CHAPTER X.

DEFENCE.

§ 1. Military Defence.

1. State Systems.—A detailed historical account of the Australian defence forces prior to Federation will be found in 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 States on the 31st December, 1900 (the eve of Federation) 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 Australia, 27,353. This total was exclusive of cadets, reservists and rifle club members.

2. Commonwealth System.—(i) General. Under the terms of the Constitution Act 1900, the Commonwealth took over control of defence matters in March, 1901. The growth of the Commonwealth Military Forces may be considered to have taken place in seven phases, viz. :—

- (a) The first phase, i.e., the welding together of the military forces of the States into one homogeneous army, was entrusted by the Government in 1902 to Major-General Sir Edward Hutton, K.C.B., K.C.M.G., and a sound foundation was laid, upon which the subsequent organization and training were based.
- (b) The second phase was the introduction of Universal Training in 1911. During the year 1909 a measure providing for universal training was enacted, and the scheme came into force in 1911 after the advice and recommendations of Lord Kitchener had been obtained. 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. Subsequent legislation made 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 training was made law for the first time in any English-speaking community. More detailed reference to these matters will be found in Official Year Book No. 12, p. 999 et seq.
- (c) The third phase, Divisional Organization, came into operation from the Ist May, 1921. Under this system a war organization, evolved from th Australian Imperial Force, was applied to peace conditions, with a minimum of permanent personnel. Numbers of units and formations were altered to correspond with those of the A.I.F. and every effort was made to maintain the traditions established by those units in the Great War.
- (d) The fourth phase, which was initiated by the Government in 1922. entailed the reduction of the Divisional Organization to a nucleus force.
- (e) The fifth phase, the suspension of all compulsory obligations in time of peace (under Part XII. of the Defence Act) and the reconstitution of the forces on a basis of voluntary enlistment, was brought into operation as from 1st November, 1929. The Divisional Organization was retained, but the peace nucleus was reduced from 48,000 Citizen Forces and 16,000 Senior Cadets to 35,000 Militia Forces and 7,000 Senior Cadets, by reductions in the training establishments of units and by ceasing to maintain certain light horse regiments and infantry battalions. The peace nucleus of the Militia Forces was further reduced to 30,000 in 1931.
- (f) The sixth phase was initiated by the Government in July, 1936, whereby authority was given to raise the training strength of the Militia to 35,000, maintaining the Senior Cadets at 7,000. This strength was attained by December, 1936. The Divisional Organization was retained. Certain light horse regiments and infantry battalions which ceased to be maintained

in the fifth phase, and were linked with other light horse regiments and battalions, were now resuscitated. In addition certain new units were organized as a first step towards the modernization of the field army and coast defences. These units included light horse machine gun regiments and anti-aircraft and searchlight units.

(g) The seventh phase was initiated by the Government in November, 1938, when authority was given to raise the training strength of the militia to 70,000. This strength was attained in March, 1939. The Divisional Organization was retained, and in order to absorb the increasing numbers the policy of increasing unit establishments was adopted, but new units were formed in a few special cases only. The strength of the Senior Cadet Corps has been maintained and on 31st December, 1938, was 8,899. The increase is due to the recruiting campaign, and will be further increased in view of the Government's decision to improve conditions regarding service and training equipment.

(ii) Military Population. The following particulars showing the numbers of males of military age in the population of Australia, as at the Census of the 30th June, 1933, are of interest. The total number of cadet age, between 12 and 18 years, was 371,000; at citizen soldier age, between 18 and 26 years, 482,000; and between 26 and 35 years, 472,000; making a total of 954,000 between the ages of 18 and 35, which is considered the best period for military service. It is estimated that 620,000 of the males between the ages of 18 and 35 were unmarried or widowers without children, and 334,000 were married or widowers with children. In addition to the abovementioned, there were 972,000 males between the ages of 35 and 60 in Australia at the 1933 Census.

(iii) Allotment of Units. The organization is territorial, and the divisions are based upon infantry units. There are 53 battalions, forming 14 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.

