

AWM52

Australian Military Forces, Army headquarters,
formation and unit diaries, 1939-1945

1/1/32
HEADQUARTER
UNITS

Office of Co-ordination

November 1945-January 1946



1/1/32-003/

ORIGINAL

WAR DIARY ~~or~~ INTELLIGENCE SUMMARY.Army Form C.2118.
(Adapted.)

(Erase heading not required.)

Unit HQ AMF (Office of Co-^{ord}) Date and Time.—From 1 Nov 45 To 31 Jan 46

Place.	Date.	Hour.	Summary of Events and Information.	Remarks and references to Appendices, Diaries, &c.
	2 Nov 45		Purchasing Procedure—Dept of Munitions & Dept of Army	Serial 59: Mins 27/4/45; 1/5/45; 15/5/45; 23/5/45 ; 7/6/45; 19/6/45; 2/7/45; 30/8/45; 4/9/45; 8/9/45;
	23 Nov 45		Transfer of Stores on Payment to Royal Netherlands Indies Forces	Serial 60. Minute 23/11/45;
	23 Nov 45		Movement of Stores	Serial 61: 12/12/45; proceedings of Conference 28/11/45.
	23 Nov 45		British Commonwealth Force for JAPAN. (Scheme "Ribban")	" 62
	1 Dec 45		Notifications of Army Appointments etc in Commonwealth Gazette	63: Min 1/12/45; 17/12/45
	3 Dec 45		Supply of Hemp and "Hard" fibres for Commercial Use	" 64
	4 Dec 45		National Gift Contributions	" 65
	4 Dec 45		Disposals - ex Areas outside Mainland	" 66
	5 Dec 45		Conversion of Service Establishments to Civil Status -	" 67: Mins 5/12/45;
			secondment of officer for duty in connection with.	6/12/45
	7 Dec 45		Publicity-Non operational activities - AMF	" 68

WAR DIARY ~~or INTELLIGENCE SUMMARY~~

(Erase heading not required.)

ORIGINAL
Army Form C.2118.
(Adapted.)

PAGE 2.

Unit _____ Date and Time.—From _____ To _____

Place.	Date.	Hour.	Summary of Events and Information.	Remarks and references to Appendices, Diaries, &c.
	12 Dec 45		Publicity - Non Operational Activities-AMF - Committee Meeting	Serial 69
	13 Dec 45		United Services Institute-Distribution of GROS etc	" 70
	13 Dec 45		Termination of Return Lend-Lease and Provision of US Mutual Aid	" 71
	20 Dec 45		Sale of Controlled Stores to Serving Members of AMF	" 72
	7 Jan 46		Control of Expenditure - Reintroduction of normal peace-time	
			system of Budgetary Control as from 1 Jan 46	" 73
	14 Jan 46		Provision of fresh food and sale of clothing and material	
			to discharged personnel	" 74
	14 Jan 46		Claims arising out of Damages caused by operations -	
			(Borneo etc areas)	" 75
	15 Jan 46		Lend Lease - Appointment of Brig L.GBINNS as co-ordinator of	
			Lend Lease Policy	" 76
	15 Jan 46		Purchase of Common User Items	" 77
	15 Jan 46		Lend-Lease surpluses in Northern Areas	" 78

WAR DIARY ~~or~~ INTELLIGENCE SUMMARY.

(Erase heading not required.)

ORIGINAL

Army Form C.2118.
(Adapted.)

Unit _____ Date and Time.—From _____ To _____ PAGE 3.

Place.	Date.	Hour.	Summary of Events and Information.	Remarks and references to Appendices, Diaries, &c.
	17 Jan 46		Subjects for consideration at Premiers Conference	<i>Rd</i> Serial 79
	17 Jan 46		Alledged ill-treatment of NEW GUINEA natives	<i>Rd</i> " 80
	17 Jan 46		Powers of Commander-in-Chief : Claims Commission-MOROTAI Force	<i>Rd</i> " 81 Minute 17/1/46 22/1/46
	18 Jan 46		Delegations to the C-in-C in regard to Contracts, Pay &	<i>Rd</i>
			Allowances, and other matters arising out of the operations	
			of the AMF beyond the limits of the Commonwealth.	" 82
	21 Jan 46		Dump ing of stores at Kitchener Drive Dump - DARWIN	<i>Rd</i> " 83
	22 Jan 46		Forward Planning for Service requirements	<i>Rd</i> " 84
	23 Jan 46		Posting as Staff Capt, Office of Co-ord - VX65534 Capt	
			R. V. COUCHE vice VX 20309, Capt L. J. SHEEDY	<i>Rd</i> " 85
	25 Jan 46		Road ALICE SPRINGS - DARWIN - closure as L of C	<i>Rd</i> " 86

94/1/1139

PURCHASING PROCEDURE - DEPARTMENT OF MUNITIONS AND DEPARTMENT
OF THE ARMYSecretary

1. Following your Minute of 4 Sep 45 Brig ELLIOTT has made detailed enquiries and reports as follows :-

- A. "Although the file does not show that the Secretariat ever asked for any papers re Morgan it is established that a telephone message was received by the Directorate of Engineer Stores asking for the papers dealing with the Court of Inquiry referred to by the Acting Minister. Lt-Col SYMONS replied to the Secretariat by phone that no such Court of Inquiry had ever been convened or had ever sat."
- B. "I am satisfied that no Court of Inquiry was ever convened or held. On receipt of a complaint from the G.U.D. Manufacturing Coy that no reply had been received to a letter of theirs of 27 Jan 45 the D.E.S. immediately called in Lt-Col MYSLIS who was in charge of the part of the Directorate concerned. Lt-Col MYSLIS said he had overlooked replying to the letter (which was in its proper place on the file). It should be mentioned that letters were often received asking to be allowed to tender for varied stores. The letter from G.U.D. should have been sent direct to the Contracts Board; nevertheless the Directorate was in error in not replying."
- C. "The D.E.S. investigated the contracts for filters for certain mechanical equipment. It was clear that at a meeting of the Contracts Board at which service representatives were present Lt-Col MYSLIS had, from samples available on the table, selected a type by Morgans as being the most suitable. In consultation with Morgan it is thought, Engineer Services drew designs of filters of different sizes and methods of attachment, but on the Morgan principles. The then D.E.S. asked from time to time the procuring department - Allied Works Council - to supply filters required as under :-

(i) LEQ Requisition No.2323 of Nov 44 and estimated for about £3500 endorsed -

"Filter elements Lube Oil (Morgan No.10) as per attached drawing

X X X X X X

obtainable from Tutt Bryant, Rydalmere, Sydney.

(ii) LEQ Requisition 2357 of Dec 44 estimated for about £2300 endorsed -

"Fuel and Lube Oil Filters, Morgans Nos 9,10 & 12.

X X X X X X

Drawings available from Engineer in Chief's Branch, if required. Available from J. B. Morgan Pty. Ltd.

1727 Guilford Lane, Melbourne.

(iii) LEQ Requisition ES2531 of Mar 45 estimated for about £2350 endorsed -

"Filters, fuel and lube oil, Morgan Nos 9, 10 and 12.

X X X X X X

Available from J.B. Morgan Pty. Ltd. 1727 Guilford Lane, Melbourne.

It is noted that the Allied Works Council did in fact issue each of these contracts to the firms from whom the LEQ Requisition said the supplies were available.

- D. "There is no evidence available to support any suggestion of improper contact or influence. There is nothing on any of the requisitions which attempted to prevent the Allied Works Council from calling for public tenders if it is so desired. From the two earliest contracts it was clear that drawings were available if required for inspection by any contractor."

2. Lt-Col MYSLIS has now left this HQ and is overseas. There are no grounds for contraverting his statement to Brig McCausland that he had failed only through inadvertance to reply to the letter from G.U.D. Manufacturing Coy.

3. Even if the above facts were not correct, and even had there been some improper practices involved, it is desired to stress that the principles submitted to the Minister for sending to the Treasury would prevent any such practice occurring again. It will be noted - (i) that in View (c) on page 3 of the suggested letter to the Treasurer it has merely been asked that -

"a service department may name suitable contractors. The Purchasing Department will invite tenders from such firms, inter alia, unless there are substantial reasons to the contrary."

(ii) that in View (d) of the same letter there is a procedure set out for obtaining urgent requirements which could lead to a special firm being required to produce the immediate and urgent requirements. This procedure is safeguarded, however, by requiring the Minister's endorsement, and the sanction of the Supplying Department.

It will also be noted that this View (d) is fully supported by the Board of Business Administration and by the Business Adviser. Experience in this was has shown the necessity of such principles being incorporated in the methods of obtaining service requirements.

4. It is considered important that the principles set out in the suggested letter to the Treasurer be adopted.

CME Elliott, Brig.,
for Major-General,
Deputy Chief of the General Staff.

8 Sept 45

COPY/ABC

HQ, AMF
(for DCGS)

With reference to your minute of 30 Aug 45, the draft letter to the Treasurer was not signed by the Minister for the reasons indicated in the Acting Minister's minute of 2 Jul.

It will be observed that on 31 Jul the Minister asked for the Departmental file dealing with the Court of Inquiry referred to in the third paragraph of the Acting Minister's minute, and this has not yet been supplied.

The Acting Minister advised the Minister verbally that Lt-Col Myslis was also concerned in the Court of Inquiry in question. Could the Court of Inquiry file in question be now supplied.

(Sgd.) F.R. Sinclair
Secretary.

4/9/45

COPY/ABC

PURCHASING PROCEDURE - DEPARTMENT OF MUNITIONS AND DEPARTMENT
OF THE ARMY

SECRETARY

Reference my minute of 19 Jun 45 on the abovementioned
subject :

I should be glad to be informed whether the draft
letter forwarded with my minute has been despatched to the
Treasurer and, if so, whether any reply has been received from
him.

Although the war has ended, it is still particularly
desired that the principles contained in the draft letter to
the Treasurer should be adopted as a policy.

(Sgd.) C.M. Elliott, Brig., for
Major-General,
Deputy Chief of the General Staff.

30 Aug 45.

COPY/ABC

94/1/1139

Australian Military Forces

Minute

Subject : PURCHASING PROCEDURE - DEPARTMENT OF MUNITIONS AND
DEPARTMENT OF THE ARMY

MINISTER FOR THE ARMY :

While it is noted that this question has been dealt with by the Board of Business Administration, I was not prepared to affix my signature to the draft letter addressed to the Treasurer, because in my opinion the principles that are outlined therein would not be in the best interests of the Commonwealth Government.

I therefore deferred taking any action so that the file could be referred to you for your decision and for whatever action you may consider to be desirable.

Representations have been made to me that the position in regard to the nomination of special firms by authorities within the Department of the Army has not always achieved the results desired, and I suggest that before you come to a final decision you obtain the departmental file dealing with the Court of Inquiry that I understand was held in the Department of the Army on this question in relation to orders placed for engineer requirements with a contractor by the name of Morgan.

(Sgd.) J.M. FRASER
Acting Minister.

2/7/45

Department of the Army

MINUTE

Subject : PURCHASING PROCEDURE : DEPARTMENT OF MUNITIONS AND DEPT
OF ARMY.

ADJUTANT-GENERAL

1. This Directorate has very little relation with the Department of Munitions in the matter of medical supplies, its principal transactions being those with the Department of Supply and Shipping or those conducted overseas. Similar principles to those under reference, however, sometimes enter into these transactions, and there is, therefore, some pertinence to the general argument.
2. In the early stages of the war the Department of Supply and Shipping adopted an attitude closely related to that now outlined by the Treasury. It was possible, however, in a very short time, both by logic and by demonstration, to convince the Contract Board that the principle was wrong and that price was a paramount consideration only where the local offer was satisfactory to the technical officers concerned and where there was reason to expect satisfactory performance with regard to delivery.
3. A further difficulty entered in from the fact that under Treasury and Contract regulations it was necessary to consider price against price regardless of the city in which the tenderer offered delivery and of the address at which the Army required delivery i.e. in certain commodities the Army might be committed to a saving of 1/2d. per lb. in purchase price and the expenditure of 2d. per lb. in freight, breakage, etc. This point also developed at an early date to the demonstration of absurdity and has long since been disregarded in the letting of medical contracts.
4. With regard to the nomination of special suppliers, this is of course absolutely essential in many medical commodities. There are, for instance, drugs of a proprietary nature for which there is no substitute. There are complicated appliances designed by this Directorate and having to be locally purchased, some times at the expense of erecting a special factory for the purpose. The only reasonable course in such a case has been to select the firm obviously suited to do the work satisfactorily and economically, and the Contract Board has at all times perceived the wisdom of this course and co-operated to the full. In no other way would it be possible to persuade a manufacturer to engage in heavy investment for war purposes. Neither would it be readily possible to carry out some of these manufactures without the co-operation of the existing staff and equipment of certain manufacturers.

(Sgd.) J. STEIGRAD, Brig.,
for Maj Gen. DGMS
7 Jun 45

COPY/ABC

94/1/1139

PURCHASING PROCEDURE - DEPARTMENT OF MUNITIONS AND DEPARTMENT
OF THE ARMY

Secretary :

Ref attached draft proposed for the Minister to
send to the Treasurer :

2. It is desired to stress that this draft has been
carefully considered by all the branches and the Office
of Co-ordination, and it is considered of paramount
importance that the principles therein set out be substituted
for those enunciated in the Treasury minute of 19 March.

3. In many cases Treasury agreement would amount only
to confirmation of what already are normal practices -
practices which have been obscured by the Treasury minute
of 19 March.

(Sgd.) J.A. Chapman,
Major-General,
Deputy Chief of the General Staff.

19 Jun 45

COPY/ABC

My dear Treasurer,

PURCHASING PROCEDURE - DEPARTMENT OF MUNITIONS AND DEPARTMENT OF THE ARMY

1. In December last the Department of the Army, when lodging with the Ministry of Munitions an order for certain winches, nominated a particular contractor to perform the work. It adopted this course because these winches were obtainable only from the company nominated. The Ministry of Munitions, by its memorandum 250/700/7 of 17 Jan 45 responded as follows :-

"In regard to the nomination of contractors on Army Orders it is desired to clarify with you that this Department cannot avoid its responsibility to produce Munitions at the cheapest possible price merely by acting on a nomination from your Department that an order be placed on a particular contractor.

Such nominations on Army Orders are treated by this Department as an indication that such a contractor should not be left out of the considerations of this Department when implementing the order.

Your confirmation of this attitude is requested."

