## THE TIMES FRIDAY MARCH

### ARMY ESTIMATES

#### **BIG INCREASE OVER** LAST YEAR

#### £19,000,000 FROM DEFENCE LOANS

The Army Estimates for 1937, which were published yesterday (Stationery Office, 50, price 5s. 6d. net), were accompanied by the following Memorandum of the Secretary of State for War (Cmd. 5381, price

2d. nct):—

The Army Estimates for 1937 amount to £63,120,000, an increase of £7,239,000 over those for 1936 including the Supplementary Estimate of July 6, 1936. But in 1937 it is roposed to meet Army expenditure on equipment and works services for the Regular Army to the extent of £19,054,000 by issues from the Consolidated Fund under the Defence Loans Bill and appropriations in aid of this amount are included in the Estimates. But for this provision the net total of Army Estimates for 1937 would have been £82,174,000, an increase of £26,293,000 over hose for 1936.

Two other factors tend to obscure the

Two other factors tend to obscure the comparison between the Estimates of the two

Two other factors tend to obscure the comparison between the Estimates of the two years.

In 1936 £551,800 was included in Army Estimates for the cost of construction of new Government factories. In 1937 provision for this expenditure (£7,946,000) is included in the Royal Ordnance Factories Estimate and appropriations in aid, from issues from the Consolidated Fund, finder the Defence Loans Bill of the same amount are shown in that Estimate. Morfeover, in 1936 some £2,800,000 was included for the special measures taken in connexion with the Halo-Abyssinian dispute: no similar provision appears in 1937 Estimates, which are therefore lightened to that extent. The increased expenditure which the 1937 Estimates represent is due mainly to the expansion and acceleration of the programme for bringing our military preparations up to date which was explained in the Statement Relating to Defence of March, 1936 (Cmd. 5107), and in the Statement Relating to Defence Expenditure recently issued by His Majesty's Government (Cmd. 5374).

The past year has been one of ceaseless activity in every sphere of military policy. The mechanization and modernization of the Army; the improvement of Coast and Air Defences at home and abroad; the organization under a new Department of the War Office of sources of supply for munitions; the much-needed improvement in barrack accommodation and the provision of amenities for recruiting for the Regular and the Territorial Army into Anti-Aircraft Divisions with the special problems of fresh accommodation and efficiency.

Our joint aim is to produce military forces which will be adequate to the supply of

efficiency.

Our joint aim is to produce military forces which will be adequate to the supply of garrisons in peace at home and overseas, the maintenance of order in the Empire, and the provision of a force to support the policy of his Majesty's Government in the defence of the Empire and in the discharge of their international obligations.

A promising beginning was made in 1936, and in 1937 it is hoped to make substantial progress in all directions.

#### FIGURES FOR 16 YEARS

The subjoined table gives comparative figures of the Army Estimates since 1922:—

Year	Effective charges	Non- effective charges	War terminal charges	Total
	£.	£	£	£
1922	46,631,050	8,668,950	7,000,000	62,300,000
1923	40,848,650	7,563,350	3,588,000	52,000,000
1924	36,051,500	7,873,500	1,075,000	45,000,000
1925	36,248,300	7,866,100	385,600	44,500,000
1926	34.467 500	7.923.000	114 500	42,500,000

