,000
Works, Arms, Equipment, etc.	200,000
Total	£1,000,000

3. Special War Expenditure.—The special war expenditure for the years 1914-15 to 1921-22 and the estimate for 1922-23 will be found on page 929.

4. Expenditure in Various Countries.—The total expenditure on defence and the expenditure per inhabitant in various countries according to estimates made immediately prior to the late war, were as follows :—

ESTIMATED PRE-WAR EXPENDITURE ON DEFENCE.—VARIOUS COUNTRIES.

Country.	Year.	Army.	Navy	Total.	Per Inhabitant.
		£	£	£	s. d.
Great Britain	1913-14	28,220,000	46,309,000	74,529,000	32 3
Germany	1913-14	73,833,000	24,012,000	97,845,000	30 2
France..	1913	38,286,000	18,452,000	56,738,000	28 7
Italy ..	1913-14	14,546,000	9,068,000	23,614,000	13 7
Austria-Hungary	1913	16,500,000	3,100,000	19,600,000	7 8
Switzerland	1913	1,772,000	..	1,772,000	9 1
Russia	1913	64,136,000	22,817,000	86,953,000	10 5
Spain ..	1913	6,391,000	2,827,000	9,218,000	9 3
Portugal	1913-14	2,190,000	851,000	3,041,000	10 3
Norway	1913-14	867,000	337,000	1,204,000	9 11
Sweden	1913	3,063,000	1,447,000	4,510,000	16 0
Denmark	1913-14	1,081,000	544,000	1,625,000	11 5
Holland	1913	2,780,000	1,678,000	4,458,000	14 6
Belgium	1913	3,260,000	..	3,260,000	8 7
United States	1913-14	35,073,000	29,464,000	64,537,000	14 0
Canada	1912-13	1,872,000	..	1,872,000	5 2
Japan (a)	1913-14	7,815,000	4,224,000	12,039,000	3 6
Australia	1913-14	3,291,000	2,456,000	5,747,000	23 7

(a) Excluding extraordinary expenditure.

§ 5. Industrial Establishments and Remount Depot.

1. Commonwealth Factories.—There are seven factories established under the authority of the Defence Act in connexion with the Defence Department. The Commonwealth Harness, Saddlery, and Leather Accoutrements Factory at Clifton Hill, Victoria, was opened in September, 1911. On 30th June, 1921, there were 76 persons employed, including 14 females. A large quantity of harness and saddlery, leather and canvas equipment has been turned out for the Defence and other Commonwealth and State Departments. At the Cordite Factory at Maribyrnong, Victoria, cordite is manufactured for the cartridges required for military purposes. On 30th June, 1921, the employees numbered 99. The Acetate of Lime Factory at Bulimba, Brisbane, which manufactures acetate of lime (a raw material used in the production of acetone), commenced operations in September, 1918. On 30th June, 1921, there were 55 persons employed. This factory is worked in conjunction with the Cordite Factory. The Clothing Factory at South Melbourne, Victoria, commenced operations on 3rd January, 1912. Since 1st July, 1912, a satisfactory output has been maintained. The number of employees on 30th June, 1921, was 361, of whom 313 were females. The establishment is able to supply the whole of the uniform clothing required for the Defence Forces and the Postmaster-General's Department, and much of that required by State Departments and local governing bodies. The Small Arms Factory at Lithgow, New South Wales, was opened on 1st June, 1912. The first instalment of Australian arms was delivered in May, 1913. Employees numbered 829 on 30th June, 1921. The Commonwealth Woollen Cloth Factory was established at Geelong, Victoria, for the supply of uniform materials and woollen fabrics, and commenced operations in the latter part of 1915; 359 persons, including 171 females, were employed on the 30th June, 1921.

2. Expenditure.—The expenditure up to 30th June, 1921, on land, buildings, machinery and plant, factory fittings and furniture in connexion with the factories now in operation was approximately as follows:—Small Arms Factory, £357,156; Cordite Factory, £276,263; Clothing Factory, £36,324; Harness Factory, £20,493; Woollen Cloth Factory, £204,083; Acetate of Lime Factory, £126,219.