2. Following discussions and further correspondence, the order was eventually placed with the contractor nominated by my Department but not before the conflict as to the appropriate procedure had been referred by the Ministry of Munitions to your Department which, on the 19th March, 1945, expressed the following views :-

- "(a) Wherever practicable the provisions of the Audit Act and Regulations are to be followed in making purchases, and in all cases it is the responsibility of the purchasing Department to decide upon the purchase which will best serve the interests of the Commonwealth.
- (b) The price to be paid will be a question of prime consideration, but in some cases it may be outweighed by such further considerations as suitability, quality or the time of delivery.
- (c) A Service Department may indicate the capacity of an individual firm to meet a requirement, but that should be used only as a helpful guide, and not as any subtraction from the responsibility of the purchasing Department to determine the placing of orders.
- (d) For articles of new design or having other special features close collaboration will be maintained continuously between the purchasing and Service Departments, so that essential supplies will be secured in the quickest manner consistent with economy."

3. It is considered that these views do not constitute a statement of policy acceptable to my Department. The apparent over-emphasis upon price obscures the Government's fixed determination that no controllable factor will be permitted to deny to our fighting troops any equipment which Service authorities advise is a requirement for operations.

4. Hereunder are more detailed comments concerning the views put forward by Treasury.

View (a) The statement that in all cases it is the responsibility of the purchasing Department to decide upon the purchase which will best serve the interests of the Commonwealth is irreconcilable with the Prime Minister's dictum of the 5th April last that "the service authorities are the sole judges of their equipment requirements." It should suffice if the rule is stated as follows :-

"In respect of each purchase, it is the responsibility of the purchasing Department to ensure that the stated requirements of the Service department are satisfied as economically as practicable."

View (b) I can only think that the draftsman could not have intended the implications of this statement. It enunciates that, as a general rule, the price will be the consideration of first importance, the suitability of the goods and their availability when required being subordinate factors. To a reasonable man price is not even a relevant consideration until he is satisfied that the goods are what he wants and that they will be available when he wants them: unless he is so satisfied, he will not contemplate entering into an agreement to purchase. Everyone with experience in public or personal expenditure would reject as false economy the principle of "cheapness first". To accept such a doctrine in supplying the fighting services would be reprehensible if not more culpable. The view is contrary to the expressed views of the Government through its Prime Minister. It is earnestly suggested that this view should be retracted immediately, because it exposes the Government both to ridicule and to a renewal of the criticism that it is waging war on a "pinch-penny" basis - a criticism unwarranted by the facts, but which would certainly be merited if the unguarded statement under discussion were to be allowed to stand as an expression of policy.

While I am ever mindful of the importance of money as a sinew of war, it is submitted that the rewording of view(a)

as suggested above, while maintaining a proper perspective, adequately covers this aspect. If it is still desired to retain in any form your para (b) it should be reworded to express the Government's true intentions perhaps as under :

(b) Subject to meeting the stated requirements of the Service department as to suitability, quality, and time of delivery at the required place, price will be a prime consideration.

View (c) If there is a breakdown in the provision of equipment for the forces the confidence of the men in their military leaders is impaired. Not only is this most damaging to morale, but it is most unfair to such leaders if the failure follows upon the rejection of their advice as to appropriate sources of procurement. Justice and a proper appreciation of the responsibilities involved might be better served if (c) is amended to read :-

"A Service department may name suitable contractors. The purchasing department will invite tenders from such firms unless there are substantial reasons to the contrary.

View (d) It is fully appreciated that it is financially important to the Commonwealth that cost plus work with nominated firms should be reduced to a minimum, but requirements of an urgent nature will frequently arise so long as the war lasts. It is submitted that the problem of these urgent requirements would be dealt with more effectively if the following procedure were applied :-

"Where an urgent requirement exists, or where articles of new design or having other special features are involved, and provided the requisition is suitably endorsed by the Minister, or some officer or officers to whom he delegates such powers, then the Service Department will negotiate with the Supplying Dept which will be responsible for ensuring that sufficient material for the immediate need is produced by the time required by the Service Department. The project will be so planned that when the immediate need is met, the balance of the requirement will, as far as practicable, be the subject of tendering; where the requirement is not of a standard nature; such tendering will be limited to firms, agreed on by the Service Dept and the Supplying Dept, as competent to do the work. Such Ministerial endorsement will constitute an authority for the Supplying Dept to obtain aid from Manpower Directorate if such is necessary."

4. The above procedure is followed even in peace by many public departments in Great Britain, e.g. the PMG's department.

Yours sincerely,

The Hon. J.E. Chifley.

COPY/OOC/EC

PURCHASING PROCEDURE: DEPARTMENT OF MUNITIONS AND DEPT OF ARMY

HQ AMF
(for DCGS)

In view of the E-in-C's minute of 27th April, as supported by the QMG, and the Business Adviser on 1st May, this file was referred for the comment of the CFO as the subject is of prime importance to that Branch.

The CFO's reply of 15th May has now been received together with a Confidential copy of Board of Business Administration Minute No 8262 of 17th April 1945 (which cannot be quoted in future correspondence).

In view of para 7 of the CFO's minute and because of the inter-branch aspects, would you be good enough to draft a letter addressed to the Treasurer for the signature of the Acting Minister which represents the considered and co-ordinated view of the several Army branches affected.

It appears desirable that the draft letter should be available for the Acting Minister's signature as soon as possible.

(Sgd) STUART THORPE

S e c r e t a r y

23/ 5/1945

COPY, DC/EC

PURCHASING PROCEDURE - DEPARTMENT OF MUNITIONS AND DEPT OF ARMY

SECRETARY:

1. In response to your minute of 10 May the following comments are furnished in respect of the matters raised in the minutes of the E-in-C and the Business Adviser.
2. In view of the points raised I concur that the rewording of para 3(d) of Treasury memorandum of 19/3/45 as suggested by the E-in-C should be referred to the Treasurer for consideration. This will permit the suggestion to be considered at the same time as B.B.A. Minute No. 826, (referred to by the Business Adviser) which this Branch has not seen.
3. It is desired to point out, however, that the procedure suggested by the E-in-C is at variance with the provisions of Treasury Regulation 52 regarding public tenders. Further, to make it applicable "where an urgent requirement exists" would cover a wide field of requirements.
4. It is also pointed out that the success of the procedure outlined by the E-in-C would depend almost entirely upon agreement between Service Departments and the Supplying Department. In this regard it is noted that it was lack of agreement which was responsible for Treasury memorandum of 19th March.
5. The final sentence of para 4 of the E-in-C's minute, viz -
"Such Ministerial endorsement will constitute an authority for the Supplying Department to obtain aid from Manpower Directorate if such is necessary."
touches a vital point of Government policy on which I feel unable to comment. There would, however, appear to be no objection to the suggestion going forward for Treasury consideration.
6. Attention is invited to the final sentence of para 3 of the E-in-C's minute which reads :-
"I can say from personal knowledge that the methods now being used by the Department of Munitions by Government direction are not in the best interests of our troops."
7. This is a very serious statement and it is considered that it calls for full investigation. If concurred in by the C-in-C it is suggested that the matter be referred to higher authority.

(Sgd) J. FITZGERALD
Chief Finance Officer
15 May 45

PURCHASING PROCEDURE - DEPARTMENT OF MUNITIONS AND DEPARTMENT OF THE
ARMY

Secretary (through QMG)

The attached memorandum by E-in-C, dated 27th April, 1945, on the above subject, is referred for the consideration of the Acting Minister. It is understood that the QMG concurs in the E-in-C's recommendation.

This same matter has been the subject of careful consideration by the Business Board recently, and at whose discussions I have been present, in conjunction with my colleague, the Business Manager, Air. I am aware that the Business Board has submitted its views on the Treasury letter of 19th March, 1945, to the Munitions Department, and that there is a strong similarity of view, as now submitted by E-in-C, with that already put forward by the Board.

In my opinion, the recommendation contained in para 4 of E-in-C's minute is one based on a sound appreciation of all the related aspects, and it has my full concurrence. I therefore recommend that it be transmitted to the Treasury for consideration at the same time as Board of Business Administration minute No. 826 of 17th April, 1945, (which it is assumed has not been seen by this Department.)

(Sgd) A N KEMSLEY
Business Adviser
1/ 5/45

CFO: Referred for favour of any comments please.

(Sgd) J. WILLIAMS
for Secretary

10/5/45

COPY

PURCHASING PROCEDURE - DEPARTMENT OF MUNITIONS AND
DEPARTMENT OF THE ARMY

(Letter 94/1/1139 of 19 Mar from Sec Treasury to Sec Munitions refers)

EC6195

The Business Adviser

1. The above letter sets out the viewpoint of the Treasury in the following terms:

- (a) Wherever practicable the provisions of the Audit Act and Regulations are to be followed in making purchases, and in all cases it is the responsibility of the purchasing Department to decide upon the purchase which will best serve the interests of the Commonwealth.
- (b) The price to be paid will be a question of prime consideration, but in some cases it may be outweighed by such further considerations as suitability, quality or the time of delivery.
- (c) A Service Department may indicate the capacity of an individual firm to meet a requirement, but that should be used only as a helpful guide, and not as any subtraction from the responsibility of the purchasing Department to determine the placing of orders.
- (d) For articles of new design or having other special features close collaboration will be maintained continuously between the purchasing and Service Departments, so that essential supplies will be secured in the quickest manner consistent with economy."

2. It is desired to stress that such action could and would

- (i) negative the policy of the Government as expressed in the House on 5 Apr by the PM, viz "the Service authorities are the sole judges of their equipment requirements";
- (ii) divorce the responsibility of the Service Depts for equipment from sufficient authority to enable them to carry out those responsibilities;
- (iii) be most detrimental to the well being of our men.

3. I am fully aware that now the immediate threat is over, how important it is, both to the country's finances and morale, that cost plus work with nominated firms should be reduced to a minimum; but requirements of an urgent nature must frequently arise as long as the war lasts. I can say from personal knowledge, that the methods now being used by the Dept of Munitions by Govt direction, are not in the best interests of our troops.

- 2 -

4. I therefore recommend for your consideration that para 1 (d) above should be reworded as follows :-

"that where an urgent requirement exists, or where articles of new design or having other special features are involved, and provided the requisition is suitably endorsed by the Minister, or some officer or officers to whom he delegates such powers, then the Service Dept will negotiate with the Supplying Dept to ensure that sufficient material for the immediate need is produced by the quickest means. The project will be so planned that when the immediate need is met, the balance of the requirement will, as far as possible, be the subject of tendering; where the requirement is not of a standard nature, such tendering will be limited to firms, agreed on by the Service Dept and the Supplying Dept, as competent to do the work. Such Ministerial endorsement will constitute an authority for the Supplying Dept to obtain aid from Manpower Directorate if such is necessary."

5. Your assistance in what I regard as a most vital matter would be greatly appreciated.

(Sgd) C S STEELE

Major-General
Engineer-in-Chief

27 Apr 45

I concur.

(Sgd) L.G. Binns, Brig
for QMG (AOL)

27/4/45

AUSTRALIAN MILITARY FORCES
(Office of Co-ordination)

Memo No. 149763

Headquarters
Victoria Barracks,
Melbourne.

23 Nov 45

HQ M T Force
HQ Western Command
HQ Qld L of C Area
HQ NSW L of C Area
HQ Vic L of C Area
HQ SA L of C Area
HQ Tas L of C Area

TRANSFER OF STORES, ETC ON PAYMENT TO ROYAL NETHERLANDS
INDIES FORCE

1. Below for your information and, when suitable, action, is a copy of a DCGS minute sent to PGCs.

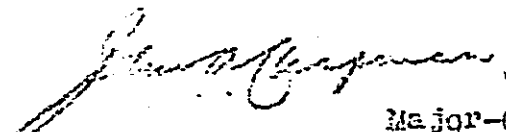
"1. The Minister has given a general approval for the transfer on payment of arms, ammunition, equipment, clothing and food etc., to RNI Forces including NECA, provided such items are either available from army stocks without replacement, or from a local surplus.

2. RNI Army have been told that they may quote this authority as permitting a direct approach to the PGC concerned to see if the supplies required are available. Notification of all such transfers made will be sent to CTO or DCO concerned, so that the necessary payments may be recovered from the Netherlands Indies Government.

3. These transfers are in addition to supplies being made available on payment to relatively small RNI Forces already in Australia moving to re-occupy Dutch possessions NW of Australia."

2. The Navy is included in the term "Royal Netherlands Indies Forces"; vehicles are included in the "etc" of para 1.

3. Western Command: It is understood that the Netherlands Navy requires spare parts for ambulances under repair in MA. I. the requirement still exists, please take such action as is necessary to obtain authority to make available such items for transfer to the Dutch in accordance with the Ministerial direction above.


Major-General
Deputy Chief of the General Staff

Serial 61

034/EC/4

Australian Military Forces

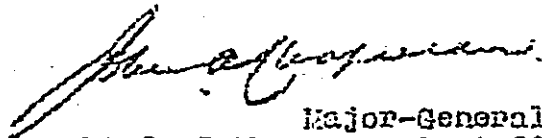
MINUTE

Subject: DCGS CONFERENCE-MOVEMENT OF STORES

AG (2)
QMG (5)
MGO (1)
DGAD (2)
CFO

Copy to: CGS, Brig Co-ord, BA

1. Further to my minute of 25 Nov attached herewith is a copy of the proceedings of the Conference on the Movement of Stores.
2. As noted in para 1 of the proceedings, it was originally intended that the CGS would deal direct with PSCs in determining policy in regard to this matter. However, circumstances have now rendered this course improbable and the proceedings are referred therefore for your comments please.
3. It is advised that the CFO has agreed in principle to the decision contained in para 5 of the attached relative to the economics of local purchase, where possible, to avoid movement of stores required for maintenance purposes.
4. The question of the disposal of ammunition is being dealt with by the Acting C-in-C with the MGO.
5. On receipt of your comments a directive will be issued on this subject.


Major-General
Deputy Chief of the General Staff
12 Dec 45

DCGS CONFERENCE - 28 NOV 45

MOVEMENT OF STORES

PROCEEDINGS

Present:

DCGS
BA, and

Representing QMG: Col J H CROMBIE
Lt Col H L MAUDE
Lt Col P A PARSONS
Lt Col A S MACKINNON
Maj T H FURLONGER

" DST: Col G JOHNSTON

" MGO: Brig H S KINGHAM
Col D B O'CALLAGHAN
Lt Col J W LAWSON
Lt Col G E PONT

" E-in-C: Lt Col R A SIMPSON

" DGMS: Lt Col K B BROWN

" DGS: Lt J KAUFFMAN

" DEAD: Col C R SPECKMAN

" GEC: Mr HOWIE

GENERAL DISCUSSION

1. DCGS briefly reviewed the reasons for the Conference and stressed the urgency of early action in view of the present acute shortage of coal and the consequent necessity to economise in the use of transport. He stated that the overall problem was considered to be of such importance that the DCGS intended taking up the matter direct with the PGOs.