#### ABSTRACT OF ARMY ESTIMATES, 1937

<del>-</del> .	Gross Estimate	Appro- priations in Aid	Net Estimate	Increase	Decrease
1.—NUMBERS  Number of Men on the Establishment of the Army, exclusive of those serving in India and Burma		_	Maximum Numbers 168,900	10,500	
11.—EFFECTIVE SERVICES Pay, &c., of the Army Territorial Army and Reserve Forces Medical Services Gueational Establishments Ouartering and Movements Supplies, Road Transport and Remounts Clothing General Stores Warlike Stores Warlike Stores Warlike Stores Wars, Buildings and Lands Miscellaneous Effective Services War Office	1,107,000 1,188,000 2,283,000 6,346,000 1,846,000 3,112,000 30,326,000	£ 2,537,000 41,000 52,000 135,000 374,000 341,000 281,000 189,000 14,446,000 6,226,000 216,000	£ 10.488,000 7.867,000 1.055,000 1.053,000 1.909,000 6.005,000 1,565,000 2,923,000 15,880,000 3,856,000 1,026,000 1,046,000	£ 148,000 1,824,000 — 106,000 1,273,000 322,000 76,000 4,406,000 — 98,000 133,000	£ 16,000 58,000  1,063,000
	£79,522,000	24,849,000	54,673,000	8,386,000	. 1,137,000
III. NON-EFFECTIVE SERVICES Half-Pay, Retired Pay and other Non-Effective Charges for Officer Pensions and other Non-Effective Charges for Warrant Officers, Non-Commissioned Officers, Mon-	4,103,000	481,000	3,622,000	6,000	-
and others  Civil Superannuation, Compensation and Gratuities	5,150,000	556,000 5,000	4,594,000 231,000	=	13,000 3,000
Total Non-Effective Service	£9,489,000	1,042,000	8,447,000	6,000	16,000
GRAND TOTAL	£89,011,000	25,891,000*	63,120,000	8,392,000	1,153,000

Net Increase :- £7,239,000

\*The Appropriations in Ald include sums aggregating £19,054,000 which, subject to statutory authority being obtained in accordance with the terms of the Defence Loans Bill now before Parliament, will be provided by issues from the Consolidated Fund. The net total of Army Estimates, before deducting the sums to be received from this source, is £82,174,000.

DUFF COOPER.
STRATHCONA.
VICTOR WARRENDER.

H. KNOX, A.G.
VICTOR WARRENDER.
H. I. ILLES M. G.O.

C. J. DEVERELL, C.I.G.S. H. KNOX, A.G. R. S. MAY, Q.M.G. H. J. ELLES, M.G.O. H. A. BROWN, D.G.M.P.

The War Office, Feb. 18, 1937.

of mechanization has permitted a relaxation of the standards of physical fitness, particularly those concerned with defects of the feet. These modified standards came into force on Those concerned with defects of the feet. These modified standards came into force on December 1 last, too late to affect the rejection rate for the recruiting year which ended on September 30. Nevertheless, the rejection figure for that year reached the low level of 296-79 a 1,000 compared with 305-70 a 1,000 in the previous year. The quality of enlisted men, however, has been excellent, and some 64 per cent. of applicants are in some form of employment when they offer themselves. The Aldershot experiment made to test the possibility of bringing recruits below the physical standard up to standard within reasonable time by physical training and improved diet was a success, and barracks at Canterbury are being adapted to continue improved diet was a success, and barracks at Canterbury are being adapted to continue this work on a more permanent basis. Arrangements are being made for establishing a combined recruiting depot for the three Services at Liverpool. at Liverpool.

#### Army and Supplementary Reserves

Army and Supplementary Reserves

The strength of the Army Reserve at the beginning of the financial year will be about 121,900, and should rise to about 131,500 by the end of the year. In order to meet the requirements in personnel of any future force to deal with peace-time emergencies, it has been found necessary to increase the strength of Section A of the Army Reserve from its present limit of 3,000 to the full statutory 6,000. Apart from a few men who volunteered to remain with the Colours, all the Section A Reservists who were recalled to the Colours last September for service in Palestine have been re-transferred to the Reserve.

to the Colours last september for secret.

Palestine have been re-transferred to the Reserve.

The strength of the Supplementary Reserve, apart from the new Infantry Section, on April 1 will be about 21,130 all ranks, out of a recruitable establishment of 32,533, which includes an increase of some 8,600. There is, therefore, much leeway to be made up, and I regret that the improvement in recruiting recorded in 1935 was not maintained in 1936; only some 400 officers and 1,620 recruits were obtained during the last ten months.