3. Remount Depot.—The Act of 1910 authorised the establishment and maintenance of remount depots, farms, and stations for the breeding of horses. Up to the present nearly 2,000 remounts have been purchased. They are primarily to supply the requirements of the Field Artillery Batteries, but are also available for the use of other mounted units. Remount depots have been purchased or are leased in each of the military districts, and veterinary hospitals have also been established in the larger States. In Victoria and South Australia stables have been built. A remount section of the Army Service Corps has been formed for the purpose of breaking, training and looking after remounts generally. These sections were so organised as to be capable of rapid expansion in case of emergency, and when war was declared in 1914 little difficulty was experienced by the Remount Service in coping with the enormous task of obtaining and training horses for the mounted units of the A.I.F. and in providing for the shipment of horses to Egypt and India as required.

§ 6. Australian Contingents.

1. *General.*—In previous issues of the Year Book an account was given of the composition, etc., of the Australian contingents despatched for service in the New Zealand and Sudan Campaigns, in South Africa, China, and the Great War of 1914–18 (see Official Year Book No. 12, pp. 1019 *et seq.*). Owing to limits of space, however, this information has not been repeated in the present issue.

Up to the 31st March, 1921, the troops which had been despatched from Australia for service in the various theatres of the Great War numbered 329,883.

(i) *Casualties in Australian Imperial Force.*—The number of casualties announced by the Defence Department to 31st March, 1922, was as follows:—

CASUALTIES IN AUSTRALIAN IMPERIAL FORCE TO 31st MARCH, 1922.

Particulars.						All Ranks.
Deaths from wounds or disease	..	..	..	..	..	(a)59,342
Casualties from wounds or gas (gross total)	..	..	..	..	..	163,819
Sick (gross total)	..	..	..	..	..	87,957
Casualties not specified	..	..	..	..	..	(a)218
Total	..	..	..	..	..	314,336

(a) These figures represent actual net totals after all corrections consequent upon erroneous and later advice, etc., have been taken into account. The wounded and sick represent totals reported by cable and are in excess of the actual number of men affected, because many were admitted to hospital more than once.

(ii) *The Expeditionary Force in the Pacific.* The operations against the German colonial troops resulted, within two months, in the capture of the whole of the enemy's possessions in the Pacific. The German Pacific wireless chain was broken. Samoa was occupied by a force from New Zealand. The German Pacific Protectorate (*Das Deutsches Südsee Schutzgebiet*) was terminated. It comprised German New Guinea, the Bismarck Archipelago, the two northernmost islands of the Solomon group (Bougainville and Buka), the choicest islands of the Samoan group (now occupied by New Zealand), the Marshall Islands (including Nauru), the Carolines, Pelews and Ladrões (except Guam, which belongs to America). Of these groups, the Bismarck Archipelago is the most important. It includes New Britain, New Ireland, New Hanover, and several small groups and islands, of which the Admiralty, Hermit, Ninigo, Witu and St. Matthias groups are the principal. All former German islands south of the Equator (except the Samoan group) are now occupied and administered by the Commonwealth. Those north of the Equator are under Japanese administration.

(iii) *The Australian Navy in the War.* In Year Book No. 12, pp. 1025 *et seq.*, an account was given of the part played by the Australian Navy in the War, but owing to limitations of space it has not been possible to reproduce this matter in the present issue.

(iv) *Special War Expenditure, 1914-22.* The special expenditure for war purposes during each of the years 1914 to 1922 was as set out hereunder:—(See also Table on p. 926.)

SPECIAL WAR EXPENDITURE, 1914-15 TO 1922-23.