The DCGS further stated that at the E-in-C's Conference on 24 Nov the question of the movement of stores in anticipation of the requirements of the Post War Army had been raised. It was considered that no movement for this purpose only, should be effected until more information on Post War Plans was available.

The DCGS then invited the BA to give his views.

2. BA, citing examples, stated that there was a considerable amount of movement which appeared to be unnecessary. Frequently movement is effected between depots with inadequate regard to the economics involved. Non-essential goods are sometimes consigned over long distances and as a result rolling stock is "tied up" to the detriment of essential freightage.

This indicates that officers authorising such movements are not "au fait" with the distances involved and the resultant difficulties in transportation. Services should aim at eliminating any doubtful movement of stores. The Business Board had been concerned about this matter recently and the Army Minister had requested him (the BA) to make a major issue of the transport

/question in

question in his discussions with FSOs. He suggested that the problem was such that it might be necessary to have all applications for inter-State and movement over certain distances approved by a deputy FSO. DCGS stated that this was to be considered by the CGS and the administrative FSOs.

3. The matter of disposals was then dealt with.

BA insisted that Army should be in a position to declare in situ and that CDC should organize their activities accordingly. Where possible, disposals should be effected locally, both by Army action and CDC policy.

Mr HOWIE stated that the objective of the CDC is to sell where the goods lie. However, this is not always possible, viz goods of marketable value which are returned to the mainland from the islands. He suggested that Army should accept responsibility where CDC cannot take physical possession of goods. BA objected as this would "tie-up" Army personnel and delay demobilization. Mr Howie advised that obsolete stores are only moved when the price margin or utility value justifies, otherwise a certificate is given to Army that the stores cannot be disposed of. This certificate authorises Army to write off and destroy such stores.

Brig NINGHAM raised the question of responsibility for moving stores for disposal.

BA stated this is definitely CDC responsibility. Army's financial responsibility ceases when the stores are sold or moved at request of CDC. Mr Howie stated that the CDC had no organization to cope with the problem of handling large quantities of stores in movement.

Lt Col MAUDIE then informed the Conference that 80% of the work Salvage were now undertaking was for CDC. Col SPECKMAN said the Minister intends calling a conference to investigate the possibility of transferring the Salvage organization to CDC. This would solve both storage and manpower problems.

It was agreed that Army would assist CDC in arranging movement but would accept no responsibility for costs and storage. Movement intra-State to be arranged only on the written authority of the Regional Manager and for inter-State or any big intra-State movement the concurrence of HQ AMF and CDC would be required.

DECISION

BA proposed and it was agreed that the following be recorded -

No inter depot movement of stores is to be effected at Army cost or responsibility unless made for Army purposes.

4. Obsolete stores which cannot be disposed of.

Col SPECKMAN said that in such cases the rendering of a certificate by CDC would enable Army to clear such stores off charge.

BA drew the attention of Conference to exceptions to this rule and mentioned the case of tanks now held in Queensland for movement to Bandiana although they were obsolete.

Brig NINGHAM said that to his knowledge the tanks were not obsolete but were of a pattern which had been nominated for Post War Army use.

A general discussion then took place on this matter and the following was agreed to :-

DECISION

Where stores are obsolete and not required for disposal such items are to be left in situ or moved to the nearest appropriate depot within the same State. If articles are of Lend Lease origin American authorities are to be notified of location and date available for delivery.

5. Movement of Stores required for maintenance.

DCGS suggested that movement of Maintenance Stores should be restricted to essential items only. Maintenance goods required for Post War use should be left in situ or taken to the nearest holding depot.

A general discussion then took place and it was agreed that maintenance stores should not be moved for purpose of balancing depot holdings.

Economics of movement would also have to be taken into consideration, viz handling, transportation charges etc. Where practicable shortages should be purchased on the local market rather than by replenishing from surplus stocks located at a distance from which it would be uneconomical to effect movement.

Col JOHNSTON mentioned that the adoption of this latter course would probably involve difficulties with the CFO.

DCGS then raised the question of whether Food Control purchase in areas necessitating a minimum of transport. Col JOHNSTON advised that Food Control are supplied with schedules showing where goods are required. However, it is not always possible to produce locally.

DECISION

After some discussion it was resolved that, subject to CFO concurrence, no stores would be moved to meet depot deficiencies unless economically sound to do so and unless impossible to purchase items locally.

DCGS and RA undertook to represent case to CFO on an overall economy basis.

6. Movement of stores required for Post War purposes.

This problem was discussed at some length and in view of the difficulties involved it was agreed that the matter should be referred to the CGS for consideration in conjunction with the PSOs.

DECISION

In the meantime the policy would be that all items required for Post War use would be stored in the nearest permanent depot capable of holding them.

7. Major MURLONGER sought direction re movement of 79 tanks M 3 D from Queensland to Bandiana. Railways will not accept. DCGS gave instructions that movement is to be deferred until GOS investigated possibility of transfer to WARRACARRA.

8. Return of Stores from overseas for local disposal.

Col CROMBIE raised question of stores being returned from overseas for disposal. No policy had been laid down regarding ports etc where such goods should be discharged.

/Decision

DECISION

It was decided that the question should be taken up with the CGS and that arrangements be made where possible for goods to be consigned to nearest port from which disposal is to be effected. DCGS directed that DGAD take action on this matter. (Action has been taken on this matter).

9. Ammunition

The BA stated that he was against movement of ammunition within Australia unless it conformed to a fixed plan, of which he had no knowledge. He also stressed that no ammunition should be returned from the Islands unless absolutely essential for future needs.

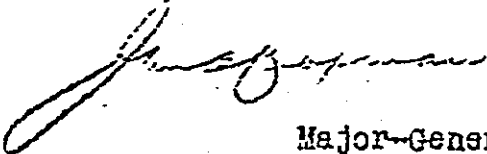
Brig KINGHAM advised that it was intended to return to Australia only ammunition in good condition or repairable. Lt Col MACKENZIE mentioned that it was intended to ballast 3 ships plying between the mainland and the Islands with 1000 tons of ammunition each. This would be eventually off-loaded at SYDNEY. BA was emphatic that this ammunition should not be off-loaded on the mainland, but should be dumped at sea, or some other type of ballast provided in lieu thereof.

DECISION

It was resolved that this matter be referred to the CGS for consideration with MGO.

10. Return of MovementsDECISION

It was agreed that the Services should maintain a record of all large movements of stores for disposal. This information to be available for record purposes. DGAD to issue an instruction on this subject.


Major-General
Deputy Chief of the General Staff
Sec 45

Serial 61.

Australian Military Forces

M I N U T E

Subject: MOVEMENT OF STORES

AG {2}
 QMG {5}
 MGO {4}
 DGAR {2}

Copy to:- CGS; BA; Brig Co-ord

The Minister has recently brought to the notice of the CGS and the BA the necessity for a more definite control over the movement of stores both inter and intra State.

2. The following is an extract from a Minute from the Secretary to the BA :-

"The Minister has indicated his concern regarding the movement of stores, and has asked that you investigate the matter, if necessary calling a Conference of interested PSCs and Directors and in due course advise him on this subject.

Apart from the cost of freight involved in such movement there is the question of the present acute shortage of coal and unessential usage of transport.

Another phase mentioned by the Minister was the Government's desire that wherever practicable, surpluses should be sold in the State of holding and not transferred to other locations. "

3. The CGS considers that within each Branch or Service there should be a definite plan relating to stores which should cover the following factors :-

- (a) Local Disposal
- (b) Obsolete stores which cannot be disposed of should be left in the area and not moved, or their movement restricted.
- (c) For other essential stores required for maintenance, what is the best plan with the least possible movement?

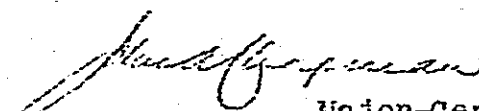
4. The Branch or Service concerned should adhere to the plan laid down so as to achieve the maximum economy in transportation.

5. The CGS has directed the DCGS to hold a Conference of Branches and Services on a lower level than PSCs to ascertain from representatives what plans are in operation and what further action can be taken to economise transportation. This Conference will be held in Room 27, "A" Block (New Wing) at 1415 hrs Wed 28 Nov. Will you please arrange for the following representatives to attend :-

Med
 Q Maint, Q Mov, S & T, Engrs
 MGO, Ord
 DGAD
 BA (or representative)

- 2 -

6. The CGS later proposes to discuss this subject with
PSOs.


Major-General
Deputy Chief of the General Staff
23 Nov 45

IMMEDIATE (BY FAST AIR)

DELHI 41/177
Niltrunk 334No. 3548/8/DWE-5,
GENERAL HEADQUARTERS, INDIA
General Staff Branch (DWE 5),
NEW DELHI GHQ APO 16 Sep 45

To

Headquarters,
Southern Army.Subject:- Equipping of "British Troops in JAPAN"
Scheme Ribbon

Reference GHQ No 7240/01/305 of 8 Sep 45.

1. General Instructions.

- (a) The policy is to equip this Force up to the highest possible standard in weapons, equipment and clothing and as far as possible all items will be new.
- (b) To assist you in implementing this policy in respect of controlled stores, bulk releases have been made and these will be in position at Kirkee by 15 Sep. All packages are marked BBT. GHQ(I) letter No. 3548/8/DWE5 of 31 Aug 45 refers.
- (c) When equipping HQs and units every endeavour should be made to ensure that each unit has only one pattern of equipment, e.g. one type of revolver holster etc.
- (d) Units will be issued with new sets of 1957 equipment and care should be taken to ensure uniformity of shade in each unit.
- (e) Weapons, equipment and vehicles of U.S. origin will NOT be issued if a British equivalent exists. Exceptions to this are given in succeeding paragraphs. Where possible arrangements should be made, by interchange with units in Southern Army, to issue British equivalents.

2. Detailed Instructions.(a) Clothing

Personnel will be clothed in accordance with the scales laid down in Appx. "A" to this letter.

Emergent indents to complete all personnel to this scale will be submitted forthwith in accordance with the instructions contained in I.A.G. 37/8 of 1945.

Instructions regarding the arrangements to be made for the fitting of clothing and the sewing on of formation signs are contained in GHQ(I) letter No. 3543/862/X3/OS-1 of 6 Sep 45; this letter also refers to the painting of vehicles.

(b) Clothing Signs

Signs will be worn as under :-

- (1) Force HQ & Force Tps. Union Jack sign on both arms.

/ (ii) ...

(ii) 5 Inf Bde

HQ 5 Inf Bde	}	Union Jack on right arm. 2 Div sign on left arm.
5 Inf Bde Def Pl.		
5 Inf Bde Sig Sec.		
L.A.D.		
2 R.W.F.		
2 Dorset.	}	
1 Camerons.		

(iii) 268 Ind Inf Bde.

HQ 268 Ind Inf Bde	}	Union Jack on right arm.
268 Ind Inf Bde Def Pl.		
268 Ind Inf Bde Sig Sec.		
L.A.D. Type 1.		
5/1 Punjab.		
1/5 Mahrattas.	}	Star of India sign on a blue background on left arm.
2/5 R.G.R.		
1/2 R.P.O.		

(iv) Certain units shown as forming part of Bde Gps in the Orbat will be treated as Force Tps from the point of view of the wearing of signs. The units concerned are those not shown in (ii) and (iii) above.

(v) The above signs are being made up and distributed under orders to be issued through Ordnance channels.

(c) Small Arms

- (i) Units will be equipped with the No. 1 Rifle with Bayonets No. 1 Mx. 1.
- (ii) Sufficient No. 4 rifles will be taken in addition to (i) above to provide 3 per projector rifle grenade authorized for each unit.
- (iii) Units will be equipped with Carbines Machines Sten Mx V and Lightened Guns Machine Bren.

(d) Scale of Equipment & Ammunition

(i) Units will take the full F.S. scale of equipment and ammunition authorized in their WETs except the following which will NOT be taken :-

- (i) A/G Eqp.
- (ii) Camouflage Eqp.
- (iii) Saddlery, pack saddlery & Line gear.
- (iv) Bulldozers for Artillery units.

Where special WETs are necessary, these have been/ will be issued to all concerned.

- (ii) The only ammunition of U.S. origin which will be taken is the M9A1 Grenade.
- (iii) Only 20% of U.E. of Dams will be taken.
- (iv) Light Weight Picks & Shovels.

These will be taken at the following scale. The

/units shown

units shown below will NOT take Implements
Entrenching :-

Type of Unit	Shovels Light	Picks Light
	L.P.	UK Pattern.
Fd Regt RA/L.Arty HQ	10	5
Bty (each)	30	15
British Inf Bn	564	281
Indian Inf Bn	582	291

(e) Vehicles

- (i) No vehicles of US origin will be taken except in the case of the Lorry 4 ton FWD/EAR for the carriage of W/T Sets 399 and Bulldozers for Engineer units. Trucks 15 cwt 4 x 4 W.C.51 will be substituted for Jeeps (Cars 5 cwt 4 x 4) in all units.
- (ii) Wherever possible new vehicles will be issued. Prior to departure units should be permitted to retain sufficient of their old vehicles for maintenance purposes.
- (iii) 41 Staff Cars (Austin 10 HP Saloons) have been released for allocation to this Force for liaison purposes.

Distribution of the cars will be as given below. Units (marked with an asterisk) which do not have these cars authorized in their WETs will surrender one vehicle (not motor cycle) for each car now allotted.

Force HQ	..	15	
HQ CRIASC	..	1	
Pro	..	1	
Nov & Tr	..	1	
Two Bde HQ	..	4	(2 per Bde HQ)
Force Sigs	..	1	
Six Infantry Bns	..	9	(one each plus one extra for each British Bn for the Chaplain)
7 Cav.	..	1	=
Two G.P. Tps Coys	..	2	= (one per Coy)
Two Hospitals	..	2	= (one per hospital)
Two Fd Btys	..	2	= (one per Fd Bty)
Two Fd Coys	..	2	= (one per Fd Coy)
One Fd Pk Coy	..	1	=
Two Wksp Coys	..	2	= (one per Wksp Coy).