A new Infantry Section was introduced in September last to provide for the completion of mobilization of units of Infantry of the Line, and for the replacement of wastage for the first few months after mobilization. Between September, 1936, and January, 1937, 1,792 recruits were obtained, of whom 159 passed to the Regular Army. The recruiting establishment proposed for this year is 12,000, and it is estimated that the strength on April I will be 2,030, rising to about 4,460 by the end of the year.

#### CIVIL EMPLOYMENT

I of recruits in the year ended September, 1936, was 32,271, against 25,134 in the previous year. The annual camps were attended by 6,817 officers and 116,707 other ranks; the corresponding figures for 1935 were 6,310 and 105,120 respectively.

This satisfactory progress is due in part, I hope, to the concessions and inducements which I was able to announce last year, but the principal reason, I do not doubt, is the growing realization of the need for putting our defensive arrangements in order and His Majesty's Government are gratified and encouraged by the response to their appeals which has been made by individuals who have joined the Territorial Army, and by employers who have enabled members of their staffs to become Territorial soldiers and to train in camp.

The conversion of the major part of two divisions which have an establishment of 19,500 to two anti-aircraft divisions with a total establishment of approximately 45,000 and the increase in the establishments of Coast Defence units call for an even greater number of recruits, and, as these are required for the primary duty of home defence, I feel confident that the ranks will be filled without undue delay. The experience of the last year has shown where further assistance can be given to the Territorial Army and financial provision is proposed in these Estimates for various additional improvements in the conditions of service.

service. The service.

The formation of the 1st and 2nd Anti-Aircraft Divisions has made the provision of many new Headquarters necessary and has entailed the alteration and extension of a large number of existing Headquarters to bring them up to the requirements of modern training and equipment

number of existing Headquarters to bring them up to the requirements of modern training and equipment.

In the area of the 1st Division it is necessary to provide some 35 new Headquarters, and the alteration of over 20 existing Headquarters has to be undertaken. For the 2nd Division some 40 new Headquarters are required, while alterations to 17 of the existing Headquarters are in progress. The selection and purchase of suitable sites for units of the Division in the London Area have presented great difficulties. It is essential that all Headquarters are located in the more densely populated districts, in order to facilitate recruiting for the converted units, whose establishment has increased by from 30 to 100 per cent. The discovery of sites of from 2 to 24 acres in extent in such districts is no easy matter, particularly as Town Planning and other restrictions (with which I am most anxious not to interfere) are usually in operation in these places. In addition, considerations of price materially affect the problem in view of the increased cost of all suitable building land in London and the suburbs during the last few years.

In the 2nd Division area the difficulties have not been so pronounced as building land is still

soldiers, as compared with 18,330 and 1,092 r spectively in 1935. The number of men possession of the 2nd Class Certificate 110,238.

#### Works

Works

Determined efforts which are reflected these Estimates are being made to improve the accommodation of the soldier.

Apart from an acceleration in the replacing War and pre-War hutments, in whise considerable proportion of the Army is st housed, a start is being made in the replacement of the oldest barracks and in the modernization of others.

In new barracks a new principle is bein introduced by combining sleeping, living ar dining accommodation and ablution facilitiunder one roof. Sitting rooms are being provided, hot water laid on and central heatin provided throughout. The scale of artificilighting is also being increased. Accommodation for single sergeants is no longer to be bunks in or adjacent to barrack rooms but we provided in the Sergeants' Mess. The san standards will also be applied in existing barracks under the modernization proposal Quarters for married soldiers are bein brought up to the standards obtaining civilian life by the introduction of moder cooking and sanitary equipment, and by general improvement in the quality of fitting and finish. The proportion of one, two an three bedroomed quarters is being modified by a reduction in the proportion of the sing bedroomed quarter to bring the numbers cach type more into line with the actual size of families.

At home the more important building sevices include new barracks for two tar battellions at Matenback.

At home the more important building sevices include new barracks for two tar battalions at Warminster, for a second tar battalion at Aldershot, for a Field Artille Brigade near Edinburgh, and for a second A Delence Group at Shrivenham. The progre of mechanization involves increases in gara accommodation, ordnance workshops and a expansion of the Vehicle Reserve Depôt Chilwell. Additional storage accommodatis also required for stocks of ammunition. Abroad, provision is made for the comencement of permanent infantry barracks Hong Kong in replacement of unsatisfacto temporary accommodation and for marriquarters in Palestine.