								3	Batta	lion Ai	reas,						
	•			-			Provi	ling th	e un	dermer	tion	ed Ur	nits—				
i				1]1	Royal 4	Austr	alian A	rtill	ery (N	filitia	ı)	tra	yal lian 1 s (Mi	Aus- Engi- ilitia).
State.		v	ŕ	,	ne	iments.		Medi Artill		Hea Artill	vy lery.	:	de.	ry.	fie Fie	eld.	For- tress
	Military District.	Number of Infantry Brigade Areas.	Infantry Battalions	Light Horse Regiments.	Light Horse Machine Gun Regiments.	Armoured Car Regiments.	Field Artillery Batterics.	Brigade Head-quarters.	Batterics.	Brigade Head-quarters.	Batteries.	Artillery Survey.	Anti-aircraft Brigs	Anti-aircraft Brigade. Anti-aircraft Battery.	Companies.	Companies.	Companies.
New South Wales Victoria Queensland South Aus- tralia	2nd 3rd 1st 4th	5 5 2	17 17 9	6 4 3	2 2 	1 1 	19 17 6	I I 	3 3	I 	4 2 2 1	' I : I 	I 	3 1 	5	3 3 1	2 I 2
Western Aus- tralia Tasmania	5th 6th	I 	4 4 2	I	I I	•• ••	4 3 3	···	••	1 	3 1	· · · · · · · · · · · · · · · · · · ·		 	I		I I
Total		I4	53	17	6	2	52	2	6	3	13	2	I	4	15	8	7

ALLOTMENTS OF UNITS TO AREAS, 31st DECEMBER, 1938.

ALLOTMENTS OF UNITS TO AREAS, 31ST DECEMBER, 1938—continued.

		0						Batt	alior	n Are	as.						
			Providing the undermentioned Units-														
01t.		lics.	Sig	nals.	Tank Corps.			4.A.S	3.C.		1	A.A.	M.C.		,		
State.	Military District.	Anti-aircraft Companies.	Sections.	Troops.	Tank Section.	Supply Columns.	Supply Sections.	Ammunition Companies.	Ammunition Sections.	Supply Personal Companies.	Field Ambulance.	Field Hygiene Sections.	Casualty Clearing Stations.	Garrison Companies.	A.A.O.C. Units.	A.A.V.C. Sections.	Army Pay Corps.
New South Wales Victoria Queensland South Australia Western Australia Fasmania	2nd 3rd 1st 4th 5th 6th	I I 	26 23 7 3 5 2	5 5 1 1 	I I 	a3 a3 1 1 1 1	 4 2 	3 b3 	 I I I I	I I CI dI dI dI dI	7 7 3 2 1 1	3 3 1 1 1 1	I I 	I I I I I I	8 7 3 5 3 3	4 4 2 1 	
Total	••	2	66	12	2	10	6	6	4	6	21	10	2	7 '	29	11	6

(a) Less that sections.
(b) Less the sections.
(c) Less two sections.
(a) Less three sections.
(a) Less three sections.
(b) Less three sections.
(c) Less two sections.
(c) Less

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. As a result of the International Conference which met at Washington on the 11th November, 1921, it was decided to continue the universal training law, but its operation was restricted to the more populous centres and to certain quotas only. From 1st July, 1922, to 30th June, 1925, training in the Senior Cadets was limited to two quotas instead of four, and in the Citizen Forces to two quotas instead of seven. On 1st July, 1925, Senior Cadet training was reduced to one quota only, while Citizen Force training was increased to three quotas. These conditions remained in force until 1st November, 1929, when the constitution of the forces on a voluntary basis was adopted. During the period last mentioned, Senior Cadet training commenced on 1st July of the year in which Senior Cadets reached the age of 17 years, and on 1st July of the following year they were allotted to the Citizen Forces, in which training continued until the 30th June of the year in which they attained the age of 21 years. Notwithstanding the reduction in training, all males residing within 5 miles of a training centre were required to register during the months of January or February of the year in which they reached the age of 14 years. Junior Cadet training of boys of the ages of 12 and 13 years, which was in abevance during the years 1922-23 and 1923-24, was also supervised by the Defence Department during the period 1st July, 1925, to 31st October, 1929.