44

- (iv) EME Vehicles. In EME units where the vehicles shown in column (a) are now held, those in column (b) will be issued instead :-

(a)	(b)	Remarks
One Car 5 cwt 4 x 4 GS	One Austin 10 HP Saloon.	In wksp Coys only.
Cars 5 cwt 4 x 4 GS	Trucks 15 cwt 4 x 4 W.C.51	To replace jeeps and trailers.

/Trailers 5 cwt ...

- 4 -
(a)

(b)

Trailers 5 cwt 2 whld GS NIL

Trailers 2 whld
Instrument repair. NIL

Trailer 10 cwt 2 whld
GS (unbinned) NIL

Cars 5 cwt 4 x 4 GS Lorry 3 ton 6 x 4
fitted for rec breakdown.

Trailer 2 whld Wksp Trucks 15 cwt
servicing Lt. lubricating and
servicing.

Lorries 3 ton 6 x 4 Wksp Lorries 3 ton 4 x 4
Machinery type X.

(f) Vehicle Signs

In addition to tactical and bridge clarification signs
the following signs will be painted on vehicles :-

- (i) No signs
- (ii) Vehs with mudguards. Force sign stencilled
offside mudguard.
Unit sign stencilled near
side mudguard.
- (iii) Vehs without mudguards Force and unit signs
stencilled as near as
possible to the position
they would occupy if the
vehicle had mudguards.
- (iv) Vehs whose construction does NOT allow paint-
ing of signs on them. U.S. plate 16 BG will be
fitted in the nearest
equivalent positions to
those in (ii) and (iii) above.
- (v) Rear of Vehs incl trailers. Force and unit signs on
offside and nearside rear
panels and in as prominent
a position as possible.

Note Size of Force Vehicle sign will
be 9 $\frac{1}{2}$ by 4 $\frac{1}{2}$ inches.

(g) R.A. Equipment.

All guns will be painted (camo shade 207) before
despatch of the Force.

(h) Signal Equipment.

A modified NET for Force Sigs is under issue. Bulk
issues have been made to cover these modifications.
Wireless Sets and signal equipment of U.S. origin will
not be issued except for the following :-

Radio Sets SCR 399
Wireless Sets No. 19
Frequency Meters S.C.R. 211
Telephones E28
Charging Sets 1260 Watt.
Charging Sets 4 K.W.

/(1) ...

(i) Engineer Equipment

The only items of equipment of U.S. origin to be taken are Outboard Motors and Ranger Boats.

(k) Animals

Animals will NOT be taken. Animals at present held by units will be disposed of under instructions to be issued by Remount Officer, Southern Army before units move from India.

3. Requirements of uncontrolled equipment will be demanded forthwith in accordance with the instructions contained in IAG 37/S of 1945.

Requirements of any additional controlled stores should be notified to GHQ as soon as possible.

(Sgd) P. CLARKE, (?) Brig

for Lieut-General,
CHIEF OF THE GENERAL STAFF.

GHQ Distribution :-

DSP	AG Co-ord	(1)
DMT	WG Co-ord	(4)
DWE	QMG Adm Co-ord	(1)
D Sigs	MGD (MG/C)	(1)
MGAC	E-in-C	(5)
MGRM	JFA(C)	
MG Inf	EMA(C)	(2)

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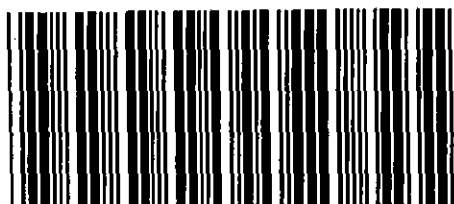
HQ Force British Troops in
JAPAN.
HQ 2 Div.

K. Lal.
15/9

Scale of Clothing, Necessaries and certain Miscellaneous items authorized for B.T. and I.T.
REGULATIONS, JAPAN

Serial No.	W.V.O. S. R. 1042 Indian Addendum 1043 B.T. I.T.	ITEM	SCALE		REMARKS
			B.T.	I.T.	
<u>CLOTHING</u>					
1.	ICB	1740/1051-79 2450-79	Battle Dress, Trousers Drill O.G. 1943	prs 2 2	
2.	ICD	3240-87	Boots, Ankle, No. 1 Mk III (with laces)	prs 2 2	W.O's Class I - Boots, ankle Brown.
3.	ICP	3772-00	Cap G.S. O.G.	No. 1 1	Not for those authorised Ser.No. 5 or Sikhs
3A.	-	-	Caps G.S. Serge	No. 1 Nil	Not for those authorised Ser.No. 465
4.	CP	0000-05	Bennet Tam O'Shanter	No. 1 Nil	Scottish Regts only
5.	ICP	1052-37	Cap R.T.R.	No. 2 2	RAC/IAC personnel only (less Sikhs)
6.	-	-	Hat Felt Gurkha	No. Nil 1	For Gurkhas, Garhwalis & Kumaonis only
7.	ICP	1232-40	Page Sikhs	No. Nil 1	Sikhs only
8.	ICA	2419-20	Pagri Khaki	No. Nil 1	All IORs (2 for Sikhs)
9.	-	-	Kullah/Cap Hindu	No. Nil 1	
10.	-	-	Fringes Pagri.	No. Nil 1	For I.T. authorised pagris-to be provided under regimental arrangements.
11.	-	-	Ponche	No. 1 1	Capas Waterproof No. 2 to be issued in lieu until Ponches available.
13.	-	-	Lining Woollen	No. 1 1	
13.	GC	0001-14	Ankle web	prs 1 1	
14.	ICB	2044-60	Shirt Bush O.G. 1944 with Belt	No. 2 2	
15.	-	-	Shirts Drill O.G.	prs 2 2	
16.	ICD	0026	Shoes Canvas Rubber Sole	prs 1 1	
<u>NECESSARIES</u>					
17.	ICB	-	Badges Cap	No. 1 1	Sec I.A.O. 1335 of 1946
18.	ICB	-	Titles Shoulder	No. 2 2	
19.	-	-	Badges Collar	prs. 1 1	For Military Police only.
20.	ICB	-	Badges of Rank	as entitled	
21.	ICC	0558	Bag Clothes Sackit	No. 1 1	
22.	ICC	0557	Bag Kit Universal	No. 1 1	
23.	ICC	0500-51	Brushes	prs 1 1	For use with Battle dress Serge.
24.	ICC	0664	Brushes Hair	No. 1 1	
25.	CC	0045	Brushes Shaving	No. 1 1	Not for Sikhs and Indian non self-shavers.
26.	ICC	0666	Brushes Teeth	No. 1 1	
27.	-	-	Brushes Shoe Polishing	No. 1 1	
28.	ICA	0875	Buckle Dress Nickel plated	No. 2 2	For use with trousers O.G.
29.	ICA	2093	Buckle Dress Universal	No. 1 1	For use with Bushshirt
30.	CC	0052	Comb Hair	No. 1 1	
31.	CC	1114	Container Soap	No. 1 1	
32.	CC	1111	Disc Identity Oval	No. 1 1	
33.	CC	1112	Disc Identity Round	No. 1 1	
34.	-	-	Knave	No. 1 1	
35.	ICC	0570	Cord Disc Identity	Ins 30 30	
36.	ICC	0677-00	Drawers Cotton Knitted Short	prs 2 2	
37.	CC	0170	Dressings Field	No. 1 1	

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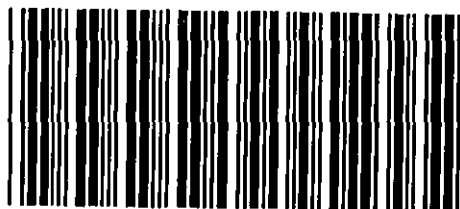
1	2	3	4	5	6	7
<u>NECESSARIES - contd</u>						
38.	CC	0177	Fork	No.	1	1
39.	ICC	0714	Knife table	No.	1	1
40.	CC	0731	Spoon	No.	1	1
41.	CC	0305	Holdall	No.	1	1
42.	ICC	0709	Housewire	No.	1	1
43.	ICC	0710-13	Jersey Pullover	No.	1	1
44.	CC	0532	Knife Clasp	}	No.	1
45.	ICC	0715	Lanyard			
46.	ICD	3151	Laces Leather Chrome 34 ins (Spare)	prs	1	1
47.	ICC	0717	Line Bedding	No.	1	1
48.	CC	1113	Mirror Metal	}	No.	1
49.	CC	1120	Cover			
50.	CC	0586	Razor Safety	No.	1	1 Not authorised for Sikhs or Indian non-self-shavers
51.	CC	0566	Blades Safety Razor per month	No.	4	4 Not authorised for Sikhs or Indian non self-shavers
52.	CC	0710-14	Socks Worsted	prs	3	3
53.	-	-	Blanco (per month)	Cake	1	1
54.	ICA	-	Medal Ribbons	As entitled		
55.	ICA	-	Medal Bars	As entitled		
56.	-	-	Metal Polish (per month)	tin	1	1
57.	ICC	3153	Straps Wrist O.G. W.O's	No.	1	1 Warrant Officers only.
58.	-	-	Mugs Enamel	No.	Nil	1 & Already authorised for B.O.s in units' W.B.Ts.
59.	ICC	3197	Vests Cotton Knitted O.G.	No.	2	2
60.	-	-	Overalls Combination	prs	1	1
61.	-	-	Blankets Lightweight O.G.		1	1
62.	-	-	Formation Signs	As entitled		
<u>E.I. CLOTHING</u>						
63.	-	-	Blankets	No.	3	3 Blanket Lightweight O.G. to be issued
64.	-	-	Shirts with Collars	No.	3	3
65.	-	-	Ties	No.	1	1
66.	-	-	Drawers Woollen	prs.	2	2
67.	-	-	Vests Woollen	No.	2	2
68.	-	-	Cop Comforter	No.	1	1
69.	-	-	Gloves Knitted Khaki	prs	1	1
70.	-	-	Battle Dress Serge Blouses	No.	2	2
71.	-	-	Trousers	prs	2	2 } Not for Military Police
72.	-	-	Greatcoat Discounted	No.	1	1
73.	-	-	Jerkins Leather	No.	1	1
74.	ICC	0099/10	Jackets O.R. (B.T.)	No.	2	2 } For Military Police only
75.	CC	0379/20	Trousers O.R.	prs	2	2 }

NOTE :- Scales of Special Clothing and Accessories authorised for personnel of the C.M.P. are detailed in I.A.P.F. 900-301, table 505.

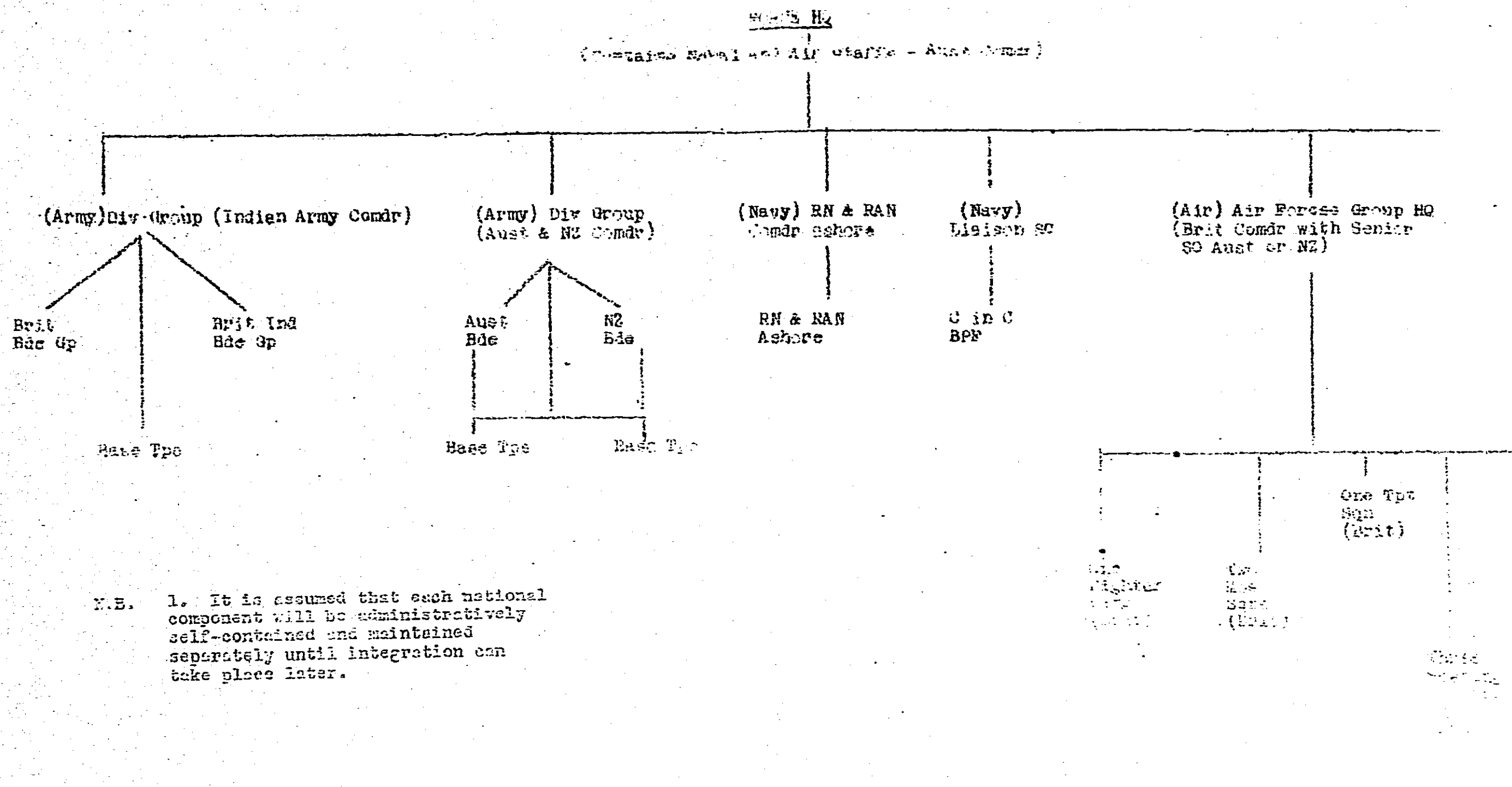
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OUTLINE COMPOSITION OF THE BRITISH COMMONWEALTH FORCE



N.B. 1. It is assumed that each national component will be administratively self-contained and maintained separately until integration can take place later.

COC/EC

Serial 63

Australian Military Forces
(Office of Co-ordination)

Headquarters,
Victoria Barracks,
Melbourne.