Progress will also be made with the defencat Singapore and with the adaptation of coadefences at home and abroad to mode requirements.

defences at home and advoid to mode, requirements.

In view of the Treaty of Alliance with Egy any accommodation for the British troops: that country, other than in the Canal Zon will be of a temporary character, designed last until the new cantonments have becereted by the Egyptian Government.

#### Armaments and Research

Armaments and Research

The rearmament of Coast and Air Defencis proceeding in the light of the results of itensive scientific research, and the drill halls Anti-Aircraft Units are being equipped witraining stores as rapidly as possible.

Further progress has been made in fitt Field Artillery equipments with pneumat tyred wheels of commercial pattern.

The production of light tanks, machine-gearriers and armoured cars proceeds sat factorily. The chassis of the new type of light and the carrier and other machines: this standar zation of design assists both manufacture a maintenance.

zation of design assists both manufacture a maintenance.

The Bren Light Machine-Gun is under construction at Enlield and issue to the troops we commence in the autumn; the provision anti-tank weapons has begun.

Research in the spheres of explosive ballistics, metallurgy, radiology and Chemi Defence continues to yield important rest the application of which has led to increatefficiency in various arms of the Service; notably in the Royal Artillery, the Re Engineers, and the Royal Corps of Signals

#### MUNITIONS PRODUCTION

The decision of the Government to undert a programme of rearmament inevitably th a heavy burden of work on the War Ol during the past 12 months, and in Septem last I decided to organize a new departn which should be charged with the duty developing the national resources for supply of munitions. The Admiralty v good enough to place at my disposal services of Engineer Vice-Admiral Sir Ha Brown, then Engineer-in-Chief of the Nawho became head of this Department the title of Director-General of Munit

The second secon	PSR 27.30(70)	220,000	77730070000
1928 . 32,713,800	⊗Stifteds	eninorsk	<b>Okkuwa</b>
1929 . 32,365,450	8,265,000	Cr.85,450	40.545,000 a
1930 32,119,670	8,383,000	Cr.2,670	40,500,000
1931 31,528,350	8.750,000 b	Cr.348,350 c	39,930,000
1932 28,172,060	8.306,000	9,940	36,488,000
19.31. 29.726.000	8,224,000		37,950,000
1934 31,418,000	8,182,000	_	39,600,000 a
1935 35,267,000	8,283,000		43,550,000 a
1936 . 47,424,000 d			55,881,000 e
1937 54,673,000	8,447,000	-	63,120,000 f
a Excludes Suppl		stimate.	

a Excludes Suphementary Estimate.
b Includes £304,000 in respect of repayment of overadvances from India in previous years.
Includes a first for the first for the first form the settlement of the first form and first form the settlefirst form the Government of India.
d Includes £551,800 for expenditure on construction,
form of the first form factories for which provision
is made in 1937 in the Royal Ordnance Factories Estimate.

te. |Includes Supplementary Estimate (£6,600,000) July 6,

1930.

f Allows for issues (£19,054,000) from the Consolidated Fund; but for this the total would be £82,174,000.

#### Establishment and Distribution

Establishment and Distribution

The total of Vote A is 168,900 as compared with 158,400 in 1936 and 186,400 in 1914.

The normal distribution of the principal units of the Army remains generally as in 1936, except that a battalion has been added to the garrison of Malaya and certain temporary changes in the location of units have been necessitated by local circumstances.

The increases in personnel are due mainly to the proposal to raise two of the four infantry battalions referred to in paragraph 3 of the Statement Relating to Defence (Cmd. 5107, of March 3, 1936), and in paragraph 19 of the Statement Relating to Defence Expenditure (Cmd. 5374 of February 16, 1937); to the hansion of the Royal Tank Corps and of i-Aircraft units; to the modernization the Coast Defences of certain defended potts; and to the requirements of the Army or mobilization.