Under the voluntary enlistment system now in force men from 18 to 40 years of age may be enlisted. The first period of enlistment is for three years, and on its completion, the member concerned may be re-engaged for successive periods of two or three years until he reaches the age for retirement (48 years). The normal period of training is 18 days per annum (including 12 days in camp of continuous training).

The Senior Cadet Corps, in which enrolment is voluntary, is organized on the following basis: (a) Detachments affiliated with Militia Units:—Light Horse, Nil; Infantry, Signals and A.S.C., 25 per cent. of the establishment of the Militia Unit; Other Arms, 20 per cent. of the establishment of the Militia Unit; and (b) Detachment's consisting of pupils attending approved educational establishments. The ages for enrolment in the regimental detachments are 16 and 17 years, and in the school detachments over 14 years.

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(a) District.		1901. (b)1/3/01.	1913. 30/6/13.	1922. 31/12/22.	1935. 31/12/35.	1936. 31/12/36.	1937. 31/12/37.	1938. 31/12/38.
Army Head-	Qrs.	·				'		
(Melbourne)		· • •	(c) 277	(c) 499	(d) 86	(d) 105	(d) 143	(d) 126
ıst (Q'ld.)	••	4,310	4,625	4,319	3,178	4,281	4,527	5,433
2nd (N.S.W.)		9,772	12,105	14,561	10,297	13,018	13,474	16,610
3rd (Vict.)	••	7,011	10,840	11,117	9,641	11,748	11,755	14,495
4th (S. Aus.)		2,956	3,228	3,452	2,202	2,720	2,796	4,073
5th (W. Aus.)	••	2,283	1,685	2,018	1,400	2,612	2,637	3,271
6th (Tas.)	••	2,554	1,777	1,190	1,276	1,579	1,611	1,682
Total		28,886	34,537	37,156	28,080	36,063	36,943	45,690

TRAINING STRENGTH OF MILITARY FORCES.

(a) Approximately conterminous with boundaries of States. (b) Date of taking over the military forces from States by Commonwealth. (c) Including cadets at Royal Military College of Australia and Staff Corps Officers abroad, unallotted, or training with other Commonwealth Departments. (d) Including cadets at Royal Military College of Australia.

(b) Various Arms. The numbers of the different arms of the service on the 31st December, 1938, were as follows :---

ARMS OF THE AUSTRALIAN MILITARY FORCES, ACTIVE LIST, 31st DECEMBER, 1938.(a)

Head-quarters Staffs	180	Survey Corps		25
Staff Corps	274	Field Engineers		1,599
Corps of Staff Cadets		Fortress Engineers		508
Instructional Corps	735	Anti-aircraft Searchlight	Com-	
Light Horse	5,319	pany		88
Light Horse (Machine Gun)		Signals		1,749
Regiments	1,381	Infantry		18,915
Armoured Car Regiment	306	Tank Corps		59
Royal Australian Artillery	1,004	Army Service Corps		2,397
Field Artillery	5,476	Army Medical Corps	·	1,781
Medium Artillery	504	Army Ordnance Corps (b)		650
Heavy Artillery	1,266	Army Veterinary Corps		267
Anti-Aircraft Artillery	668	Army Pay Corps	•••	35
Artillery Survey	169	Provost Staff		12
Royal Australian Engineers	283			
	· -	Total		45,690

(a) Excluding civilian staff.

(b) Includes Ordnance Officers and Artificers.

(c) Classification of Land Forces. The following table shows the strength of the land forces in each State, classified according to nature of service, on the 31st December, 1938.

DISTRIBUTION OF LAND FORCES,(a) ACTIVE AND RESERVE LISTS, 31st DECEMBER, 1938.

Branch of Service.	Army Head- quarters.	ıst Military District. (Qld.)		3rd Military District. (Vic.)		5th Military District. (W. Aus.)		Total.
Permanent Forces Militia Forces Engineer and Railway Staff	(b) 120 6	349 5,084	1,267 15,343	602 13,893	108 3,965	257 3,014	92 1,590	2,795 42,895
Corps Unattached List of Officers Reserveof Officers Chaplains	2 4 4	10 23 758 38	14 43 1,887 66	12 58 2,668 60	12 10 418 29	9 6 348 19	4 10 168 15	63 154 6,247 231
Total	136	6,262	18,620	17,293	4,542	3,653	1,879	52,385

(a) Excluding civilian staff

(b) Including cadets at Royal Military College of Australia.

