

No.1



## **From Empire Defence to the Long Haul**

Post-war defence policy and its  
impact on naval force structure  
planning 1945-1955

Hector Donohue

# **FROM EMPIRE DEFENCE TO THE LONG HAUL**

**Post-War Defence Policy  
and its Impact on Naval Force Structure Planning,  
1945-1955.**

**BY  
HECTOR DONOHUE**

**Royal Australian Navy**  
**Maritime Studies Program**

*Papers in Australian Maritime Affairs Number One*

October 1996

**Editorial Board**

Captain Jack McCaffrie, RAN  
David Stevens  
Associate Professor Malcolm Murfett  
Dr Ian Cowman

The 'Papers in Australian Maritime Affairs' series is a vehicle for the distribution of substantial work by members of the Royal Australian Navy as well as members of the Australian and international community undertaking original research into regional maritime issues. Papers will be drawn generally from manuscripts not scheduled for publication elsewhere but that nonetheless merit extensive distribution. Candidates are considered by an editorial board under the auspices of the Director General Maritime Studies Program.

The views expressed in these papers are those of the authors and not necessarily those of the Maritime Studies Program or the Royal Australian Navy.

All correspondence concerning 'Papers in Australian Maritime Affairs', including requests for additional copies or permanent distribution should be directed to:

Director General Maritime Studies Program  
Department of Defence (Navy)  
APW2-G-11  
Canberra ACT 2600  
Australia

ISSN 1327-5658

ISBN 0 642 25907 0



## THE AUTHOR

Hector Donohue is the General Manager Mine Countermeasures with ADI Limited. Prior to joining ADI, he was a Commodore in the RAN. During his naval career, he had a range of sea appointments including exchange service in the Royal Navy. He commanded the destroyer *Yarra* in 1979–80, and the guided missile frigate *Darwin*, as well as being a Task Group Commander, in 1986–87. He was both a Mine Warfare and Clearance Diving, and Torpedo Anti Submarine specialist.

Ashore, he held a number of postings in the force development and policy areas in Navy Office and Headquarters Australian Defence Force. In 1989 he was responsible for developing and implementing a revised higher Defence Committee system and force development structure. Subsequently, as Director General Defence Force Plans and Programs, he played a major role in the 1991 Australian Defence Force Structure Review.

He transferred to the RAN Reserve in July 1991 to accept a position in ADI. He formed and manages a business unit within ADI which has since successfully marketed and sold indigenous mine countermeasures systems internationally.

He holds a BA from the University of Canberra, an MA (Hons Class 1) from the University of NSW, and is a graduate of the Australian Administrative Staff College. He was appointed a Member of the Order of Australia in 1991 and was also admitted that year as a Fellow of the Australian Institute of Management.

## ABSTRACT

One of the major tasks facing the Defence planners after World War II was the preparation of strategic policies and the development of suitable post-war force structure plans. The experience of the recent war was taken into account, but almost total reliance was placed on UK advice. In the absence of a strong United Nations organisation, Australia opted for Empire Defence, a system of collective defence in the South-West Pacific with UK and New Zealand.

*The Defence budget was restricted under the Chifley government, but plans were made to introduce aircraft carriers into the RAN and to provide for a more capable peace time defence force. Force structure plans, approved by the Government in 1947, were designed to provide a defence force able to contribute to ANZAM defence plans in the Pacific/South-East Asia region and also to contribute to the UK's strategy, which in the late 1940s included Australian assistance in the Middle East theatre should war occur.*

*The change in government in late 1949 accompanied a general deterioration in the world strategic situation and a fear of world wide communist domination. Mr Menzies increased defence spending significantly in 1951 when he ordered mobilisation planning in preparation for a world war. Despite a flurry of activity, few new force structure initiatives resulted, but, the increased defence spending helped fund the rather ambitious defence program already underway. In 1953, with the likelihood of global war assessed as more remote, but with a deteriorating strategic situation in Asia, Australia finally resolved its strategic dilemma and decided that its defence policy should focus on Australia's region, i.e. South-East Asia.*