There is a further decrease of 6.160 in the

the Coast Defences of certain defended petrs; and to the requirements of the Army mobilization.

There is a further decrease of 6,160 in the establishment of animals, which is now 6,782 as compared with 28,742 in 1914.

The principal changes proposed in the organization of the various arms are:

In the Cavalry of the Line five regiments at me are in the process of mechanization of the various arms are:

In the Royal Artillery it is hoped to complete the mechanization of the Field Artillery. A second Survey Company will be formed.

In the Royal Engineers, the second half of the Anti-Aircraft Battalion required for, the 2nd A.A. Group will be formed.

In the Royal Corps of Signals a Mobile Divisional Signals will be formed into which Cavalry Signals and Tank Brigade Signals will be absorbed; a second Corps Signals will also be formed; and the mechanization of the five Divisional Signals will be completed.

In the Foot Guards and the Infantry of the Line all battalions of Foot Guards and Infantry serving at Home, with the exception of units of the 4th Division, will be reorganized, or be in process of reorganization, as Rifle of Machine-Gun Battalions with mechanized first-line transport, by April 1, and battalions in colonial garrisons will commence reorganization on October 1 next. Two battalions of Infantry will be raised and added to the Royal Inniskilling Fusitiers and the Royal Institute Commence reforement and the Royal Tank Corps the 7th Tank

each. In the Royal Tank Corps the 7th Tank Battalion will be formed.

#### RECRUITING FOR THE REGULAR ARMY

#### 47,200 MEN NEEDED

The strength of the Regular Army, inclusive The strength of the Regular Army, inclusive of British troops in India and Burma, at the beginning of the financial year will be approximately 980 officers and 20,200 other taks below the recruiting establishment and ring the year the number of men leaving the Colours will be approximately 27,000. The recruits required will therefore be about 47,200.

47,200. In spite of the untiring efforts of the Army recruiting stall, and the great help received from the Press, the film industry, and the fruitful cooperation of many employers and public bodies, recruiting, although it has improved in the last few weeks, is below both our hopes and our needs, but certain measures which I have in contemplation will, I trust, lead to a substantial and progressive amplioration of the nesition.

## SJONENGGES SOOF VOCATIONAL TRAINING CENTRES

At the present time training is given at Army Vocational Training Centres to men during the last six months of their Colour service, weekly fees being charged. About 3,000 men a year are trained, of whom some 80 per cent. obtain immediate employment; it is known from a recent census that nearly 86 per cent, of those who have undergone vocational training courses during the last six years are now in employment.

courses during the last six years are now in employment.

Last autumn a census was carried out by postcard of all Army Reservists to ascertain how they were situated in civil life. Postcards were sent to 113,793 Reservists and 106,000 replied; from these it was ascertained that 16 per cent. were unemployed. Of those who were employed as tradesmen in the Army, only 10-8 per cent. were unemployed; of those who underwent training at an Army Vocational Training Centre, 14-7 per cent. were unemployed; and of those who were neither tradesmen nor had been vocationally trained, 17-7 per cent. were unemployed. The incidence of unemployment during the first year of Reserve service is much heavier than 16 per cent., being approximately 36 per cent. The incidence of unemployment in civil life is probably about 12 per cent, and these figures demonstrate the increased difficulty which the ex-soldier has in obtaining employment as compared with the civilian.

The Army Council hold that recruiting would be greatly stimulated if it were possible so to extend this system of vocational training as to give a soldier who has no special trade qualifications a feeling of confidence that, subject to good conduct, he would have a good chance of obtaining civil employment when he left the Colours. During the coming year I hope to be able to introduce some radical changes in the present system, and to examine whether there is a possibility of increasing the number of posts under Government for which ex-soldiers might be considered eligible.

Health of the Army

#### Health of the Army

Health of the Army

The health of the Army at home and abroad has continued to be very satisfactory and no undue sickness was attributable to special service in the Eastern Mediterranean.

The incidence of influenza was comparatively low until the latter part of December, when an increase occurred; coinciding with the wider prevalence of the disease among the civil population.