Heading.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
	£	£	£	£	£
Special expenditure on Expeditionary and Australian Forces—					
Naval	3,527,904	5,093,530	2,737,890	..	5,443,599
Military	9,474,537	31,938,864	40,408,490	50,957,776	48,148,442
Interest due to Government of United Kingdom for maintenance of Australian troops at the Front .. .. .	..	..	..	..	3,430,000
Interest on loans from Government of United Kingdom for War purposes	36,489	843,893	2,082,258	2,477,288	2,377,690
Sinking Fund on loans from Government of United Kingdom .. .. .	..	..	477,743	245,410	245,410
Interest on Australia's War Indebtedness to Government of United Kingdom .. .. .	..	..	..	..	..
Payment in reduction of principal of Australia's War indebtedness to the Government of the United Kingdom .. .. .	..	..	..	..	..
Interest on Commonwealth War Loans	78,656	1,014,821	2,738,673	4,574,817	7,709,771
Interest on War Gratuity Bonds and Treasury Bills for War Gratuity purposes .. .. .	..	200,777	689,384	515,781	955,303
Sinking Funds on loans for War purposes .. .. .	..	200,000	..	200,000	1,300,000
Amount transferred to Trust Fund, Australian Soldiers' Repatriation Account .. .. .	..	129,273	1,149,242	2,772,077	4,827,368
War Pensions (including Administrative expenses) .. .. .	..	..	20,000	20,000	1,047,963
Advances to States and Territories for purpose of settling returned soldiers on the land .. .. .	..	..	..	..	5,000
Expenditure under War Service Homes Act 1918	153,973	318,285	686,700	999,197	272,608
Trading Vessels .. .. .	..	..	..	..	..
War Gratuity	1,839,776	1,412,003	4,551,186	4,196,014	7,684,836
Miscellaneous .. .. .	..	..	..	..	..
	15,111,335	41,201,446	61,541,566	66,958,360	83,447,990

Heading.	1919-20.	1920-21.	1921-22.	1922-23. Estimate.
	£	£	£	£
Special expenditure on Expeditionary and Australian Forces—				
Naval	2,451,078	698,052	157,884	175,000
Military	18,022,258	1,019,110	Cr. 57,806 (b)	165,893
Interest due to Government of United Kingdom for maintenance of Australian troops at the Front	1,816,000	1,743,264	(a)	(a)
Interest on loans from Government of United Kingdom for War purposes	2,377,656	2,290,460	(a)	(a)
Sinking Fund on loans from Government of United Kingdom	245,410	490,820	(a)	(a)
Interest on Australia's War Indebtedness to Government of United Kingdom .. .. .	..	..	4,529,971	4,484,137
Payment in reduction of principal of Australia's War indebtedness to the Government of the United Kingdom .. .. .	..	..	1,012,360	1,064,673
Interest on Commonwealth War Loans	10,268,246	11,270,983	12,324,208	12,829,000
Interest on War Gratuity Bonds and Treasury Bills for War Gratuity purposes	224	1,140,361	1,221,514	1,110,000
Sinking Funds on loans for War purposes	1,067,402	2,678,000	1,987,640	1,095,000
Amount transferred to Trust Fund, Australian Soldiers' Repatriation Account	5,170,737	3,384,845	1,957,835	1,570,000
War Pensions (including Administrative expenses)	6,032,270	7,389,739	7,023,329	6,750,000
Advances to States and Territories for purpose of settling returned soldiers on the land	10,155,675	15,182,878	6,482,384	6,000,000
Expenditure under War Service Homes Act 1918	4,718,158	6,594,164	1,247,466	4,000,000
Trading Vessels	143,274	527	6,612	2,000
War Gratuity	685,008	8,035,066	2,191,772	2,500,000
Miscellaneous	7,668,930	3,551,531	1,015,744	560,631
	70,822,326	65,469,800	41,105,913	42,306,334

(a) An agreement has been entered into between Australia and the Government of the United Kingdom whereby war debts due to the latter by Australia have been funded, and the amount due for maintenance of Australian troops at the front and loans made to Australia for war purposes are included in this agreement. Provision is also made for half-yearly payments in reduction of the principal of Australia's War indebtedness to the Government of the United Kingdom.

(b) Credit resulting from repayment of expenditure made in previous years.

§ 7. War Gratuity.

In accordance with the War Gratuity Acts 1920 (assented to 30th April, 1920, and 29th May, 1920), a bonus, payable as an overseas war service gratuity, is authorized for sailors and soldiers who served in the Great War. The gratuity is in the nature of a free gift from the Commonwealth, in recognition of honorable services during the War, and is not claimable or recoverable as a matter of right. For members of the Naval Forces who served in a sea-going ship; members of the Naval and Military Expeditionary Force to New Guinea; members of the Australian Imperial Force who embarked from Australia on or before 10th November, 1918 (day preceding the Armistice); and Imperial reservists who served, the rate of gratuity is 1s. 6d. per day for the qualifying period. For members of the Naval Forces who did not serve in a sea-going ship; and members of the Military Forces who did not embark for overseas service the rate is 1s. per day. The qualifying period of service is that between the outbreak of War (4th August, 1914) and the Armistice (11th November, 1918). The period for which payment is made to individuals commenced—for sailors, from the date of taking up duty on a sea-going ship; for soldiers who served overseas, from the date of embarkation (or the first of them, if more than one); the terminating date in all cases being the date of Declaration of Peace (28th June, 1919). For sailors not having had service in a sea-going ship, and for soldiers who did not embark, or who embarked after 10th November, 1918, payment is made from date of taking up duty to date of discharge or Declaration of Peace. Deductions may be made for misconduct on service, and serious crime, military or civil, involves disqualification.

