

men as were paid Naval rates during a period of their service to be eligible for the Gratuity calculated on such period;

(d) Men re-employed before the war at civilian rates of pay who continued on their peace employment during the war under the same conditions;

(e) Colonial ratings paid from Colonial Funds, and Royal Naval ratings lent to Colonial Navies for the period during which they were in receipt of Colonial rates of pay;

(f) Ratings entered under special agreement on Form T. 124 or any of its variants, T. 299 or variants, or under Yardcraft or Dockyard agreements;

(g) Ratings who entered the Royal Navy or Royal Marines after the 11th November, 1918, and had no qualifying war service prior to that date;

(h) Ratings who rendered only part-time service in the Royal Naval Anti-Aircraft Corps and had no qualifying war service in any other branch of H.M. Forces;

(i) Employees of the General Post Office in receipt of full civil pay;

(j) Native ratings (men of colour) who were not serving on the 1st December, 1919, unless they were entered for Continuous Service at ordinary Naval rates of pay.

" 4. The Gratuity to be payable in addition to any pension or gratuity granted in respect of disability.

" 5. War service qualifying for Gratuity to be service actually rendered within the period 2nd August, 1914, and the 1st August, 1919 (both dates inclusive) subject to the other conditions specified herein. Service in the Army or Royal Air Force prior to joining the Royal Navy or Royal Marines to be counted provided it was not denied on entry, and would qualify for War Gratuity under the appropriate regulations and subject to the deduction from the Gross amount of War Gratuity assessed on the combined service of any War Gratuity (or Pay Warrant Gratuity recoverable from War Gratuity) already issued.

" 6. In assessing the period of qualifying war service rendered all time prior to or in desertion to be ignored and the following periods not to be counted:—

(a) The whole of any period of imprisonment or detention of 29 days or over.

(b) Time waiting trial after recovery from desertion and prior to resumption of duty and pay.

(c) Time during which ratings (other than guns' crews of Defensively Armed Merchant Ships, and certain ratings lent to Contractors) have been paid at Mercantile or civil rates.

(d) Any period of demobilised service rendered in the Reserve.

(e) Service in the Coast Guard Pensioner Force.

(f) Time during which ratings were lent to Colonial Naval Forces and received Colonial rates of pay.

" 7. The Gratuity to be assessed on the basis of the substantive or paid acting rating (whichever rating is higher) actually held either on the 1st August, 1919, or on the date of discharge or demobilisation if earlier, or on the 11th November, 1918, if the man was actually serving on that date, provided the higher rating was not relinquished on account of misconduct, inefficiency or at the man's own request. Men

in receipt of 'difference of pay' to be eligible only for the amount appropriate to their proper rating and not for the amount due to men holding the higher rating in which they are doing duty.

" 8. The Gratuity for service as a rating in the case of a man promoted to Warrant or Commissioned rank to be issuable independently of the Gratuity for service as an Officer, except that where any part of the latter service was rendered at sea or overseas, the Gratuity for service as a rating to be calculated at the higher rate of monthly increment.

" 9. The Gratuities to be payable to men already discharged or demobilised (except men of colour discharged or demobilised prior to 1st December, 1919) or to the personal legal representatives of such ratings as have died either while serving or after discharge and before receiving payment.

" 10. The Gratuities to be exempt from Income Tax.

" 11. In any matter not affecting the rates herein laid down the Admiralty to be the sole arbitrators and interpreters of the rules for the assessment of the War Gratuity, including the eligibility for the award of any individual rating or class of rating."

His Majesty, having taken the said Memorial into consideration, was pleased, by and with the advice of His Privy Council, to approve of what is therein proposed.

And the Right Honourable the Lords Commissioners of the Admiralty are to give the necessary directions herein accordingly.

*Almeric FitzRoy.*

At the Court at Buckingham Palace, the 25th day of March, 1920.

PRESENT,

The KING's Most Excellent Majesty in Council.

WHEREAS there was this day read at the Board a Memorial from the Right Honourable the Lords Commissioners of the Admiralty, dated the 13th day of March, 1920, in the words following, viz.:—

"Whereas by Section 3 of the Naval and Marine Pay and Pensions Act, 1865, it is enacted, *inter alia*, that all pay, pensions, or other allowances in the nature thereof, payable in respect of services in Your Majesty's Naval or Marine Force to a person being or having been an Officer, Seaman, or Marine therein, shall be paid in such manner, and subject to such restrictions, conditions, and provisions as are from time to time directed by Order in Council:

"And whereas we are of opinion that it would be an advantage to form a Reserve of Engineer Officers R.N. from those who served temporarily in Your Majesty's Naval Service during the period of hostilities:

"We beg leave humbly to recommend that Your Majesty may be graciously pleased by your Order in Council to sanction the formation of a Special Reserve of Engineer Officers R.N. under the conditions prescribed in the annexed Schedule:

"The Lords Commissioners of Your Majesty's Treasury have signified their concurrence in this proposal.