The increase in the number of candidates for commissions in the Royal Army Medical Corps continues to be well maintained, an excellent type of young officer is now coming forward and it may be hoped that the establishment of regular officers will be filled at no distant date.

The new conditions of service introduced lets Auvent for Outen Alexandra? Innovirue

distant date.

The new conditions of service introduced last August for Queen Alexandra's Imperial Military Nursing Service have proved satisfactory and have been followed by a substantial increase in numbers.

There are 29,897 enrolled and efficient members of Voluntary Aid Detachments, of whom 6,829 have signed a mobile obligation. The corresponding figures for last year were 28,620 and 6,736.

#### Discipline

The discipline of the Army continues to be maintained at a high standard.

The comparative figures of Courts-Martial for the last five years are:—

Year		Average Regimental Strength	Number of trials	
1932 · · · 1933 · · · · 1934 · · ·	::	180,866 183,318 184,032	2,059 1,938 1,903 1,911	
1935	- : :	185,156 183,819	1,876	

1936 ... 183,819 1 1,876
Certain restrictions in the King's Regulations have been relaxed as a tentative measure with a view to testing the desirability of increasing the privileges and liberty of movement accorded to soldiers when oil parade.

# TERRITORIAL ARMY

have not risen so abnormally as they have in London and the Home Counties.

On the whole, good progress has been made recently and there remains only a small percentage of sites still to be bought, while plans for new Headquarters are well advanced and in many cases the alterations to existing Headquarters are in hand. Temporary accommodation for units requiring new Headquarters is being provided wherever necessary. It is hoped that accommodation will be completed for more than half the units in 1937, for four-fifths by March, 1938, and for the whole by the summer of 1938.

#### DEFENCE COMPANIES

Owing to the poor response to the appeal to men to enrol in the Royal Defence Corps the Corps was abolished last July, and ex-Service men were asked to enrol in National Defence Companies of the Territorial Army. These National Defence Companies are for Home Defence only, their role being to guard important points in Great Britain on the threat of and during war. Territorial Army County Associations have been given quotas of men to enrol, and these quotas correspond approximately to the number of men required to guard important points in the country. The total number of men required is approximately 8,500 and of these some 70 per cent. had been obtained up to February 1.

approximately 8,500 and of these some 70 per cent. had been obtained up to February 1.

Training

There were no Army Manoeuvres in 1936, but the Military Manoeuvres Acts were placed in force over parts of Sussex and Surrey.

The 1st and 2nd Divisions and the 1st Cavalry Brigade of the Aldershot Command, the 10th and 12th Infantry Brigades of the Eastern Command, and the 4th Guards Brigade and higher training from cam s in the manoeuvre area. Owing to the situation in Palestine and to the outbreak of foot-and-mouth disease, the training of the 1st Division, the 1st Cavalry Brigade and the 12th Infantry Brigade was unfortunately curtailed. The 1st Air Defence Brigade carried out an air defence exercise at Littlehampton.

The chief feature of the Southern Command training was a combined operations exercise held from August 25 to 29, involving a landing on the coast at Studland Bay. The force embarked consisted of the 8th Infantry Brigade and attached troops, carried in a hired transport and a cargo boat. The 9th Infantry Brigade acted as the defending force. The Royal Navy and the Royal Air Force cooperated.

In the current year (i) it is intended to apply the Manoeuvres Acts to parts of Essex, Cambridgeshire, Hertfordshire and Suffolk and to East Kent. (ii) The 1st and 2nd Divisions from the Aldershot Command, the 11th Infantry Brigade from the Eastern Command and the 4th Guards Brigade from the London District will carry out higher training in the East Anglia manoeuvre area in August and September. The 10th and 12th Infantry Brigades from the Eastern Command will carry out higher training on Salisbury Plain and in the vicinity of their peace stations. (iv) One infantry brigade of the Northern Command will carry out training at Tow Law. The remainder of the 5th Division will train in the Catterick area. (v) Territorial Army camps are to be held in the special areas of Abergavenny, the Gower Penissula and Porth-cawl. (vi) A combined large scale coast defence exercise will be held from July 14-16, in conjunction wi

of 4.