The gratuity was paid in Treasury bonds, maturing not later than 31st May, 1924, and bearing interest at 5½ per cent. In necessitous cases, payment was made in cash, when desired by the person entitled. The first gratuities were made available about the beginning of June, 1920. By the 2nd July, 1921, the sum of £5,157,110 was paid in cash, and bonds to the value of £20,585,746 were issued. The gratuities will total 360,000, the amount being estimated at £30,000,000.

§ 8. Special Defence Legislation.

1. *War Precautions Acts.*—On the outbreak of war in Europe, the Federal Parliament passed an Act to enable the Governor-General to make regulations and orders for the safety of the Commonwealth during the state of war. The provisions of this Act, which was assented to on 29th October, 1914, will be found in Official Year Book No. 8, page 1092. Particulars of the *Enemy Contracts Annulment Act* will be found in the same issue of the Year Book, page 1095.

The War Precautions Act 1918 provided that the War Precautions Act 1914–16 should remain in force only until 31st July, 1919, or for a period of three months after the issue of a proclamation that the state of war has ceased, whichever period is the longer. All regulations made under the Act will lapse with it.

Under the powers conferred by the above Acts, the *War Precautions Regulations* were made. They provided for the appointment of competent naval or military authorities to exercise certain powers under the regulations, and other matters. The principal provisions of the regulations are given in Official Year Book No. 11, pp. 1035–1043.

The War Precautions Act Repeal Act of 1920 repealed the Act 1914–18, but certain of the regulations are still in force.

§ 9. Repatriation.

1. General.—In common with others of the late warring countries of the world, Australia has had to face the problem of the returned soldier—to find employment for the fit, to re-establish the disabled, to provide for the dependents of those who have died or of those who are no longer able to support themselves, and to supply medical and surgical treatment for disabilities due to or aggravated by war services.

During the early stages of the war this work was carried out mainly by voluntary effort, assisted by Government funds, and supplemented by private contributions. Disconnected and divergent schemes were extemporised to meet the pressing needs of soldiers and their families, with the result that there was overlapping in some directions and insufficiency in others. The Commonwealth Parliament therefore decided that Repatriation should become a national undertaking, and that a comprehensive scheme should be designed to meet the various claims in connection therewith. On 8th April, 1918, the Department of Repatriation, charged with this responsibility, was established, the first Minister being Senator the Hon. E. D. Millen.

2. Organisation of the Department.—The organisation of the Department provides for a Central Administrative Commission of three paid members, termed the Repatriation Commission, one of whom is chairman, and each of whom is a returned soldier. Its duties are to prescribe by regulation the nature and extent of the assistance that may be granted, and to hear appeals from decisions of the State Boards. Under the Amending Act of 19th May, 1920, the Repatriation Commission also took over the administration of war pensions. Repatriation Head-quarters are in Melbourne. District branches have been established in the capital city of each State, and associated with these branches are State Boards, comprising three paid members, one of whom is chairman, and providing for the representation of returned soldiers. The permanent official at the head of each State organisation is termed Deputy Commissioner. A network of local committees is connected with the district branches. The local committees are voluntary organisations possessing dual functions. They act as sub-agents under the control and direction of the Department so far as the disbursement of assistance specifically provided by the Department is concerned, and they are vested with discretionary powers in regard to the disbursement of supplementary assistance, organised and raised locally. Local Committees work within clearly defined territorial boundaries. Under this scheme every square mile of the whole continent of Australia is brought directly under the operation of the departmental policy.