*A complex defence machinery and a lack of real purpose slowed defence expenditure which, by 1952/53, was capped at about £200m annually. In a landmark paper in 1954, the Defence Minister, Senator McBride, attempted to impose priorities for force development on the Services to reflect the revised strategic situation, and to put the Defence budget in line with the economic and financial capacity of the Australian economy. This 'Long Haul' policy set the scene for the late 1950s which saw the Services face a decline in personnel, equipment and preparedness.*

## CONTENTS

ABSTRACT	v
CONTENTS	vi
ABBREVIATIONS	ix
<b>INTRODUCTION</b>	<b>1</b>
<b>CHAPTER ONE</b>	
<b>EMPIRE DEFENCE - EARLY POST-WAR DEFENCE POLICY</b>	
Post-War Interim Arrangements	5
Higher Defence Policy Process	7
Initial Post-War Planning	8
Post-War Defence Policy	14
Strategic Review - 1947	16
British Commonwealth Defence Cooperation	18
The Strategic Dilemma - the Middle East or Malaya	25
<b>CHAPTER TWO</b>	
<b>DEVELOPMENT OF THE FIRST POST-WAR DEFENCE PROGRAM</b>	
Ship Construction and the Post-War Navy	27
Post-War Force Structure Planning	33
Financial Reality	42
Naval Five Year Program	45
Early Naval Planning - Summary	47
<b>CHAPTER THREE</b>	
<b>FROM SQUADRON TO FLEET - THE INTRODUCTION OF NAVAL AIR     POWER AND THE SHIFT TO ANTI-SUBMARINE WARFARE</b>	
Aligning the Program with Strategy	49
Background to the Carrier Decision	52
The Carrier Debate	55
A Cruiser Policy	63
The Shift to Anti-Submarine Warfare	64
Program Implementation - Problems and Delays	69
The Chifley Legacy	71

**CHAPTER FOUR****STRATEGIC DECISIONS AND THE SHIFT TOWARDS AMERICA**

<i>Strategic Planning for the Middle East</i>	73
The Korean War	79
The Radford Collins Agreement	81
The ANZUS Treaty and its Impact	84

**CHAPTER FIVE****THE IMPACT OF MOBILISATION PLANNING ON FORCE STRUCTURE DEVELOPMENT**

The Three Year Program	89
State of the Navy - 1950.	93
<i>Mobilisation Planning</i>	97
Impact of Mobilisation Planning on Navy	103
Mobilisation - the Political Reality	107

**CHAPTER SIX****THE COLD WAR AND PLANNING PRIORITIES**

Strategic Vacillation	109
The Program Environment - Indecision and Uncertainty	114
Strategic Basis - 1952	118
Funding Restrictions	120
Process Inadequacies	124

**CHAPTER SEVEN****STRATEGIC AND ECONOMIC REALITY - THE LONG HAUL**

Five Power Staff Agency	126
Genesis of the Forward Defence Strategy	128
<i>Further Pressures on the Program</i>	133
The Long Haul Policy	136
Navy Resistance to the New Policy	142



**CHAPTER EIGHT****THE STATUS OF NAVAL FORCE STRUCTURE PLANNING IN THE MID 1950s**

Faltering Force Structure Aspirations	147
Ship Construction and Modernisation Delays	149
Public Reaction to the Long Haul Policy	155
SEATO - the Dream	157
Naval Planning - Approaching Reality	160

**CHAPTER NINE**

<b>CONCLUSION</b>	159
-------------------	-----

**APPENDIXES**

I	RAN SQUADRON 1946 - ORGANISATION	176
II	NUMBER OF RAN MAJOR WARSHIPS IN COMMISSION 1946-55 (OCTOBER EACH YEAR)	178
III	RAN MAJOR WARSHIPS IN COMMISSION AT OCTOBER EACH YEAR	179
IV	ACTUAL DEFENCE EXPENDITURE (£m)	183
V	PLANNED DEFENCE EXPENDITURE (£m)	184
VII	KEY PERSONNEL 1945-1955	185