(d) Militia Forces and Senior Cadets, by Formations. The following table shows the strength of Militia Forces and Senior Cadets, by formations, at the 31st December, 1938:-

			Senior Cadets.			
State.	Military Formation.	Militla Forces.	Regimental Detach- ments.	Educational Establish- ments.		
Victoria	Army Head-quarters	6				
Queensland	Field Troops, 1st Military District	4,714	361	927		
Queensland	1st District Base	370	33			
New South Wales	1st Cavalry Division	3,160	40	57		
New South Wales	1st Division	4,581	499	632		
New South Wales	2nd Division	6,214	605	1,011		
New South Wales	2nd District Base	1,388	174			
Victoria	2nd Cavalry Division	2,850	103			
Victoria	3rd Division	5,514	709	877		
Victoria	4th Division	4,602	568	469		
Victoria	3rd District Base	927	83			
South Australia	Field Troops, 4th Military Dis-		-			
	trict	3,712	375	387		
South Australia	4th District Base	253	15			
Western Australia	Field Troops, 5th Military Dis-	•••	-			
	trict	2,594	285	305		
Western Australia	5th District Base	420	63			
Tasmania	Field Troops, 6th Military Dis-	•				
	trict	1,452	192	1,15		
Tasmania	6th District Base	138	14			
	Total	42,895	4,119	4,780		

STRENGTH OF MILITIA FORCES AND SENIOR CADETS : BY FORMATIONS, 31st DECEMBER, 1938.

(e) Numbers who served under Compulsory Provisions. In earlier issues of the Year Book (see No. 22, pp. 578-579) tables were published showing the numbers registered and training under the compulsory system, distinguishing Citizen Forces and Senior Cadets.

(v) Administration and Instruction. The staff provided for the administration and training of the various arms consists of 274 officers (Staff Corps), 154 quartermasters, and 581 warrant and non-commissioned officers (Australian Instructional Corps).

(vi) Royal Military College. This College was established in 1911 at Duntroon in the Australian Capital Territory for the purpose of providing trained officers for the permanent military forces. In January, 1931, the College was transferred to Victoria Barracks, Sydney, but it returned to Duntroon early in 1937. Conditions of entry are prescribed in Royal Military College Regulations and provide for three categories, "normal entry", "service entry" and "special entry". The staff cadets undergoing training at the College in 1939 number 106, of whom 15 are being trained for the New Zealand permanent forces under an arrangement made in 1933 with the Government of that Dominion. Further particulars respecting the College are given on page 915 of Official Year Book No. 15.

(vii) Railways and Defence. A War Railway Council, consisting of military and railways 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 Defence Department and the Railway Departments in regard to concentration and mobilization of troops. To prevent delay in the transport of troops, particularly

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that caused by the transhipment of baggage and implements of war, the Council has recommended the adoption of a uniform railway gauge on lines linking up the State capitals. An Engineer and Railway Staff Corps has been instituted, and numbered 63 officers on 31st December, 1938. Further details will be found in Official Year Book No. 6, p. 1070.

(viii) *Rifle Clubs.* On the 30th June, 1938, there were in the Commonwealth 1,152 rifle clubs with a membership of 46,941, and 89 miniature rifle clubs having a membership of 2,589. Members of rifle clubs must fire an annual course of musketry, but do not undergo any systematic drill.

For the purposes of administration rifle club activities were placed under the control of the Military Board on the 1st March, 1931. Government Grants are made for the construction and maintenance of rifle ranges, etc., and 200 rounds of ammunition are issued free to each efficient member annually.

§ 2. Naval Defence.

1. State Systems.—Information regarding naval defence systems prior to 1901 will be found in Official Year Book No. 2, p. 1084.