Memo No. 159649

17 Dec 45

HQ AMF 2nd Echelon
HQ First Army
HQ NT Force
HQ Western Command
HQ Old L of C Area
HQ NSW L of C Area

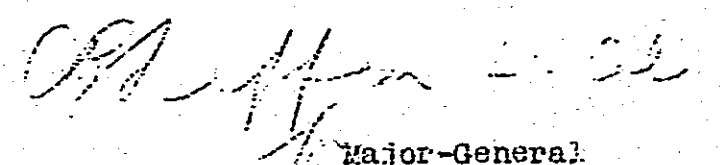
HQ Vic L of C Area
HQ SA L of C Area
HQ Tas L of C Area
HQ Morotai Force
RMC
SG (Aust)

Copies to: Sec Def; Sec Navy; Sec Army; Sec Air; RA; Aust Liaison
Sec CBR; APPA; MA to C in C; CGS; AG; QMG; EGC; GFO;
NS; JAG; DGAD; DGR; DR & CA; HQ AWAS; Camp; War Diary.

Discontinuance of publication of the Army Supplement
to the Gazette

It is notified that the publication of the Army Supplement
to the Commonwealth Gazette will be discontinued on 31st December,
1945.

2. On and after 1st January, 1946, appointments, promotions,
transfers, etc. of officers of the AMF will be promulgated in the
Gazette, as was the practice prior to the issue of Army Supplements
to the Gazette.


Major-General
Deputy Chief of the General Staff

Serial 63

COPY/OOC/EG

Gp/1/101

Commonwealth of Australia

Department of the Army

Melbourne. S.C.1.

1 Dec 45

MEMORANDUM for -

Secretary,
Prime Minister's Department,
CANBERRA. A.C.T.

NOTIFICATIONS OF ARMY APPOINTMENTS ETC IN COMMONWEALTH
GAZETTE

Arrangements were made in 1942, vide your memorandum A33/1/6 of 23rd June, 1942, for the notification of Army appointments, promotions, etc to be made in an "Army Supplement", such procedure being necessary for purposes of security.

With the cessation of hostilities the need for such security does not now exist, and it is considered that notification of Army appointments, promotions, etc., could be incorporated in the Commonwealth Gazette.

It is suggested that this procedure be adopted as from the first issue of the Commonwealth Gazette in 1946.

It would be appreciated if arrangements could be made for as many as possible of the Supplements awaiting printing to be completed before the end of the current year in order to obviate a carry-over into 1946 when the publication of these appointments in the Commonwealth Gazette will commence.

(Sgd) E.G. Williams
for F. R. Sinclair
S e c r e t a r y.

Serial 64

COPY/OOC/EC

3 Dec 45

My dear Minister,

Referring to my letter of 15th November 1945 I desire to advise that a further investigation into the supply of sisal hemp and other "hard" fibres has resulted in the following additional information being made available :

<u>Fibre</u>	<u>District</u>	<u>Quantity</u>
Banana	Eiri	200 bales
Hemp	Sibu	40 bales 5 ties
Hemp	Tawao	} report not yet received
Jute	Tawao	
<u>Production</u>		
Baru	Warawak	60 piculs per month
Hemp	Tawao	} report not yet received
Jute	Tawao	

It is stated that small quantities of coconut coir and pineapple fibre could be obtained and there is a possibility of large quantities of banana fibre being produced in Sarawak. These fibres have not been used commercially in the past and their suitability for the production of fibrous plaster is not known.

Any further information obtained on this subject will be conveyed to you as early as possible.

Yours sincerely,

(F. M. Forde)
Minister for the Army

Senator the Hon. W. P. Ashley, M.P.
Minister for Supply & Shipping,
Parliament House,
CANBERRA. A.C.T.

Serial 65

COPY/COG/EC

NATIONAL GIFT CONTRIBUTIONS

14 Dec 45

THE MINISTER

With reference to the Secretary's Minute of 1 Nov 45 and to subsequent correspondence which has passed between this HQ and Western Command, approval is requested for the following policy :-

1. Where the facts clearly establish that an unconditional gift was made to the Army - the item be not returned to the donor even on request, but if it is no longer required, be disposed of in the normal manner : if it is still required it will be retained by Army.
2. In cases of doubt or where the donor asks for the item back, such as the case referred to below in this file, HQ AMF will seek the decision of the Minister.
3. Although in this particular case the evidence is inconclusive it would appear that, although the Anglican authorities referred to the transaction as a donation, their real intention was to loan the vehicle to the Army for employment in a particular manner. As further employment of the vehicle in the way specified is no longer required, it is strongly recommended that, after being overhauled, the vehicle be handed back to the Church authorities. The overhaul is recommended as an act of grace.

Major-General
Deputy Chief of the General Staff
Dec 45

Serial 66

✓ COPY/OOC/EC

MEMORANDUM for -

The Secretary,
Commonwealth Disposals Commission,
125 Swanston Street,
MELBOURNE. C.1.

DISPOSALS - EX AREAS OUTSIDE MAINLAND

In anticipation of the return, under CDC arrangements, of stores to the Mainland for which there is no market where held, consideration will have to be given to the problem of shipping space and ports of unloading.

2. In connection with the above, and to save confusion and possible further transfers when stores reach the Mainland, it would be appreciated if early action be taken by you to ensure that only ports are nominated where it is definitely known that a market exists within a reasonable distance of such ports.

3. In the main, this request is to obviate the excessive use of the already overtaxed rail systems of the Commonwealth and to reduce freight charges to a minimum.

(Sgd) F. R. Sinclair
S e c r e t a r y

Copies to: QMG
MGO
DDSD(E)
CFO
BA

Serial 267

COPY/OOC/EC

Copy of letter as per telephone from Ministry Post War Reconstruction.

5 Dec 45

Adjutant-General

You will be aware that the question of the conversion of service establishments or units to civil status is mentioned in paragraphs 99 and 100 of the outline plan for demobilization and that by Minute 4077 of 6th March, 1945, War Cabinet directed that the Ministry of Post War Reconstruction in collaboration with the Services and the departments concerned should investigate this matter and submit a report.

Inquiries have been conducted by correspondence and discussions and the matter has been before the Central Re-establishment Committee on several occasions.

At the meeting of the Committee on 15th November, 1945, Army representatives placed a good deal of very useful information before the Committee but after full discussion it was clear that special steps would have to be taken if conclusions were to be realised. The Committee therefore resolved that steps should be taken to have seconded from the Army for a period of three to six months a suitable officer who would devote full time to this task. It is desirable that the officer should have a knowledge of the Services' side of the question and, at the same time, be able to approach the various civil departments who will be concerned in the consideration of the policy aspects of the possible conversion of the various units. It is felt that Lt-Col Maud would be a very suitable officer to undertake this work and I would be glad if arrangements could be made for his secondment, on present Military pay, for a period from three to six months and to commence duties in Melbourne at the earliest possible date.

Your advice on this proposal as a matter of urgency would be appreciated.

H. C. Coombes,
Director-General.

COPY/OOC/EC

6 Dec 45

CONVERSION OF SERVICE ESTABLISHMENTS OR UNITS ETC TO
CIVIL STATUS

AG
—

Reference my minute of 9 Nov 45 attached hereto for your advanced information is a transcript of a letter which has been prepared for signature by the Department of Post War Reconstruction. The Department anticipates that the letter will be signed and despatched within the next few days.

2. It will be noted that the suggestion is made that Army should continue to accept responsibility for the military pay of the officer concerned whilst he is seconded for special duty. Considering that the services of the officer appointed will be lost to the Army during the period of his secondment it is felt that the suggestion should not be agreed to unless the Department of Post War Reconstruction is prepared to reimburse the Army for all expenses involved.

3. Will you please take necessary action to secure an officer for this duty in anticipation of the official letter. The matter was previously discussed Brig BURTON - Brig CAMPBELL and DCGS.

Major-General
Deputy Chief of the General Staff

PUBLICITY - NON OPERATIONAL ACTIVITIES - AMF

7 Dec 45

CGS
AG
QMG
MGO
DGPR

(Copy to: CFO, MS, BA)

The C in C appointed a committee consisting of MGO, BA, DGPR and DCGS to consider the ways and means of producing and presenting material of non-operational activities suitable for publicity. This matter was referred to by C in C at his Conference on 2 Jun.

2. As the result of discussions and investigations so far carried out it has been ascertained that certain film companies - Fox Movietone and Cinesound - are prepared to co-operate, per medium of their news reels, in presenting "Shorts" depicting Army activities in non-operational areas. These "Shorts" will probably be about two minutes duration, and endeavours will be made that, as far as is practicable, they will be shown at regular intervals.

3. These screenings should be one of the means of interesting the public in Army activities in non-operational areas and should demonstrate how such activities are inseparable from operations in the forward areas.

4. The Directorate of Public Relations will be the medium through which the companies referred to are given the opportunity to record and produce the films.

5. There are a large number of subjects in branches and services of considerable interest to the public which are part of the normal life or work in depots and establishments: to name a few -

- Special demonstrations
- Particular aspects of the Medical Service
- Psychological Services
- GDD process
- Movement activities
- Feeding the Army - special packings and rations
- Water Transport Units - particular aspects
- Salvage
- Tropic treatment
- Special equipment, design and use
- Returned Stores Depot
- AME activities
- Anti-Waste etc

The public would be glad to know more about the methods by which the Army works and the Army has a definite interest in seeing that the public is told.

6. As far as is practicable the activities suggested for inclusion should be within easy reach of the capital cities of Melbourne, Sydney and Brisbane, particularly the two former.

7. The companies concerned have been interviewed and their co-operation promised, but subsequent action is dependent on Army producing items which will be of interest to the general public. Full co-operation of all branches is required. Branches will submit as early as possible to the Directorate of Public Relations items for inclusion in the programme which could be covered by about 200 ft. of film (2 minutes) with a summary of the subject and the location at which this activity takes place or where it could be arranged.

8. The following action will therefore be taken :-

- (a) Public Relations will be the Directorate to which information, as outlined in previous paras, is sent. Early submission of items is required;
- (b) DGPS will nominate a Liaison Officer who will deal with branches and film companies;
- (c) DGPR will submit progress lists to the film companies and will, in the meantime, take such action as can be arranged on information as received;
- (d) Each branch will nominate a suitable officer with whom contact can be made by the PR Liaison Officer. This officer must be specially selected for his suitability for this work, which will form a portion only of his normal duties;
- (e) The BA is nominating an officer who will co-ordinate with branches and the PR Liaison Officer on the Anti-waste aspect of Army activities;
- (f) DPR will be responsible for censorship;
- (g) Names of officers selected will be sent to DGPR with copies to Capt Sheedy (Office of Co-ordination) who, in addition to his other duties, will act as Secretary of the Committee.

9. Other aspects of publicity are being considered by the Committee and as decided upon these will be notified to branches.

(Sgd) John A Chapman
Major-General
Deputy Chief of the General Staff

PUBLICITY - NON-OPERATIONAL ACTIVITIES - AMFCOMMITTEE MEETING (the Seventh)DCGS' OFFICE, HQ AMF - 30 NOV 45

12 Dec 45

Present:

Chairman	:	Maj Gen J. A. CHAPMAN	(DCGS)
Members	:	Maj Gen L. E. BEAVIS	(MGO)
		A. H. KEMSLEY, Esq	(BA)
		Brig J. H. RASMUSSEN	(DGPR)
Advisory	:	Lt-Col G. KEOGH	(DMT)
		J. T. FITZGERALD, Esq	(CF)
		Lt-Col E. L. GILCHRIST	(AMGO-E)

M I N U T E S

Min No 34

DCGS briefly outlined the written report on organisation, Functions etc of HM Stationery Office, received previously from UK, and then called upon Lt Col LEES to address the meeting and elucidate points as required.

Col LEES first discussed the organisation of HM Stationery Office, touching upon each division in turn.

DCGS asked how contracts for printing and binding were allotted.

Col LEES explained that most of the work was done outside of Government Printing Office, contracts being allotted to approved commercial houses.

DCGS inquired as to security measures.

Col LEES stated that during war time the Secrecy and Security Control Section maintained the necessary surveillance over firms and agencies employed, and otherwise ensured that the security of vital information was not endangered.

MGO requested some details regarding the distributing organisation.

Col LEES explained that the Regional Centres such as CARDIFF, BRISTOL and EDENBURGH were in fact replicas of the Central LONDON Office, which meant that the organisation was largely decentralized and quite well equipped to meet demands.

MGO asked how specialized knowledge was disseminated.

Col LEES said that comprehensive mailing lists of Retailers and all interested organizations were maintained and these bodies kept advised by the following means :

Advanced information sheets
Daily Lists
Monthly Lists
Consolidated Yearly Lists
Newspaper notices

BA requested information as to what extent does HM Stationery Office in its functions of supervision and scrutiny of Service material published correspond to Central Publishing Section in Australia.

Col LEES in reply stated that HM Stationery Office exercised supervisory control over every publication from Government Departments. In addition the power of veto could be used if necessary to disallow publication of anything considered unnecessary. In the case of a dispute arising the Deputy Controller could refer such a matter to the Treasurer, whose recommendation or otherwise would settle the issue. In practice, however, disputes rarely, if ever, arose.

Revised

MGO quoted from HMSO pamphlet in order to ascertain the position as regards responsibility for preparation and production of Service publications.

Col LEES said that Services concerned through their various Branches were responsible for technical preparation, and HMSO decided upon the form which the production would take as well as its priority.

In extraordinary circumstances it could sometimes be arranged for Branches to have work done privately with the approval of HMSO.

CFO asked for details of financial procedure of HMSO.

Col LEES stated that in war time a special vote was made by Treasury which was sufficient to cover all exigencies. In peace time funds were made available by Treasury in accordance with yearly estimates. Appropriations among the Services and Government departments would then be made by the Controller of HMSO.

DISCUSSION

Min No 35

BA criticised the present set up of Government Printing Service in the Commonwealth, stating that the main problem was the lack of a Central authority to decide priorities in production.

There is the Federal Government Printing Office at CANBERRA which apparently fulfilled merely a local function, and the various State Printing Offices which had proved unequal to the task in war time.

CFO stated that the peace time arrangement had proved adequate.

The Contracts Board realised that in war time the Government printers were not able to meet the situation.

DGCS favoured the establishment of a Combined Services Publishing Bureau.

CFO asked if Army could expect satisfactory treatment if control of the proposed Combined Services Publishing Bureau were to be established under the control of Department of Supply and Shipping or similar Government Department.