The mechanization of the Army has necessitated special arrangements for instruction in driving and maintenance and an Armoured Fighting Vehicles School has been formed at Bovington to provide instructors in driving and maintenance for mechanized cavalry regi-Fighting Vehicles School has been formed at Bovington to provide instructors in driving and maintenance for mechanized cavalry regiments, for infantry machine-gun battalions, and for the Royal Tank Corps. The school has special wings to deal with tank gunnery and wireless telegraphy.

Production and with a seat on the Army Council. Thanks to his experience and personality considerable progress has already been made, and I look forward with confidence to even greater progress during the coming year.

been made, and I look forward with confidence to even greater progress during the coming year.

I would like to take this opportunity of expressing my appreciation of and gratitude for the readiness and public spirit with which industry in all its ranks has met the appeal for help and cooperation. Without this response and the enthusiatic support of the personnel of the Royal Ordnance Factories, the results would have been far less satisfactory and promising.

Not only has it been necessary to expand existing and to create new Government Factories, but to enlist the interest of many firms who had no previous experience of the production of munitions and Army equipment. It has been our endeavour to interfere as little as possible with ordinary commercial business and to adapt our requirements to the special circumstances of manufacturers.

Particular care has been taken to assist the Special Areas both by the erection of factories and in the placing of orders. Factories are in contemplation at Nottingham, Bridgend (Glamorgan), Chorley (Lancashire), Irvine (Ayrshire), Birtley (Durham), Hereford, and Blackpole (Worcestershire). Other factories will be necessary, but decisions as to their location have not been finally taken. The actual building of certain of these factories is the responsibility of His Majesty's Office of Works on behalf of the War Office.

The War Office, Feb. 18, 1937.

#### COST OF PALESTINE **EMERGENCY**

A nominal Vote of £100 as a Supplementary Estimate for the present financial year dis-closes that the Palestine emergency last year closes that the Palestine emergency last year involved the Army in an expenditure of £1,040,000, against which there were appropriations in aid of £600,000. To the balance of £440,000 is added £56,200 for increased expenditure on the programme for remedying deliciencies, making a total of £496,200, but savings on normal services, due mainly to the strength and average rates of pay of the Regular Army being lower than estimated, will be available to the extent of £496,100.

#### MOVEMENTS OF SHIPS

MOVEMENTS OF SHIPS

ANTHONY arrived Palma (March 3), APOLLO and SCARRORADICAL arrived Trinidad (March 2), BEAGLE, arrived Charlet (March 1), BIRD ARRIVED (March 1), CHARLET (March 1), DEPTFORD (Et Bushire (March 2), DIOMEDE left Devonport (March 3), DEAGON arrived St. Vincent (March 3), ECHO (March 2), DIOMEDE Left Devonport (March 3), ECHO (March 2), ENDARON ARRIVED (March 2), ENDARON ARRIVED (March 2), FROM ARRIVED (March 3), HAVELER, FIRST DESTRUCEMEND), and CODRINGTON ARRIVED (March 3), HAVELER, HUSSAR, and SKIPLACK ARRIVED SHORT (March 3), MEDWAY and WESTCOTT Left SINGAPOR FOR MARCH 2), MILDON ARRIVED (MARCH 2), ROMENT (MARCH 2

improved in the last few weeks, is below both our hopes and our needs, but certain measures which I have in contemplation will, I trust lead to a substantial and progressive amelioration of the position.

The recent increase in recruits is due almost entirely to some modifications of the physical standards for certain corps. The introduction

IMPROVED CONDITIONS OF SERVICE

SERVICE

The strength of the Territorial Army (exclusive of Permanent Staff) on January I, and wireless telegraphy.

Education

During the year 13,382 soldiers were expectable to the strength of the State of Permanent Staff) on January I, amined for the list Class and Special Certificate is ranks, an increase of 606 officers and 12,226 and the latter by 1,138 of the latter by 1,