3. Policy of the Department.—The policy of the Department is based upon four main principles :—(a) To secure the re-establishment of returned soldiers in the industrial life of the community to the fullest extent that circumstances permit; (b) to sustain these soldiers until an opportunity for such re-establishment is assured; (c) to provide for the care and education of the dependents of soldiers who have died on active service, as well as the dependents of soldiers who, on account of injuries sustained, are unable to provide for those formerly dependent upon them; and (d) to provide medical treatment after discharge for returned nurses, sailors and soldiers who are suffering from disabilities caused or aggravated by war service.

To give effect to these principles the Department undertakes :—

- (1) To provide suitable employment for those who are able to follow their previous occupation or one similar to it, and to pay sustenance until such opportunities are presented;
- (2) To restore to the fullest degree of efficiency possible, by means of vocational training, those who on account of war service are unable to follow their pre-war occupations, and during the period of such training to assure trainees adequate sustenance;
- (3) To maintain by pensions or in hostels totally and permanently incapacitated soldiers and their dependents, and soldiers' widows with children.

- (4) To supply gratis all necessary treatment, surgical aids, and medicaments; all hospital fees, and transport expenses thereto and therefrom, with allowances for certain classes for the period of treatment (where hospital treatment is not feasible the same may be given in the home or in such place as may be approved).
- (5) To provide educational facilities and maintenance allowances for children of deceased and totally and permanently incapacitated soldiers so that they may ultimately engage in agricultural, industrial, commercial or professional occupations.

4. *Activities of the Department.*—(a) *Assistance and Employment.* The activities of the Department provide for the administration of a wide variety of benefits such as employment, vocational training, land settlement, medical treatment, children's education and assistance. Under assistance, establishment in small businesses, furniture loans and grants, educational grants and equipment with tools of trade, and funeral expenses are provided. In co-operation with the State Governments a land settlement scheme, whereby the Federal Government lends the States the necessary money to acquire the estimated number of holdings required, and to construct railways or other works necessary to their successful occupation has been devised. Under this scheme the Commonwealth Government will also make available working capital up to £625 per settler. This will afford every soldier possessing the natural aptitude and fitness an opportunity of ultimately owning his own farm. With the exception of South Australia all the States have agreed to extend the benefits of the Land Settlement Scheme to munition and war workers to whom the Commonwealth advance of £625 will be available.

(b) *Treatment of War Service Disabilities.* For disabilities due to or aggravated by war service, discharged nurses, sailors and soldiers are entitled to free medical treatment, dressings, and necessary medicines as well as the supply, renewal and repair of artificial limbs, and surgical aids. The expenses of unavoidable travel for any medical or surgical purposes are undertaken by the Department, which likewise defrays any necessary expenses in a hospital or other approved place. By arrangement with the Pharmaceutical Society, upon the production of the medical officer's prescription to any pharmacist in the Commonwealth, such medicines, lotions or dressings as may be required will be immediately supplied free to the soldier. The following classes of after discharge medical treatment are provided for—

- (1) Treatment in hospitals in metropolitan areas for cases of a class which cannot be effectively dealt with in a country hospital, in which continuity of previous treatment is desirable.
- (2) Treatment as out-patients in metropolitan areas and country centres.
- (3) Treatment in country hospitals where suitable or in cases of emergency.
- (4) Treatment in own homes or elsewhere in cases of emergency within country districts.
- (5) Treatment in convalescent homes, hostels, farms, sanatoria, or other special institutions.

5. *Sustenance Rates and Pensions.*—The sustenance rate that may be granted to applicants awaiting fulfilment by the Department of certain specified obligations is :—
 (a) To a soldier without dependents a weekly income inclusive of pension of £2 2s.;
 (b) To a soldier with a wife a weekly income inclusive of their combined pensions of £2 17s. An additional allowance of 3s. 6d. per week is made for each child up to four, the maximum sum payable being £3 9s. per week.

Those who are eligible for this benefit are applicants awaiting employment; approved applicants waiting to take up land; trainees in technical schools; and soldiers receiving medical treatment. Vocational trainees with dependents, however, receive higher rates than those mentioned above. The rates payable were increased in October, 1921, in consideration of the fact that owing to industrial depression the period of training, which even under normal conditions is not short, was in many cases prolonged to a greater extent than was originally anticipated would be necessary.