BA was of the opinion that if a Combined Service Publishing Bureau were first established there was a chance that it might prove acceptable later as the nucleus of a Combined Departmental Printing and Stationery Office, to take the place of a merely mechanical agency, the Government Printing Office.

DGPR favored the course of converting the existing Government Printing Organization to that of a centrally controlled and operated concern such as HMSO.

Revised

MGO suggested it would be more satisfactory if the Government Printing Office Organization were to be expanded to meet the needs of all, rather than have Departments going their own ways to develop such services separately.

BA favored the preparation of an Agendum recommending the creation of a representative Committee to investigate the possibilities of establishing a centrally controlled Government Printing

and Publishing Organization to correspond in its functions with HM Stationery Office, UK. It was strongly recommended that the draft when prepared be sent first to the Business Board for endorsement as this would undoubtedly assure its sympathetic reception by Cabinet.

DECISION

Lt Col KEOGH (DMT), together with the Secretary, to prepare draft along the lines prepared by BA, and append thereto details of UK system (HMSO), quoting from report rendered by Lt Col LEES.

DMT not to proceed for the present with paper being prepared on Combined Services Publishing Bureau.

Min No 36

DISCUSSION

MGO produced a letter received from "MINGAY" Publishing Coy which requested from the Army some expression of appreciation of Australian Industries' contribution by way of Signals and Radar equipment with the intention that such commendation be used for publication in a trade Journal.

DCGS quoted from a Ministerial letter defining policy as regards official expressions of commendation which might be misused commercially for advertising purposes.

BA pointed out that in this particular case no one firm stood to gain any benefit as it was the intention of "MINGAY" to embody any commendation received in an article reflecting credit on the electrical trade (or sections thereof) as a whole.

DECISION

MGO to obtain decision from CGS.

Min No 37

DCGS invited members of the Committee to join with him in a vote of thanks to Brig J. H. RASMUSSEN, whose release from the Army had been announced. On behalf of the Committee Brig RASMUSSEN was thanked by DCGS for his co-operation and assistance throughout and offered the good wishes of members in his future activities.

Brig RASMUSSEN responded.

Min No 38

DCGS

Minutes of the previous meeting are proposed for adoption.

DECISION

Agreed.

Capt
Secretary
Dec 45

Serial 70

COPY/OOC/EC

166/1/29

(Office of Co-ordination)

13 Dec 45

HQ, Qld L of C Area

United Service Institute - Distribution of GROs etc

Ref your 107687 of 3 Dec 45 :

1. There is now no objection from the security aspect to the publications referred to in your memo being supplied to the United Service Institute of Queensland.
2. It is requested that you arrange for one copy of GROs and GOs to be supplied in future from your bulk supply.
3. As regards the Army Supplement, this publication is to be discontinued at the end of this month, after which military appointments etc will be promulgated in the ordinary issue of the gazette. Provision will be made for one copy of the gazette for the USI to be included in your supply.
4. The Military Secretary is being asked to supply the last four publications referred to in your memo.

Major-General
Deputy Chief of the General Staff

Serial 71

AUSTRALIAN MILITARY FORCES

SECRET

(57/431/75)9010

Headquarters,
Victoria Barracks,
St. Kilda Road,
MELBOURNE, V.C.I.

13/ DEC /45.

AUST. LIAISON SEC., G.H. A., A.M.P.A.C.	(3)
ADV. H.Q., A.M.F.	(14)
BRISBANE Sec. H.Q.	(2)
HEADQUARTERS -	
A.M.F. 2nd ECHELON	(12)
FIRST AUST ARMY	(21)
SECOND AUST ARMY	(10)
N. T. FORCE	(6)
WESTERN COMMAND	(8)
Q'LAND L. of C. AREA	(14)
N.S.W. L. of C. AREA	(8)
VIC. L. of C. AREA	(6)
S.A. L. of C. AREA	(4)
TAS. L. of C. AREA	(4)
AUST MISSION (S.E.A.C.)	(1)
2 AUST P.W. RECEPTION GROUP (SEAC)	(5)
R. H. C.	(1)

Copies to - First Asst. Sec., Dept. of Treas. (Def. Div.); Sec. Army (2);
Business Adviser; Chief Auditor, Def. & Sup. (16); M.A. to
C-in-C; C.E.S. (12); D.C.E.S. (2); A.G. (6); M.H.G. (6);
H.G.O. (14); CPO (5); M.G. (5); S.A.G.; S.G.P.R.; D.R.&A.A.
(2); Camp; War Diary (2);

TERMINATION OF R.L-L. & PROVISION OF U.S. MUTUAL AID.

As a result of negotiations between the Commonwealth and representatives of U.S. Services, an arrangement has been reached whereby each Government will provide supplies and services within given categories for a period from 2 Sept. '45, up to midnight on 31 Dec. '45, and subject to review at the later date. This arrangement will be known as 'U.S. Mutual Aid.'

2. The cost of supplies and services provided by each party to the arrangement will be met by the supplier Government in the same manner as was adopted in the case of Reciprocal Lend Lease.

3. The extent of the items to be provided by the Commonwealth as Mutual Aid is covered by the following -

- (1) - Household supplies and equipment for the consumption and use of United States Forces on the mainland of Australia and including utilities and sanitary services.
These supplies will include printing, spares and miscellaneous repairs to equipment, provision of and repair to tyres and tubes for tow motors and other warehouse equipment, steel strapping, laundry, repairs to optical instruments, shoe repairs and maintenance of adding machines and typewriters, overhaul of engines, hire of lighters, aircraft spares for chartered aircraft, fire extinguishers, refills, repair and overhaul of motor cars and motor cycles, repair of clothing, dry-cleaning, photographic supplies, coal and coke.
- (2) Transportation services by air, rail and available vessels including a continuation of the Three Party Charter Agreements under which U.S. aircraft are operated by civilian companies under Commonwealth Department of Civil Aviation. Transportation by rail does not include freight charges from supplier to store for food which is being procured by the U.S. Services on a cash basis.

- (3) Cartage of U.S. Armed Forces property including loading and unloading operations on an in and out of stack basis.
- (4) Stevedoring and Port Charges.
- (5) Ship repairs and equipment.
- (6) Ship's stores and provisions

This item provides for the admission of ships' stores and provisions up to midnight on 14 Nov. '45. As and from the commencement of 15 Nov. '45, ships' stores and provisions as well as management fees payable to shipping agents will be borne by the U.S. Services and paid for by them in cash directly to the particular contractors.

- (7) Hirings.
- (8) Repairs to vehicles and equipment operated by U.S. Forces on the mainland of Australia.
- (9) Crating and packing of U.S. Army and Navy property and records.
- (10) Hospitalisation, medical care and available medical supplies.
- (11) Continuation of Mutual Waiver Maritime Agreement, Third Party Claims Agreement, and Agreement for Commonwealth assumption of claims for damages to property in New Guinea and mandated islands. (The proposal as to the Mutual Waiver Maritime Agreement will be subject to any alteration notified by either Government.)

4. The U.S. Authorities will provide, as their contribution to Mutual Aid for the benefit of the Commonwealth Services in the theatre the following -

- (1) Air Transportation. This service will be along the same lines as that provided under Lend-Lease.
- (2) Ship transportation including assignment of available vessels and space for movement to Australian Armed Forces, cargo and personnel initiating or terminating in areas where U.S. installations and U.S. Forces are located.
Requests for cargo space should be presented through the normal Australian channels when tonnage is required, e.g. Bougainville.
- (3) Petroleum products in areas where U.S. supplies exist. This relates chiefly to stocks for which negotiations have already been proceeding. It does not exclude the provision of petroleum products subsequently required where they are available from U.S. sources.
- (4) Hospitalisation, medical care and available medical supplies.
- (5) Rations and available operational types of supplies and equipment for Australian Armed Forces serving with U.S. Forces.
- (6) Common user maintenance parts for aircraft from available theatre stocks including engine parts from Breakfast Creek, Brisbane, C.D.47, Liberator, Ventura and Beaufort aircraft, and maintenance parts for three squadrons of Mustangs to be based on Japan.
- (7) Repairs and engineering equipment available from U.S. sources in forward areas for maintenance of Australian naval vessels operated by R.A.N.

5. The principles applicable to R.L.-L. will be observed in connection with the application of the Mutual Aid arrangement and approval may be given of individual requests for supplies under items (1), (8) & (9) of

paragraph 3 above to the extent of \$500 without reference to Headquarters A.M.F. Where the expenditure will exceed this amount approval should be obtained before the order is placed. Reference to the Treasury in such cases is necessary. In the case of other items the same procedure as was followed in respect of R.L-L. is applicable.

6. Expenditure applicable to the Mutual Aid arrangement will be recorded under Division 189, Sub-Division 3 - U.S. Mutual Aid. This Sub-Division has been created solely for U.S. Mutual Aid.

7. Except for services and supplies recorded in sub-paragraphs (1) to (11) of paragraph 3 above, all supplies delivered and services rendered to the U.S. Services will, as from 1 Oct. '45, be on a cash basis and subject to the acceptance of a cash liability by the U.S. Services.

8. All supplies delivered and services rendered to U.S. Services since 1 Oct. '45, will therefore be reviewed and action taken to have debits raised where such are necessary. In future, acceptance by the U.S. Services of a cash liability will be necessary before such demands are processed. The information on which debits are to be raised will be furnished by Services to the appropriate District Finance Officer or Paymaster for transmission to the Chief Finance Officer. The prices to be charged will be cost price. Oncost will be added by Finance Branch, Headquarters, A.M.F.

9. The basis of termination of Reciprocal Lend Lease provides that the value of deliveries including issues from Army sources made between midnight on 2 Sept. '45, and midnight on 30 Sept. '45, should be included in the Reciprocal Lend Lease Inventory. This information should be available in Finance Branches and D.F.Os. will furnish to C.F.O., H.Q., A.M.F. a detailed statement showing supplies and/or services - quantity and value - of items (other than those covered by sub-paras. (1) to (11) of para. 3 above) which were delivered or rendered during such period.

10. It will be observed that sub-para. (1) of para. 3 does not include foodstuffs in respect of which the R.L-L. Inventory will apply for the period midnight 2 Sept. '45, to midnight 30 Sept. '45, and cash payment as from 1 Oct. '45.

11. Supplies made available as U.S. Mutual Aid will be restricted to items which do not involve extensive imported components. Cases where the imported component is considerable should be submitted to this Headquarters for reference to Treasury before approval is given.

12. Supplementary instructions on finance aspects are being issued by the Chief Finance Officer to District Finance Officers.

(Sgd.) A. W. WARDELL Brig.
for Major-General,
Deputy Chief of General Staff.

Account or Issue Voucher No.	T.S.6(a) & F.59 Nos.	Authority Requisit- ion No.	Supplier	Consignee	Supply or Service	Quan- tity	Rate	Value	Date of Service or Supply	Remarks

NOTE:- Supplies, stores and services to be grouped in the Statement to conform with dissection of expenditure, e.g. rations, general stores, etc.

20 Dec 45.

- 5/1/387

HQ MOROTAI FORCE

Copies to - QMG; MGO; DGAD

SALE OF CONTROLLED STORES TO SERVING MEMBERS OF THE AMF.

With reference to Adv HQ AMF memorandum AQ708/Q2 of 25 Nov 45, it is advised that this matter has been the subject of much previous correspondence and also of various conferences convened by the Ministry of Post War Reconstruction and attended by representatives of the Army and other Departments concerned.

2. It will be appreciated that although your memorandum specifically mentions only watches, binoculars and cameras, equally strong or even stronger arguments might be advanced in favour of retailing numerous other items. Some typical examples are surgical and dental instruments, trade tools, and technical equipment of various descriptions which would be of great value to ex-servicemen in rehabilitating themselves in their civil professions.

3. It is obvious therefore that once a precedent was established the Army would be inundated with applications from a very large proportion not only of serving personnel but also from personnel already discharged who, by reason of their long service, would undoubtedly consider their requests were entitled to at least equal consideration.

4. The question of selling various types of Army equipment to individual members of the forces has been discussed at great length and at the various conferences which have been held, and although those in attendance were unanimous regarding the desirability of such action, if some practicable method could be found, it was agreed that it would not be possible for the Army to set up the extensive organization which would be necessary to enable it to act as a retail selling agency, particularly as it is at present in process of demobilization.

5. All Services are finding it increasing difficult to retain sufficient trained personnel to handle their bulk disposals to the Commonwealth Disposals Commission in an efficient manner. It will readily be appreciated how these difficulties would be increased if concurrently with its existing disposal functions the Army undertook to deal with a multiplicity of items for sale on a retail basis to individual members and ex-members of the Forces.

6. In view of the various considerations as outlined above, any departure from the present procedure is considered inadvisable and action will be taken to ensure return of any controlled stores prior to discharge of the member concerned.

(It'd) A.W.W.
for Major-General
Deputy Chief of the General Staff.

20 Dec 45.

00C/KF

Serial 73

CONTROL OF EXPENDITURE: RE-INTRODUCTION OF NORMAL PEACE-TIME
SYSTEM OF BUDGETARY CONTROL AS FROM 1 JAN 46.

AG
QMG
MGO
CFO
DSD
BA

... 1. Attached is a copy of a letter, dated 17 Dec 45, which the Minister has received from the Treasurer.

2. The A/C-in-C has been informed, in view particularly of para 4 of the letter, that the Minister desires his observations and/or recommendations on -

- (a) the subject matter generally;
- (b) the matters on which immediate directions can be given (if not actually in hand in pursuance of directions already given); and
- (c) matters on which investigation is necessary, perhaps by special committees in appropriate cases.

3. In order to formulate advice to the A/C-in-C, a Conference will be held on Wednesday, 9 Jan at 1430 hrs in the Army Conference Room (Room 88, "A" Block).

4. D. Plans (in the absence of DCGS) will be Chairman and it is requested that you be represented.

Major-General,
Deputy Chief of the General Staff.
7 Jan 46.

17 Dec 45.

Commonwealth Treasury,
CANBERRA A.C.T.

105/7/322

The Rt. Hon. F.M. Forde, M.P.,
Minister for the Army,
Parliament House,
CANBERRA, A.C.T.