2. The Present System.—(i) General. An outline of the development of Australian naval policy was given in Official Year Book No. 3, p. 1060, and No. 12, p. 1012. Some account of the building of the Australian Fleet, the proposed and modified cost thereof, the compact with the Imperial Government, etc., appears in Official Year Book No. 15, pp. 921 et seq. In 1938, the Commonwealth Government authorized the addition of the following vessels to the Royal Australian Navy :—

2 Cruisers.

2 Destroyers.

2 Escort Vessels.

3 Seaward Defence Vessels.

12 Motor Torpedo Boats.

The seaplane carrier Albatross was to be transferred to the Royal Navy where it could be more usefully employed. Arrangements were made for two cruisers of the Royal Navy to be taken over and renamed *Hobart* and *Peth*. The *Hobart* arrived in Australia in December, 1938, and the Albatross was handed over in September, 1938. The remaining vessels of the programme are to be constructed in Australia. The first seaward defence vessel Kookaburra was completed in January, 1939.

(ii) Naval College. A naval college was established at Geelong in 1913, and was transferred in 1915 to Captain's Point, Jervis Bay, Australian Capital Territory, and thence in 1930 to the Flinders Naval Depot, Victoria. The course is similar to that carried out in naval colleges in England. In February, 1939, there were 65 cadet midshipmen under training. A boy is eligible to sit for examination in the calendar year in which he attains the age of thirteen years, provided he is the son of natural-born or naturalized 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. Altogether 191 officers who have passed through the college are now serving with the Fleet.

In addition to the normal channel through the Naval College, youths between the ages of $16\frac{1}{2}$ and $18\frac{3}{4}$ are being selected for training as officers to meet the requirements consequent upon the expansion of the Royal Australian Navy. This "special entry" will continue for the next few years.

(iii) Training Establishments. Recruits from 16t to 21 years of age receive their preliminary training at Flinders Naval Depot, Victoria, where, in addition to the entry sohool, instruction is given in Gunnery and Torpedo, Signals and Wireless Telegraphy, Engineering, etc.

(iv) The Naval Station. A description of the limits of the Australia Naval Station is contained in earlier issues of the Official Year Book (see No. 13, pp. 608-9).

Vessel.		De	scription.		Displacement.	Power.	
IN COMMISSION-	_					Tons.	H.P.
Canberra		Cruiser	٥.			9,850	80,000
Sydney		,,	· .			7,000	72,000
Hobart		.,				6,980	72,000
Adelaide		,,				5,100	25,000
Vendetta		Destroyer				1,090	27,000
Voyager		,,				1,100	27,00
Vampire		ر وو ۱				1,090	27,00
Swan		Escort Vessel				1,060	2,00
Yarra		, .,				1,060	2,00
Moresby		Surveying Ves	sel			1,650	2,50
Kookaburra		Local Defence	Vessel			530 '	45
Cerberus	• •	Motor Boat (F	linders]	Naval D	eport)	61	22
Penguin (late pus)	Platy-	Depot Ship, Sy	dney	••	•••	3,455	3,50
In Reserve							
Australia (Ref.	itting)	Cruiser	••	••	••	9,870	80,00
Stuart	••	Flotilla Leader	r •	••	••	1,530	40,00
Waterhen	••	Destroyer	••	••	••	1,100	27,00
FLEET AUXILIAN	х ү						
Kurumba	• •	Fleet Oiler				7,930	2,00

(vi) Naval Forces. Besides the sea-going forces, there is a R.A.N. Reserve, which is composed of Citizen Naval Forces. The personnel of the sea-going forces, which was originally largely composed of Imperial officers and men, is now mainly Australian. The strength of the naval forces is given hereunder :---

STRENGTH OF NAVAL FORCES (PERMANENT AND RESERVES), 28th FEBRUARY, 1939.

	. N	Numbers Borne.		
Description of Force.	In Training.	Officers.	Men.	
Royal Australian Navy (Sea-going)		393	4,593	
Royal Australian Naval Auxiliary Services		32	16	
Cadet Midshipmen undergoing training at R.A.N. C	ollege 65		• •	
Royal Australian Naval Reserve (Sea-going)		68		
Royal Australian Fleet Reserve			430	
Royal Australian Naval Reserve		258	3,380	
Royal Australian Naval Volunteer Reserve		99	80	

§ 3. Air Defence.