The present sustenance rates for Vocational Trainees are as follow :—

- (i) To a trainee without dependents a weekly income inclusive of pension of 42s. (similar to above).
- (ii) To a trainee with a wife a weekly income inclusive of combined pensions of 60s. An additional allowance of 5s. per week is made for each child up to four, the maximum sum payable being 80s. per week (eligible students training in professional courses may receive £2 2s. per week inclusive of pension).

The general Pensions rates payable to Widow or Widowed Mother on Death of a Member of the Forces, or to a Member, or to the Wife of a Member, upon his total incapacity, are as follows :—

Rate of Pay of the Member per Day at Date of Death or Incapacity.	Fortnightly Pension Payable to Widowed Mother on Death of Member.	Fortnightly Pension Payable to Widow on Death of Member.	Fortnightly Pension Payable to Member upon Total Incapacity.	Fortnightly Pension Payable to Wife of Member who is Totally Incapacitated.
s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
6 0	2 0 0	2 7 0	4 4 0	1 16 0
7 0	2 3 0	2 7 0	4 4 0	1 16 0
9 0	2 9 0	2 9 0	4 4 0	1 16 0
10 0	2 12 3	2 12 3	4 4 0	1 16 0
10 6	2 13 9	2 13 9	4 4 0	1 16 0
11 6	2 16 0	2 16 0	4 4 0	1 16 0
12 0	2 17 3	2 17 3	4 4 0	1 16 0
13 0	2 19 6	2 19 6	4 4 0	1 16 0
17 6	3 10 0	3 10 0	4 4 0	2 0 0
22 6	3 17 6	3 17 6	4 5 0	2 2 6
30 0	4 9 0	4 9 0	4 15 0	2 7 6
37 6	5 0 9	5 0 9	5 5 0	2 12 6
45 0	5 12 3	5 12 3	5 15 0	2 17 6
50 0	6 0 0	6 0 0	6 0 0	3 0 0

Proportionate pensions are paid to soldiers not totally incapacitated, according to the assessment of their disabilities.

In addition to each child (son, daughter, stepson, stepdaughter, or adopted child of member of forces, under 16) :—Twenty shillings per fortnight for the first child, fifteen shillings per fortnight for the second child, and ten shillings per fortnight for the third and each subsequent child, if father is fully incapacitated ; or *pro rata* on the assessment of the father's pension.

In cases of (a) Widows with dependent children, and (b) Widows without children whose circumstances are such as in the opinion of the Commission justify an increase of the rates specified in this Schedule, and whose rate of pension, as specified in column three of this Schedule, is less than £4 4s. per fortnight, the Commission may, for such period as it thinks fit, increase the rate of pension to an amount not exceeding £4 4s. per fortnight.

A Special Rate of Pension, amounting to £8 per fortnight, may be granted to members of the Forces who have been blinded as the result of War Service, and to members who are totally and permanently incapacitated (*i.e.*, incapacitated for life to such an extent as to be precluded from earning other than a negligible percentage of a living wage).

The Commission may grant a pension not exceeding the Special Rate of Pension to any member of the Forces who is suffering from tuberculosis, and who has been for at least six months an inmate of an establishment for persons so suffering, and has been discharged from that establishment.

The Special Rate of Pension shall not be payable to any pensioners who are maintained in an establishment at the public expense.

In the case of a member who has been granted the Special Rate of Pension, the wife of such member shall not be entitled to receive a pension exceeding the rate specified above.

The total number of pensions in force was 225,387. and the amount expended at end of June, 1922, was £6,789,365.

6. Summary of Work of Department from 8th April, 1918, to 30th June, 1922.—

The following is a summary of the work of the Department from its inception to the latest available date:—(a) *Employment*.—Number of applications, 229,822; number of positions filled, 125,679. (b) *Vocational Training*.—Vocational training is designed for—(i) Soldiers incapacitated from following their usual occupations. (ii) Apprentices whose indentures were interrupted by war service. (iii) Widows without children. (In cases where a widow with children satisfies the State Board that adequate arrangements can be made for the care of her children during training hours, applications for vocational training may be approved.) (iv) Students whose studies were interrupted by war services. (v) Members of the A.I.F. who enlisted under the age of twenty years. Classes representing 95 trades and callings have been established, with results as follows:—Number of men completed training, 16,787; number in training, 12,712. (c) *Assistance other than Vocational Training and Employment*.—Applications received, 474,495; applications approved, 407,852. (d) *War Service Homes*.—The operations of the War Service Homes Commission at 30th June, 1922, may be briefly set out as follows:—18,277 applications involving advances amounting to approximately £11,577,407 had been approved; 5,666 houses had been completed; 100 applicants had been assisted to complete or enlarge dwelling-houses partly owned; 131 houses were in course of construction; and 876 building applications had been approved in respect of which building operations had not been commenced.