My dear Minister,

Control of Expenditure

1. Following the recent decision of War Cabinet that the procedure which operated during the war in relation to the authorization of Works projects should be terminated, and that the normal peace time procedure should apply to all future proposals, attention has been given to the question of expenditure on supplies and services, and it is considered desirable that the course decided upon in relation to Works expenditure should also be followed in respect of expenditure on supplies and services.
 2. Departmental instructions are accordingly being issued, the effect of which will be to reintroduce the normal system of budgetary control as from 1st January next. From that date, all proposals for new expenditure will require to be specially scrutinized to ensure that, having regard to existing heavy commitments, the necessary funds can be provided with the provision in this year's Budget. I would be glad if you would issue instructions to ensure that this matter is given special attention and that new Expenditure on works projects or supplies is reduced to the absolute minimum.
 3. At the same time, I would be glad if you would review the liability for expenditure in respect of commitments and continuing services. It is known that active steps have been, and are being taken in many directions: but the total monthly rate of expenditure is still very high. It is considered the stage has now been reached when activities of your Department should be reviewed to ensure, in respect of Directorates, sections or functions which were established or expanded in the course of the war, that they have either already been eliminated or, if not, that action is proceeding as rapidly as possible to terminate all expenditure which is not absolutely essential in present circumstances. It is necessary to bear in mind that services and facilities were provided under war time pressure which were much above the standard considered adequate pre-war, and it is necessary now to revert speedily to the pre-war conditions.
 4. It is important that the attention of the Service Boards (C-in-C in the case of Army) should be drawn to their responsibilities in this matter, and it is suggested that you might consult with them and decide:
 - (i) the matters on which immediate directions can be given;
and
 - (ii) those on which investigation is necessary.
- In regard to the latter, if any special Committees are set up, it is suggested that one member at least, should be a non-service member capable of searching investigation from the business and financial aspect.
5. It is recognised that action in these matters will be assisted when a determination is made as to :-
 - (a) the interim post-war strength of the Services;
 - (b) the ultimate post-war Defence Strength.

However, investigation on the lines outlined should not await these decisions, as it is felt that very substantial economies can be made apart altogether from those which are related to the plan for the interim and post-war forces.

6. Attached is a statement of some matters which it is suggested might be examined in relation to their application to your Department. You will, no doubt, also require that investigation be made into many other items not included in this statement.

Yours sincerely,

(Sgd) J.B. Chifley
Treasurer.

14 Jan 46.

Dear Mr. Beasley,

Reference is made to your telegram dated 18th December 1945 relative to complaints from Service personnel in the Morotai area.

Investigations have revealed the following information :-

(a) Complaint re excessive use of tinned and dehydrated food:

The only limitation on the quantity of fresh food available for issue is the lack of shipping, particularly refrigerated vessels. Every effort however, is being made to ensure a minimum of 3 issues of fresh food per week.

(b) Fresh food in Army canteen club:

A small percentage of available refrigerated space is allocated to the Army Canteens Service to enable fresh foods to be combined with the other amenities provided by Service clubs. However, the quantities involved are so meagre that if not so diverted they would in fact, not provide one issue per month to the troops in the area.

(c) Sale of clothing and material to discharged personnel:

Disposal of surplus clothing through the Commonwealth Disposals Commission during the past six months has so reduced depot stocks that it is now possible to meet normal maintenance issues only. However, provision has been made for members proceeding on discharge to receive replacement issues of unserviceable clothing of items listed on the authorized scale. Should additional issues on repayment be approved it would be necessary to place further contracts at an early date. It will be agreed that such a policy would be highly undesirable.

For your information it is further advised that all material suitable for civilian requirements has been declared already to the Commonwealth Disposals Commission and only sufficient quantities of items such as khaki drills have been retained to meet current requirements.

Yours faithfully,

(F. M. FORDE)
Minister for the Army.

K. Beasley, Esq., M.P.,
Federal Members' Rooms,
PERTH

00C/KF

Serial 75

CLAIMS ARISING OUT OF DAMAGES CAUSED BY OPERATIONS
BORNEO ETC AREAS.

Secretary

Copy: AG, QMG, CFO

... Reference attached Signal Q2554 of 30 Dec 45 from HQ MOROTAI Force, it would be appreciated if advice could be given on any agreement between the Commonwealth, the United Kingdom and the N.E.I. Governments covering damages arising from the operations of war in the MOROTAI Force area.

2. For your information it is advised that in accordance with the recommendation contained in the attached signal action is now being taken to establish a Claims Commission to operate in the MOROTAI area for the purpose of settling claims arising out of damage to civilian property and injuries to civilians from causes other than the operations of war. Draft delegations have been prepared and will be passed through you for finalizing at an early date. One RAAF representative will be included on the Commission, which will be empowered to settle claims up to £500 and to recommend for payment claims in excess of £500. Claims in the latter category will be settled under delegations already held by the GOC and DA & QMG MOROTAI Force. RAAF to accept responsibility to reimburse the Department of the Army for all claims settled on their behalf.

3. To enable the charter of this Commission to be clearly determined it will be appreciated that the information requested in para 1 herein is an essential prerequisite.

Major-General,
Deputy Chief of the General Staff.

14 Jan 46.

00C/KF

Serial 76

15 Jan 46.

First Assistant Secretary,
Department of the Treasury,
(Defence Division)

LEND LEASE

Consideration has been given to your memorandum of 7th December proposing that Brigadier .L. G. BINNS be appointed to an appropriate position whereby he can act as co-ordinator of Lend Lease policy. The Department of the Army agree that there is a necessity for closer co-operation between Treasury policy and the Army's implementation of that policy.

2. In order to effect this co-ordination Brigadier BINNS' services will be made available to the Department of the Treasury, Defence Division, for such period as required.

3. It is not advisable to establish another special staff section within Army to deal with matters, some of which are outside the ambit of Army and the balance of which are the responsibilities of the already existing branches of the Army Staff.

4. Subject to your concurrence it is proposed to attach Brigadier BINNS to the Department of the Treasury, Defence Division, for these special duties.

(S. H. Crawford)
Acting Secretary
Department of the Army.

PURCHASE OF COMMON USER ITEMS

CFO

Copy to: CGS; QMG; MGO; BA; Asst Sec Supplies.

With reference to your minute of 3 Jan 46 herewith is summary of information obtained from QMG and MGO in reply to Para 5 of my minute dated 9 Nov 45 :

- (a) The QMG still considers that the time is hardly opportune to engage in post war discussion on this contentious matter as provisions of the AMF outside Australia continue under conditions akin to those of the war period. Furthermore, the post war set up has not yet been decided and changes in provision procedure therefore, even if acceptable, would be premature.

The QMG quotes Lesson 6 (copy attached) from a brochure now in course of preparation for submission to the Official War Historian under the title "RAE lessons of the War". It is understood that these lessons represent the considered opinion and bear the signature of every officer in the rank of colonel and above in the corps of RAE with practical experience both in the field and at this HQs.

- (b) The MGO's attitude towards the problem remains unaltered and is as set out in his memo B76245 addressed to you on the 21 Nov 45.

On the 4 Jan 46 the MGO, under cover of memo B480, forwarded a copy of a letter dated 3 Nov 45 from the Australian Army Staff which outlined the decisions already reached in the United Kingdom in regard to rationalizing the division of responsibilities between providing services. A copy of this letter is attached hereto, together with a ready reference prepared by the MGO showing a comparison between his original recommendations and the decisions reached by the Army Council. It will be noted that the letter from Australian Army Staff refers to advance information and mentions that matters pertaining to provision, store holding and distribution of army equipment are still under review. It is intended to request the Australian Army Staff to obtain all available data on this subject. The receipt of this information may assist considerably in determining future policy in regard to this problem. It is intended, therefore, to hold this matter in abeyance until this information is available.

In the meantime there would appear to be little likelihood of any major irregularity in the purchase of common user items as the scale of army procurement is being progressively reduced, with a consequent reduction of related problems.

Major-General,
Deputy Chief of the General Staff.

15 Jan 46.

94/4/228

15 Jan 46.

(94/4/228)

First Assistant Secretary,
Department of the Treasury,
Defence Division.

LEND LEASE SURPLUSES IN NORTHERN AREAS

With reference to your memo 7686 of 20th December 1945 it is suggested that the following procedure be adopted in extension of the principles set out therein :-

- (a) Transfer of surplus Lend Lease material to be effected to ALFSEA or BBKAU (through ALFSEA) to the extent of their requirements. One copy of relevant transfer documents to be forwarded to HQ AMF and one copy to US authorities as formal notification of transfer.
- (b) Where bids for surplus Lend Lease material have been received from Dutch forces, but approval to transfer has not been received at the time of evacuation of AMF from the area, the stores should be handed over to the "would be" purchaser on an "in custody" basis pending finalization of the transaction. Transfer documents will be prepared and receipt obtained at the time of transfer, but the documents will not be processed until advice of approval of the transfer is received.
- (c) Stores for which bids have not been received will be inventoried, and, at the time of evacuation of AMF will be:-
 - (i) lodged in the custody of the local authority, i.e. ALFSEA, RNIA, NICA etc, and a receipt obtained at the time of hand over for articles or packages concerned. Transfer of documents will be endorsed "Transferred in Custody". Copies of the inventory showing complete details of the designation and location of the custodian authority will be forwarded to US authorities and HQ AMF.
 - (ii) Where there are no organizations to which handover "in custody" can be effected, the stores will be abandoned after notification to US authorities in accordance with para 3 (i) (2) and (3) of Treasury memo 7686. Copies of the inventory to be forwarded to US authorities and HQ AMF.

S. H. Crawford.
Acting Secretary.

00C/KF

Serial 79

65/1/428

SUBJECTS FOR CONSIDERATION AT PREMIERS' CONFERENCE

A/Secretary

With reference to your Minute dated 11 Jan 46 requesting advice of subjects to be listed for consideration at the Premiers' Conference it is advised that there are no Army matters which it is desired to be considered at this conference.

Major-General,
Deputy Chief of the General Staff.

17 Jan 46.

17 January, 1946.

My dear Minister,

I refer to my letter of 26th November, 1945, acknowledging your letter of 16th October concerning the alleged ill-treatment of New Guinea natives by Warrant Officer Healy.

The matter has been the subject of an exhaustive inquiry which has disclosed that Warrant Officer Healy, who has been in New Guinea since 1927, and has had considerable experience in dealing with natives, was entrusted with the native administration in the area concerned, and also with the task of inducing as many natives as possible to leave the Japanese and come into the Australian lines. He had been so successful that at the time of the incident he had more than a thousand natives under his care.

It was essential to the success of the military operations then in progress, and also to ensure the personal safety of the Australian troops in the area, that strict discipline should be preserved among the natives and that they should have no dealings with the enemy. Warrant Officer Healy was responsible for these matters and was faced with the necessity for taking immediate action in the event of any breach of instructions. The facilities of a static administration were not available to him and, in any case, to have followed customary procedure in bringing a suspected offender to trial may, under the circumstances then existing, have jeopardised Australian lives.

At the time, the 2nd/7th Infantry Battalion was surrounded by Japanese and great trouble had been experienced with some of the natives who were pro-Japanese. On the night prior to the incident, which, it is to be noted, has been greatly exaggerated in the letter from which you quoted, a bomb was thrown into the battalion positions killing three Australians.

Warrant Officer Healy was of the opinion that it had been thrown either by natives or by Japanese guided by natives who knew our dispositions. He suspected that the luluwai (head) of Kiarivu village, one Graningi, was in league with the Japanese because he had in his possession a disc marked with Japanese characters which could have been an enemy pass. His suspicions were increased by the action of Graningi in throwing away the disc after having been ordered to preserve it. Feeling that it was necessary to demonstrate to the natives that his orders had to be obeyed he ordered that Graningi be given five strokes across the buttocks by a native police boy.

The extract from the letter which you supplied was read to Corporal D. G. Gill, a witness at the inquiry. Corporal Gill stated on oath that it had been written by him, that it represented "the story current in the unit and the opinion of the troops", that he had never seen Warrant Officer Healy administer a beating to a native nor had he ever seen a beating administered to a native by another native or person in the presence of Warrant Officer Healy.

His account of the incident is entirely hearsay and differs materially from first hand evidence adduced at the inquiry, whilst the epithets he applies to Warrant Officer Healy are considered to be unwarranted and malicious.

As regard the traumatic effect of the punishment the evidence shows that the native's back was not touched, that as the skin of the buttocks was broken the marks were bathed with a solution of Condy's crystals and ointment applied. At no stage did any pus form and the marks were cleanly healed within five days. The evidence given by ... Graningi himself (a copy of which is attached) supports this and, further, shows that other allegations made by your correspondent are untrue.

The report of the Court of Enquiry concludes in the following terms -

"The Court considers the following matters relevant to the subject of the enquiry :-

- (i) During the period in which the events under enquiry are alleged to have happened 2/7 Infantry Battalion was isolated with the enemy on all sides. The co-operation and obedience of the natives were most necessary. Warrant Officer Healy was instrumental in securing these factors. He bore responsibility out of all proportion to his rank. He had no lawful means readily available by which he could discipline a native. When he exceeded his powers he only did so for the purpose of keeping the natives under control.
- (ii) Healy's handling of the natives and his work among them earned the praise of the senior officers of the 2/7 Infantry Battalion.
- (iii) Some of the soldier witnesses from 2/7 Infantry Battalion showed a certain amount of prejudice against Healy. They had apparently formed an unfavourable opinion of him based mainly on rumours. In spite of this it must be conceded they realised the difference between fact and hearsay in giving their evidence, and, in the opinion of the Court were, generally speaking, sincere and truthful.
- (iv) Healy enjoyed the confidence of the natives and they never complained of any ill treatment at his hands.
- (v) The Court sums up Healy's treatment of the natives as firm, experienced and just. It is clear on the evidence that he always had their welfare at heart."

In view of the above information and the general evidence tendered at the Inquiry it would appear that although corporal punishment was given to the native the conduct of Warrant Officer Healy was not vicious, and that the incident resulted from the abnormal circumstances existing, and the operational necessity of ensuring the preservation of the lives of both our troops and the natives in the area.

Yours sincerely,

(F. M. FORDE)
Minister for the Army.

The Hon. E. J. Wrd, M.P.,
Minister for Transport and External Territories,
Commonwealth Offices,
SYDNEY. N.S.W.

POWERS OF THE COMMANDER-IN-CHIEF: CLAIMS COMMISSION - MOROTAI
FORCESecretary

Copy to: AG, CFO

Reference is made to -

DCGS memo 98009 of 25 Jul 45
C-in-C letter of 25 Jul 45 to Minister
your Minute of 4 Aug 45 to CFO
CFO Minute of 10 Oct and 20 Nov 45 and
your endorsement thereon (all on
file 5/2/171)

Morotai Force signal message Q2554 of 30 Dec 45 and
other relevant papers on file 5/2/161.