I. General.—A statement in regard to the preliminary steps taken in connexion with the development of air defence will be found in Official Year Book No. 18, p. 610.

The Royal Australian Air Force is administered by a Board consisting of three Air Force members and a Finance member. To this Force is entrusted the air defence of Australia, and the training of personnel for co-operation with the naval and military forces. The present establishment of the Force includes the following units :—(a) Head-Quarters Royal Australian Air Force, with representation in London; (b) a Flying Training School and a Training Depot; (c) two Aircraft Depots; and (d) ten service landplane squadrons and one service amphibian squadron.

2. Establishment.—The present approved establishment of the Permanent Air Force is 313 officers and 2,791 airmen, and of the Citizen Air Force. 117 officers and 435 airmen. Four aerodromes are under the control of the Air Board; all other aerodromes and air routes have been taken over by the Director-General of Civil Aviation.

3. Air Routes.—Aerodromes and emergency landing grounds have been prepared between the capital cities and on certain parts of the coast for service and civil purposes. At the 30th March, 1939, 257 Government aerodromes and emergency landing grounds had been prepared and 230 licensed public aerodromes were also available for use.

4. Civil Aviation.—Details regarding the formation and activities of the Civil Aviation Department will be found in Chapter V., Section F. Aviation.

§ 4. Expenditure on Defence.

The following table shows the expenditure on defence in 1901-2 and during each of the last five years. The figures are exclusive of war services in connexion with the war of 1914-1918 and of interest and exchange on loans. Details of the expenditure of the Defence Department and the cost of the war, repatriation and war services are given in Chapter XXVII. "Public Finance."

Item.	1901-2.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39. (a)
	£	£	£	£	£	£
Central Administration	5,594	21,663	24,891	31,504	32,750	53,013
Naval	178,819	1,998,363	2,371,187	2,577,383	2,960,291	4,497,638
Military	732,626	1,328,504	1,810,751	2,232,088	2,181,536	4,388,597
Air Services—		ļ				
R.A. Air Force	••	535,938	783,498	1,162,546	1,929,899	2,816,067
Civil Aviation		164,439	185,644	425,676	247,170	(b)
Munitions Supply Branch	••	415,959	451,093	i 496,326	727,949	1,259,501
Rifle Clubs and Associations	41,653	34,781	36,796	55,009	65,678	66,100
Principal Supply Officers					1	1
Committee		••	•••	2,912	5,473	423,402
Special Appropriations-						
Naval Construction	••	513,124	663,852	550,285	133,532	831,730
Reconditioning Equipment			-		•	1
and Purchase of Aircraft				•	'	
Equipment	••	81	I,427	1,427	••	
Arms, Armament, Aircraft,		1				1
Munitions, Equipment and				f		
Reserves	••	364,627	552,406	408,582	1,289,184	1,663,481
Defence Works, Buildings and				1		1
Sites	••	79,324	132,767	121,404		1,006,327
Development of Civil Aviation	••	997	120		169,981	(b)
	958,692	5,457,800		8,065,142		17,005,856

DEFENCE EXPENDITURE (EXCLUDING WAR SERVICES) : AUSTRALIA.

(a) Estimated. (b) Civil Aviation Branch created a separate Department in 1938-39.

In addition to the above, $\pounds_{,17,170}$ was expended from Revenue on war services directly under the control of the Defence Department in 1937-38, and the estimated expenditure in 1938-39 was £16,600.

The total cost of war services including interest, sinking fund, war pensions, repatriation, etc., will be found in Chapter XXVII., Part B § 5—Cost of War and Repatriation.

§ 5. Munitions Supply.

1. General.—A statement dealing with the powers and functions of the Munitions Supply Board is given on p. 612 of Official Year Book No. 18.

2. Factories.—(i) General. The Explosives Factories at Maribyrnong, Victoria, which manufacture cordite and high explosives for cartridges and artillery ammunition, aircraft bombs, aeroplane dopes, nitro-benzine, and special paints, were established in 1911. The staff at 30th June, 1938, numbered 488.

