I beg leave humbly to recommend that Your Majesty may be graciously pleased by Your Order in Council to sanction the grant of pensions, allowances, and gratuities to the persons above referred to on the scales and subject to the conditions prescribed in the Regulations annexed hereto, with effect as regards pensions and allowances from 1st April, 1917, without prejudice, however, to the validity of anything which may have been done by the Lords Com-missioners of the Admiralty under Your Majesty's previous Orders in Council relating to grants to such persons; and further to enable me to make grants under the said previous Orders in respect of any claims which have arisen out of the present War before the abovementioned date, and to revise such grants with effect from that date; and further to enable me to apply the provision of Article 1 (4) of the Regulations annexed hereto, relating to disabled officers in receipt of wound gratuities or pensions, with effect from the 1st March, 1915. Provided always that, if more favourable to the officer or nurse, the pension, allowance, or gratuity payable under existing regulations shall be granted, and no grant to an officer or nurse, or to the family of an officer, shall be reassessed to their disadvantage; and provided further that any widow, child, or dependant of an officer promoted from a rank or rating below that of commissioned warrant officer during the War shall not be less favourably treated than if he had continued to serve in that lower rank.

The Lords Commissioners of Your Majesty's Treasury have signified their concurrence in these proposals.

REGULIATIONS.

PART I.

OFFICERS DISABLED.

1.—(1) An officer who retires, relinquishes his commission, or reverts to the Reserve or Emergency List on account of medical unfitness certified as either attributable to or aggravated by naval or military service in consequence of the present war, and not being due to his serious negligence or misconduct, may be granted the retired pay shown in the First Schedule to these Regulations which corresponds to the degree of his disablement as certified.

(2) If the officer holds a permanent commission in the Royal Navy or Royal Marines, he may be allowed to retain or receive either (a) the retired pay or gratuity which has been awarded to him, or for which he is eligible in respect of his service, or, if he is not so eligible, the half pay which is proper to his rank and service, with an addition as in the last column of the First Schedule to these Regulations, or (b) the retired pay which would have been awarded under that schedule to an officer holding only a temporary commission according to the degree of his disablement, whichever is more favourable.

(3) If a disabled officer is in receipt of a service pension as a seaman or marine and does not hold a permanent commission in the Royal Navy or Royal Marines, he may be granted either (a) that pension with an addition for his disability as in the last column of the First Schedule to these Regulations, or (δ) the retired pay for which he is eligible under that schedule according to the degree of disablement, whichever is more favourable.

(4) If a disabled officer is in receipt of wounds gratuity or pension, he shall only be eligible for retired pay at a rate equal to his half pay or (if eligible therefor) his retired pay for service, unless that half pay or retired pay and the wounds gratuity or pension together amount to less than the retired pay to which he would be entitled under these regulations. In that case an amount equal to the deficiency may be added to his retired pay.

(5) An officer who has lost the sight of both eyes as the result of wounds received in action shall be granted not less than 300*l*. a year in wounds pension and retired pay taken together.

(6) Subject to subsections (3) and (4) of this article, if a disabled officer is already in receipt of pension as a seaman or marine or retired pay as an officer or warrant officer, it shall be suspended so long as he is receiving a higher rate under these Regulations.

(7) If an officer on or after general demobilisation, or after retirement, or relinquishing his commission, or transfer to or reversion to the Reserve or Emergency List, otherwise than for misconduct or at his own request, is certified to be disabled by wounds, injuries, or disease attributable to or aggravated by naval or military service in the present war, such disablement not having been caused or aggravated by his serious negligence or misconduct, he may be granted retired pay or gratuity as if he had retired as medically unfit for further service upon the date from which his claim is established.

2.—(1) In cases of pecuniary need the Minister of Pensions may, at his discretion, grant to a disabled officer who is in receipt of retired pay under Article 1 of these Regulations an education allowance not exceeding 50*l*. a year in respect of each child above the age of 9.

The continuance of the allowance shall depend on the continuance of the retired pay, and on the Minister of Pensions being satisfied as to the education the child is receiving. It shall not be granted to an officer receiving alternative retired pay under Article 3.

(2) In any case in which, in the opinion of the Minister of Pensions, it may become necessary to secure the proper care of a child on behalf of whom an education allowance is payable, the allowance instead of being paid to the parent may be administered under such conditions as the Minister of Pensions may determine.

3. An officer who makes application and shows that the retired pay which he has been granted under the preceding articles of these Regulations, together with any wound gratuity or pension of which he is in receipt, together with the average earnings (if any) of which he remains capable, are less than his pre-war earnings, may be granted temporarily or permanently in lieu of such retired pay, retired pay which, together with the wound gratuity or pension and the average earnings (if any) of which he is judged capable, shall not exceed his pre-war earnings up to a maximum of 3007. a year, plus half any pre-war earnings between 3007. and 6007. a year.

4.—(1) If an officer's disablement is not permanent, the grant of retired pay and allowances under the foregoing articles shall be temporary, and shall not be made permanent unless