1. It will be noted from the referred correspondence that the original intention was to establish a Claims Commission empowered to investigate and settle all claims against any part or parts of the Defence Force of the Commonwealth of Australia when beyond the limits of the Commonwealth arising out of injuries to persons or damage to or loss of property beyond the limits of the Commonwealth from causes other than the operations of war.
2. The CFO, in his Minute of 20 Nov 45, recommended that a Claims Committee would satisfy all requirements in the Morotai area. This Committee would investigate and recommend for payment claims arising out of damage to civilian property and injuries to civilians from causes other than operations of war. After consideration, such claims in accordance with the Committee's recommendation, could be settled under the existing delegation to the C in C as redelegated to the officer administering command and DA & QMG Morotai Force, vide file 5/2/171. Under this system claims could be settled against the AMF only.
3. HQ Morotai Force, in signal message Q2554 of 30 Dec, recommended the appointment of a Claims Commission empowered to handle all claims against the Commonwealth for damage to civilian property and injuries to civilians from causes other than the operations of war - the Commission to consist of three Army representatives, one RAAF representative and one Civil Affairs officer. The Commission to have the right to co-opt technical advisers to assist them and to be empowered to settle successful claims up to £500, and to recommend for payment claims in excess of that sum. The officer administering command and DA & QMG Morotai Force to have the power to settle successful claims up to £2,000 - (Note: the existing delegation to these two officers is limited only by being subject to ministerial direction) and claims in excess of that amount to be referred for settlement to HQ AMF. HQ Morotai Force further recommended that authority be given to advertise that any claims lodged after 14 days after date of evacuation by AMF of any area would not be accepted as a liability against the Commonwealth of Australia. Finally, information was sought concerning any arrangements made with the NEI government re claims arising from damages caused by operations.
4. In dealing with this signal all factors were taken into consideration, especially the desirability of standardising the methods of assessment of damages, a factor which could not be achieved if Commonwealth claims other than AMF were to be processed through parallel agencies, for instance a RAAF Claims Commission. In particular, cognisance was taken of the original ministerial direction on this matter. Action therefore has been taken to put in motion the preliminary mechanics for the establishment of a Claims Commission along the lines suggested by Morotai Force. Air Board have signified full agreement with the proposal and have intimated that claims settled by Army for damage caused by RAAF personnel will be subject to reimbursement to the Department of the Army. (See file 5/3/40)

5. The following action has been taken:-

- (a) Morotai Force advised that a Claims Commission is being established, but in the meantime and to avoid any delay, claims should be processed through the delegations referred to in para 3.
- (b) Draft Instruments of Delegation have been prepared in conformity with the financial powers recommended by Morotai Force, and together with covering draft Executive Council Minutes, are forwarded herewith for urgent consideration by the Minister. On receipt of ministerial approval action will be taken to cancel the existing delegations to the officer administering command and DA & QMG Morotai Force - such cancellation to take effect from the date of promulgation of the new Instruments. This will ensure that there is no hiatus in the processing of claims.

6. In view of the impending early evacuation of the Morotai area by the Australian Defence Forces, the necessity to process claims as expeditiously as possible, plus the fact that some time must elapse before the Claims Commission can hope to operate, action has been taken to recommend to Morotai Force that as a temporary expedient a committee be established to assist in dealing with all claims submitted. This Committee to be composed of the same members as will ultimately constitute the Claims Commission (this will ensure continuity of procedure), and to act in an advisory capacity only. The Committee will investigate claims and make recommendations regarding payment. Claims to be settled by the officer administering command or DA & QMG under the existing delegations. A copy of the Signal Message to Morotai Force incorporating the above is attached for information. It will be noted that instructions are also contained in this signal regarding the advertising of claims.

7. It would be appreciated if advice could be given in due course of any agreement made between the Commonwealth, United Kingdom and the N.E.I. Governments covering damage arising from the operations of war in the Morotai area.

8. Relevant files are attached herewith.

Major-General,
Deputy Chief of the General Staff.
22 Jan 46.

POWERS OF THE COMMANDER-IN-CHIEF - CLAIMS COMMISSION - MOROTAI
FORCE.SECRETARY

(Copy to CF)

Reference is made to DCGS memo 98009 of 25 Jul 45, C-in-C letter of 25 Jul 45 to the Minister, your Minute of 4 Aug 45 to the CFO, CFO Minutes of 10 Oct and 20 Nov 45 and your endorsement thereon (all on file 5/2/171) Morotai Force Signal Message Q2554 of 30 Dec 45 and your relative papers on file 5/2/101. It will be noted from the referred correspondence that the original intention was to establish a Claims Commission empowered to settle all civilian claims arising out of the operations of Australian Forces overseas.

2. The CFO, in his minute of 20 Nov 45, recommended that a Claims Committee would satisfy all requirements in the Morotai area. This Committee would investigate and recommend for payment civilian claims arising out of damage to civilian property and injuries to civilians from causes other than operations of war. After consideration, such claims, in accordance with the Committee's recommendation, could be settled under the existing delegation to the C in C is redelegated to the GOC and DA & QMG Morotai Force, vide file 5/2/171. Under this system claims would be settled against the AMF only.

3. Landops, in signal Q2554 of 30 Dec, requested the appointment of A Claims Commission empowered to handle all claims against the Commonwealth for damage to civilian property and injuries to civilians from causes other than the operations of war, the Commission to consist of three Army representatives, one RAAF representative and one Civil Affairs officer. The Commission to have the right to co-opt technical advisers to assist them. The Commission to be empowered to settle successful claims up to £500 and to recommend for payment claims in excess of that sum. The Commander and DA & QMG Morotai Force to have the power to settle successful claims up to £1000, (Note - the existing delegation to these two officers is limited only by being subject to ministerial direction) and claims in excess of that amount to be referred for settlement to HQ AIF. Landops further recommended that authority be given to advertise that any claims lodged after 14 days after date of evacuation by AIF of any area will not be accepted as a liability against the Commonwealth, and finally, sought information concerning arrangements made with NEI government re claims arising from damages caused by operations.

4. In dealing with this signal all factors were taken into consideration, especially the desirability of standardizing the method of assessment of damages which would not be achieved if Commonwealth claims other than AIF were to be settled through parallel agencies, for instance a RAAF Claims Commission. In particular, cognisance was taken of the original Ministerial direction on this matter. Action therefore has been taken to put in motion the preliminary mechanics for the establishment of a Claims Commission along the lines suggested by Morotai Force. Air Board have signified full agreement with the proposal and have intimated that claims settled by Army for damage caused by RAAF personnel will be subject to reimbursement to the Dept of the Army.

5. The following action has been taken:-

- (a) Morotai Force advised that action has been taken to establish a Claims Commission, but in the meantime and to avoid any delay, claims should be processed through the delegations referred to in para 3.
- (b) Draft instruments of delegation have been prepared in conformity with suggestions put forward by Morotai Force and in accordance with existing procedure, copies of these delegations are forwarded herewith for the information and approval of the Minister. On receipt of ministerial approval action will be taken to cancel existing delegation to the GOC and DA & QMG Morotai Force - Such

cancellation to take effect from the date of promulgation of the new instrument. This will ensure continuity of action in dealing with claims.

6. In view of the impending early evacuation of the Morotai Force, the necessity to process claims as expeditiously as possible, plus the fact that some time must elapse before the Claims Commission can hope to operate, it has been decided to recommend to Morotai Force that as a temporary expedient a committee be established to assist the Commander in dealing with all claims submitted. This Committee to be composed of the same members as will ultimately constitute the Claims Commission (this will ensure continuity of procedure), and to act in an advisory capacity only. The Committee will investigate claims and make their recommendations regarding payment. Claims to be settled by the GOC or DA & GMC under the existing delegation. A signal message to Morotai Force incorporating the above has been drafted and is attached for the information and approval of the Minister. It will be noted that advice is also contained in this signal regarding the advertising of claims.

7. It would be appreciated if this matter could be given your urgent attention please, and if advice could be given in due course of any agreement made between the Commonwealth, United Kingdom and the U.S.A. governments covering damages arising from the operations of war in the Morotai area. Relevant files are attached herewith.

Major-General,
Deputy Chief of the General Staff.
17 Jan 46.

OOC/KF

Serial 82

DELEGATIONS TO THE COMMANDER-IN-CHIEF IN REGARD TO CONTRACTS,
PAY AND ALLOWANCES AND OTHER MATTERS ARISING OUT OF THE OPERA-
TIONS OF THE AMF BEYOND THE LIMITS OF THE COMMONWEALTH.

Secretary

Copy to (CFO)

1. Reference is made to para 3(4) of the Minister's minute to the C-in-C of 3 Jul 45 (file 5/2/132).
2. Forwarded herewith for the Minister's information are re-delegations (file 5/2/169) in favour of the officer administering command and the DA & QMG MOROTAI Force, made by the Acting Commander-in-Chief pursuant to the power conferred by the Instrument of Delegation & Authority published in the Government Gazette of 12 Jul 45.
3. These delegations have been made necessary by the reorganization of Adv HQ AMF as HQ MOROTAI Force, and are designed to replace the delegations brought to the Minister's notice vide DCGS minute of 25 Sep 45 (file 5/2/161).
4. It will be appreciated if this file is returned to me after the re-delegation has been brought to the Minister's notice.

Major-General,
Deputy Chief of the General Staff.
18 Jan 46.

Dear Mr. Russell,

Further to my letter of 26th November 1945 hereunder is the result of the investigations made into the allegations of H.O. Zanker relative to the destructions of stores and materials in the Northern Territory.

In September 1945 it came to the notice of HQ Northern Territory Force that apparently serviceable stores were being dumped over the cliff edge at Kitchener Drive, Darwin - an authorized area for dumping unfloatable junk for all arms and services. Immediate steps were taken to investigate the matter, including inspections of the dump by senior officers of the Army and Air Force. Only two instances of serviceable material being dumped were discovered, viz:

(a)

Army

A number of chains and winches were dumped by a driver from an Army workshop. These items were recovered by the unit concerned and disciplinary action was taken against the driver;

(b)

RAAF

A quantity of serviceable wire was forwarded by RAAF to the Salvage Coy. The latter refused to take it on the grounds that it was serviceable and advised RAAF that it should be passed to NT Force Engineers Dump. There was, apparently, some confusion over the matter as the wire was subsequently found on the Kitchener Drive Dump, inspected by RAAF and removed.

In addition to the above, all articles considered to have a salvage value were reclaimed from the dump.

To prevent any recurrence of improper dumping a picquet was posted over the area during daylight hours and dumping permitted only on the production of a suitable certificate from the Salvage Coy. As an added precaution the Salvage Control Officer carries out regular inspections to ensure that salvageable material is not being dumped.

It will be noted therefore that prior to the date of Mr. Zanker's allegations Army authorities were already cognizant of this matter and had taken effective steps to prevent the indiscriminate dumping of stores and materials.

It will be appreciated that there has been over the past four years considerable service activity in the Darwin area and it is only natural that there should be a large quantity of unserviceable and useless articles such as those described by Mr. Zanker. No object is served in leaving this material around workshops and camp areas and its dumping in the manner prescribed is the only logical method of disposal. There is no doubt that many articles of the nature described have been dumped, but it may be accepted that these would have no value taking the factors of time, place and freightage into consideration.

RAAF advise that refrigerators were dumped, but were definite that these items had no residual value.

Points regarding other materials specifically referred to are :-

- (a) Crankshafts: As described by Mr. Zanker, this item was still in oil paper when inspected by RAAF senior and technical officers. This crankshaft was for a Merlin engine and had been rendered defective by reason of flaws.
- (b) Car and lorry springs: RAAF dumped a quantity of these which had been painted. On inspection they were proved to be unserviceable.

- (c) Re-inforcing rods: AFC dumped these. They were stated to be twisted and valueless.
- (d) Engine blocks, Cylinder heads, motor cycle engines: It is not considered that any of these articles would be dumped while they had some value.
- (e) Roofing iron: No new iron has been dumped. It appears that portion of a dismantled Sidney Williams hut was dumped but this has been reclaimed.

Yours faithfully,

(F. M. FORDE)
Minister for the Army.

E.H.D. Russell, Esq., J.F.,
Box 70,
PORT PIRIE SOUTH AUST.

FORWARD PLANNING OF SERVICE REQUIREMENTS

AG
QMG
MGO
CFO

Copy - Secretary, BA.

Consequent upon the termination of hostilities an internal review has been made by the Depart of Supply and Shipping relative to the necessity to continue the present system of forward planning for service requirements. After fully investigating the position the Department has put forward the following views, which are now forwarded for your information and early comment please.

(a) Textile and Clothing Items

(i) Local requirements. Demands for requirements from local production for delivery during the second half of 1946 should reach the Directorate of Supply not later than the 15th April next.

(ii) Overseas textile requirements. Demands for overseas textile requirements for delivery during the calendar year 1947 should be forwarded to reach the Directorate of Supply not later than the 15th April next.

(b) Supply Items (Heavy Equipment, Steel products, General Stores, Leather, Canvas and Footwear, Medical).

Forward planning of requirements in the above categories is no longer required, but to enable normal procurement action to be taken Demands should be submitted to the Directorate of Supply not less than two months prior to the date upon which delivery of the goods is required to commence. In the case of special equipment or plant involving tenders being left open for some time, or requiring extensive testing or preliminary work prior to production, the length of time between the forwarding of Contract Demand to the Directorate of Supply and date of required delivery should be varied accordingly.

Major-General,
Deputy Chief of the General Staff.

22 Jan 46.

00C/KF

Serial 85

VX65534 - Capt R. V. COUCHE - 2/7 Aust Cav (Commando) Regt.

Military Secretary

(Copy to: HQ Vic L of C Area, Camp HQ, HQ AMF)

It is recommended that the abovenamed officer be attached for duty to Office of Co-ordination, HQ AMF, as from 29 Jan 46, and be appointed Staff Captain, Office of Co-ordination, to date from 4 Feb 46, vice VX20309, Capt L. J. SHEEDY, PSL (Aust Inf).

2. Capt COUCHE is at present on strength of G.D.D. Vic L of C Area, and has been granted leave until 28 Jan 46.

Major-General,
Deputy Chief of the General Staff.

23 Jan 46.

OOC/KF

Serial 86

ROAD - DARWIN-ALICE SPRINGS

Secretary

Copy: CFO, BA, DSD, DR&CA, DGPR

It is desired to advise that the road DARWIN-ALICE SPRINGS, known as STUART HIGHWAY, is now closed as a Line of Communication. All moves to and from Northern Territory will henceforth be by air or sea, except for self-contained convoys.

Major-General,
Deputy Chief of the General Staff.

25 Jan 46.