In addition, the Commission had purchased on behalf of eligible applicants 10,378 already existing properties, and had taken over mortgages existing on 1,590 dwelling houses. Applications in respect of 464 completed houses had not, however, been definitely approved, but pending this action the houses are occupied by the applicants under a weekly tenancy agreement.

The foregoing figures do not include the operations of the State Bank of South Australia, the Government of which State is now carrying out the provisions of the War Service Homes Act on behalf of the Commonwealth Government. To the 30th June, 1922, these operations may be summarised as follows:—Applications approved, 2,429, involving approximately £1,573,714, and comprising—building applications, 1,619; existing dwelling-houses, 739; discharge of mortgages, 71.

(e) *Soldiers' Children's Education Scheme*. With the aid of the leading educational experts of the Commonwealth, a scheme has been devised by which facilities are provided for the instruction of children of deceased and totally and permanently incapacitated soldiers. Provision is made for preparing such children for agricultural, industrial, commercial and professional occupations. Supervision and administration is by Soldiers' Children Education Boards, which have been established in each State.

From the inauguration of the scheme in February, 1921, up to 30th June, 1922, 2,805 applications for assistance had been received. Of these, 2,071 had been approved, of which 107 recipients of the benefits had completed their training, 1,936 were attending school or undergoing training, 199 applications were pending, and the remainder had been refused or withdrawn. The trades undertaken include boiler-making, cabinet-making, engineering, saddlery, dress-making, tailoring, book-binding, etc.; whilst the professional students have taken up such courses as arts, science, engineering, theology, medicine, law, pharmacy, teaching and music. Progress reports indicate that the work of the Boards has already achieved a very large measure of success.

It is estimated that the scheme will involve an outlay of £1,250,000, of which the Commonwealth has undertaken to provide £800,000. It is expected that the balance will be forthcoming from private and public funds and benefactors. Under the Sir Samuel McCaughey Bequest a large sum was set apart for educational purposes, and the closest co-operation exists between the Commission and the McCaughey trustees by which duplication, overlapping, and unnecessary expenditure will be avoided. Up to 30th June, 1922, the expenditure was £53,914. The estimate for 1922-3 is £620,000.

It is claimed that not only is the well-being of the children concerned being provided for in the most beneficial way, but also that they will, with the progress of time, and as a result of the opportunities now afforded them equip themselves in such a manner as to bring within their reach positions of high usefulness in the community.

7. Assistance Granted.—The table hereunder shews the sums granted by way of assistance during the period from the inauguration of the Department (8th April, 1918) to 30th June, 1922 :—

DEPARTMENT OF REPATRIATION.—ASSISTANCE GRANTED FROM
8th APRIL, 1918, TO 30th JUNE, 1922.

Particulars.	Gift.	Loan.	General.	Total.
	£	£	£	£
Expenses in providing employment (including tools of trade and transportation expenses)	2,293,629	18,102	32,069	2,343,800
Vocational Training (including sustenance, fares, fees for instruction, books and equipment and training classes)	3,282,379	96,905	852,016	4,231,300
Furniture	73,318	953,378	..	1,026,696
Small businesses	1,636	207,399	4	209,039
Plant	775	171,298	41	172,114
Live stock	70	18,979	..	19,049
Settlers' sustenance and other expenses	482,146	24	15,639	497,809
Homes for blinded soldiers	1,438	..	2,624	4,062
Passages beyond the Commonwealth	71,664	25	421,846	493,535
Living allowances (including allowances for homes)	690,605	34,712	3,497	728,814
Educational grants for children	6,624	65	3,361	10,050
Medical treatment (including surgical aids and maintenance of soldiers at institutions not conducted by this Department)	858,675	..	348,574	1,207,249
Funeral expenses	23,234	64	10	23,308
Miscellaneous	33,376	8,767	36,510	78,653
Expenses of allotment	21	4,081	12,418	16,520
Maintenance of medical institutions .. .. .	..	..	376,690	376,690
Grants to local government bodies to provide employment for returned soldiers .. .. .	..	..	450,757	450,757
Grants to local committees for administrative and other expenditure .. .. .	..	..	63,694	63,694
Payments to trainees incidental to advanced training in building trades and other expenses	6,775	..	17,090	23,865
Co-operative businesses .. .. .	..	1,025	..	1,025
Losses by fire on Departmental insurance of furniture loans .. .. .	..	..	230	230
Totals	7,826,365	1,514,824	2,637,070	11,978,259

