

SUMMARY.

102. The other items of the estimate work out at almost the same as that estimated in the fourth year of the Government scheme, except that, with increased training, more gun and small-arm ammunition will be required, and I have therefore added £44,000 to that estimate.

103. By estimating £100,000 for Miscellaneous, a margin of safety has, I think, been allowed.

104. The total cost can thus be summarised at £1,884,000, as below.

TABLE IX.—SUMMARY OF ANNUAL COST IN SEVENTH YEAR OF PROPOSED SCHEME.

	Estimated Cost in Seventh Year of Proposed Scheme. £
Staff corps	142,000
Permanent services	234,000
<i>New Citizen Troops.</i>	
Pay, allowances, and camp expenditure	547,000
New Military College	15,000
Home instruction of the citizen officer	4,000
<i>Compulsory Cadet-training.</i>	
Junior and senior organizations, including all stores required	161,000
<i>Reserves.</i>	
Members of rifle clubs, &c.	126,000
<i>Fixed Defences.</i>	
Material only, construction of works being provided from the "New works" vote	40,000
<i>Mobile Armament.</i>	
Field artillery and machine guns, with vehicles, harness, and all stores	60,000
Small arms	85,000
Ammunition—gun and S.A.	136,000
General equipment	84,000
New works and buildings, rent, repair, and maintenance	150,000
Miscellaneous	100,000
Total	£1,884,000

PART II.—THE TRANSITION PERIOD.

105. If the system I have recommended in Part I is accepted by the Commonwealth Government, a period of transition must elapse before it comes into complete working-order, during which much may be done to make or mar the scheme.

106. It would therefore be of great importance that the working-out of the details during this time should be placed in charge of one or more officers who thoroughly understand the scope and the spirit of the system for the land defence of Australia which I have proposed.

107. It will be easily realised that proposals may be made which would prejudice in the future the efficient working of the new organization, though in themselves momentarily expedient. I think it is therefore essential that all schemes should be tested in the light of their utility to the full-grown Citizen Force, and, when found wanting in that respect, should only be given effect to as purely temporary measures, to be discontinued as soon as the development of the new Citizen Force allows.

AREAS.

108. A great deal of preparatory work may be done in the areas where registration will give the most suitable limits and organization, and in which the young men should be got together in their respective classes with as little delay as possible.

109. I would therefore recommend that the posts of area officers should be temporarily filled by the most suitable available Militia and Volunteer officers, as well as by the existing permanent instructional staff. As regards the former, areas convenient to their civil avocations might be chosen, and an adequate salary given for the work. By the efficient performance of their duties they will obtain valuable experience which will doubtless qualify them for the future command of battalions, regiments, and brigades.

110. The process of merging the existing units into the National Citizen Force will be gradual, and I should advise that the designations and historical associations of the present regiments should be continued under the new system, in which each regiment should have a territorial title as well as a number. In this way the *esprit de corps* of the Militia and Volunteers would be transmitted to the new Citizen Force.