The Clothing Factory at Melbourne, Victoria, which had a staff of 423 employees on 30th June, 1938, commenced output in July, 1912, and since that date has been able to supply the whole of the uniform clothing and head gear required for the Defence forces and the Postmaster-General's Department. It also supplies clothing required by State Departments and local public bodies.

The Small Arms Factory at Lithgow, New South Wales, which was opened on 1st June, 1912, and delivered the first instalment of Australian arms in May, 1913, had on its pay roll on 30th June, 1938, 385 employees. Rifles and machine guns for land and air services are being produced, and provision has been made for the manufacture of the Bren Rifle.

On the 1st January, 1927, the Defence Department entered into possession by purchase of the works of the Colonial Ammunition Company Limited at Footscray, Victoria. As from the 1st July, 1928, this establishment, known as the Small Arms Ammunition Factory, was amalgamated with the Gun Ammunition Factory, and this group is now known as the Ammunition Factories, where in addition to rifle and pistol ammunition, big gun fuses, detonators, cartridge cases and aircraft bombs are also produced. Brass and other non-ferrous metals required for munitions manufacture are rolled at this factory. The staff at 30th June, 1938, numbered 870.

At the Ordnance Factory, Maribyrnong, Victoria, established in 1924, provision is made for the production of guns, shells, gun carriages and military vehicles. This group includes a well equipped forge and woodworking and electrical shops. The number of employees at 30th June, 1938, was 845.

(ii) Investment in Factories. Up to 30th June, 1938, the capital invested in the factories now in operation was approximately as follows:—Small Arms Factory, \pounds 901,000; Explosives Factories, \pounds 1,079,000; Clothing Factory, \pounds 124,000; Ammunition Factories, \pounds 972,000; and Ordnance Factories, \pounds 1,240,000.

3. Research Laboratory.—At Maribyrnong, Victoria, a Research Laboratory has been established consisting of seven main sections, i.e., general chemistry, explosives and ammunition, timber, metallurgy, metrology, chemical defence and physics (including optics and electrical). Plant, buildings, fittings and furniture were valued at $\pounds 151,000$ on 30th June, 1938, and the staff at the same date numbered 93.

4. Inspection Branch.—The Inspection Branch is charged with the examination of all classes of munitions during manufacture to ensure conformity with approved service designs and requirements. The head quarters is at Maribyrnong, Victoria, and each Munitions Factory has its complement of examiners. A General Stores Section is responsible for the examination of textiles, clothing and equipment. At Port Wakefield, South Australia, is the extensive Artillery Proof and Recovery Range, where guns and shells are tested by firing. The capital invested as at 30th June, 1938, was £158,000, and the staff at the same date numbered 128.

§ 6. Remount Depot.

Information in regard to the establishment of this branch of activity is contained in earlier issues of the Official Year Book (see No. 18, p. 613). 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.

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§ 7. Australian Contingents.

1. General.—In earlier issues of the Year Book an account was given of the composition, etc., of the Australian contingents dispatched 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.).

2. Australian Troops (Great War).—Particulars of the enlistments, casualties, honours and decorations won, and engagements of the Australian Imperial Force during the Great War were given in Official Year Book No. r6, pp. 628 et seq.

§ 8. War Gratuity.

Reference was made in earlier Year Books (see No. 15, p. 930) to the bonus payable in accordance with the War Gratuity Acts of 1920 as a war service gratuity to soldiers and sailors who served in the Great War. Owing to limitations of space this information cannot be repeated, but it may be noted that the gratuity was paid in Treasury Bonds, maturing not later than 31st May, 1924, and bearing interest at $5\frac{1}{4}$ 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. The total amount paid to 30th June, 1937, was £27,510,935, and bonds amounting to £13,888 had not been redeemed.

§ 9. Special Defence Legislation.

Information regarding special defence legislation enacted by the Commonwealth Government during the war of 1914-1918 was given in Official Year Book No. 15 p. 930. It may be pointed out here that the War Precautions Act Repeal Act of 1920 repealed the Act 1914-1918, but a limited number of matters dealt with under the original Act were provided for under the War Precautions Act Repeal Act of 1920-1928 or by regulations made thereunder.