8. Settlement of Soldiers on the Land.—In 1917 at the Premiers' Conference in Melbourne it was agreed that the States should undertake the work of settling soldiers on the land but that the Commonwealth should finance them for this purpose.

The classes of persons entitled to assistance as land settlers are :—

- (1) Members of the Australian Expeditionary and Naval Forces ;
- (2) Members of the Naval and Military Forces of any part of the King's Dominions other than the Commonwealth if they resided in Australia prior to enlistment ;
- (3) Munition workers and war workers who left Australia under engagement with the Imperial Government to undertake war work.

The original arrangement provided that the Commonwealth should take the responsibility of finding up to £500 per settler as working capital for improvements, implements, seed, etc., an amount which was subsequently increased so £625 per settler.

At the Premiers' Conference held in January, 1919, definite proposals were put forward by the States at the request of the Commonwealth Government and the latter agreed to finance the States to the extent shewn in the following table :—

PROVISION FOR SOLDIER SETTLEMENT, 1919.

State.	No. of Settlers.	Advances to Settlers.	Land Resumption.	Public Works.	Total.
	No.	£	£	£	£
New South Wales	8,405	5,253,125	1,208,408	5,792,658	12,254,191
Victoria	5,395	3,721,875	6,592,500	..	10,314,375
Queensland	2,826	1,766,250	500,000	415,664	2,381,914
South Australia	1,729	1,080,625	1,351,346	600,000	3,031,971
Western Australia	3,100	1,937,500	500,000	2,162,500	4,600,000
Tasmania	1,556	972,500	1,251,944	13,898	2,238,342
Total	23,011	14,731,875	11,104,198	8,984,720	34,820,793

As the number of applicants exceeded the estimates, the States sought further assistance from the Commonwealth. The basis of the agreement arrived at (Premiers' Conference, July, 1920) was that the Commonwealth Government should advance the States a flat rate of £1,000 per settler—£625 per settler (on the average) as working capital and £375 per settler (on the average) for resumptions and works incidental to land settlement, approved by the Commonwealth.

The numbers provided for to the 30th June, 1922, are as follow :—

SOLDIER SETTLEMENT, 30th JUNE, 1922.

State.	Quota to be Settled under Original Agreement.	No. Settled to 30th June, 1922.
	No.	No.
New South Wales	8,405	6,136
Victoria	5,395	8,871
Queensland	2,826	3,977
South Australia	1,729	2,334
Western Australia	3,100	3,905
Tasmania	1,556	2,535
Total	23,011	27,868

The amounts reimbursed to the State Governments by the Commonwealth to the 30th June, 1922, are as follows :—

	£
New South Wales	9,826,203
Victoria	11,968,176
Queensland	2,579,451
South Australia	2,586,972
Western Australia	4,083,782
Tasmania	2,108,698
Total	£33,153,272

Prior to the occupancy of the land, the Repatriation Department may pay sustenance for a limited period and subject to certain conditions, and during the first two years of occupancy, sustenance may be paid for six months while awaiting actual production.

The fares of a man and his family to his place of settlement are paid by the Repatriation Department and a limited amount allowed towards the cost of removal of his household effects.

Where men are given rural training, the cost of maintenance is shared between the State Lands Department and the Repatriation Department acting on behalf of the Commonwealth.

9. Conspectus of State Laws affecting Settlement of Returned Soldiers on the Land.—In Official Year Book No. 13, pp. 1018 *et seq.*, will be found a table giving particulars of the laws of the various States relating to returned soldiers' land settlement.

Later modifications have been made with a view to simplifying procedure, and liberalising the conditions under which holdings may be acquired.