<b>BIBLIOGRAPHY</b>	188
---------------------	-----

## ABBREVIATIONS

AA	Australia Archives, Canberra
ALP	Australian Labor Party
AMS	Australian minesweeper
ANZAM	Australia, New Zealand and Malayan Area
ANZUS	Australia, New Zealand, and the United States treaty
ASW	Anti-submarine warfare
BCOF	British Commonwealth Occupation Force
CA	Commonwealth agency
CAS	Chief of the Air Staff
CGS	Chief of the General Staff
CIGS	<i>Chief of the Imperial General Staff</i>
C in C	Commander in Chief
CINCPAC	Commander in Chief, Pacific
CNJA	Current Notes on International Affairs
CNS	Chief of Naval Staff
CPD	<i>Commonwealth Parliamentary Debates</i>
CRS	Commonwealth Record Series
DCA	Defence Committee Agenda
DCM	Defence Committee Minute
DPC	Defence Preparations Committee
DPCA	<i>Defence Preparations Committee Agendum</i>
FRUS	Foreign Relations of the United States
H of R	House of Representatives
JCOSA	Joint Chiefs of Staff, Australia
JPC	Joint Planning Committee
MARSAR	Australian Maritime Surveillance Area
NATO	North Atlantic Treaty Organisation
nm	Nautical mile

RAAF	Royal Australian Air Force
RAF	Royal Air Force
RAN	Royal Australian Navy
RN	Royal Navy
RNZAF	Royal New Zealand Air Force
RNZN	Royal New Zealand Navy
SEATO	South-East Asian Treaty Organisation
UK	United Kingdom
UN	United Nations
US	United States
USSR	Union of Soviet Socialist Republics
VCGS	Vice Chief of the General Staff
WRANS	Women's Royal Australian Naval Service

## LIST OF ILLUSTRATIONS

HMAS <i>Vengeance</i> , HMAS <i>Sydney</i> and 'Battle' class destroyer	iii
HMAS <i>Kanimbla</i> berthing Woolloomooloo, December 1945	6
HMAS <i>Warnambool</i> sinking near Cape York Peninsula, September 1947	30
HMAS <i>Anzac</i> under construction, 1948	31
A Sea Fury running up on the deck of HMAS <i>Sydney</i>	62
HMAS <i>Arunta</i>	68
On board HMAS <i>Bataan</i> off Korea, 1952	80
Garden Island Dockyard, June 1946	95
<i>The launch of RAFA Tide Austral (later HMAS Supply)</i>	107
HMAS <i>Queenborough</i> before conversion	152
HMAS <i>Queenborough</i> after conversion	152
'Battle' class destroyer, HMAS <i>Tobruk</i>	155
HMAS <i>Sydney</i> leaving harbour	192



## INTRODUCTION

*If a man does not know to what port he is steering, no wind is favourable.*

Seneca, 4 BC–65 AD

The early post-war years were particularly significant in Australia from the defence aspect because it was during this period that the foundations of the post-war force structure were laid. This structure has shaped the development of the Australian Services ever since.

The small defence forces maintained after World War I had been shown by the experiences of 1939–45 to be no basis for Australia's security, and immediately after the war the Government established new policies intended to meet Australia's future needs. These ultimately moved away from the established pattern of maintaining only small regular forces, supported by larger reserves. However, post-war reconstruction and the development of the economy were accorded higher priority, restricting the financial resources available to be allocated to defence.

World War II had seen more Australians involved in war than ever before. Some 15 per cent of the population had enlisted in the defence force, and many more were engaged in munitions production and other civilian war work. The three Services had fought in Europe, the Middle East and South-East Asia.

Australia felt denied a rightful role in the direction of the war and sought an influential role in the post-war security arrangements. This role was out of proportion, not only to Australia's absolute wartime military contribution, but also to its peacetime military capacity. However, it was to drive Australia's strategic policy direction.

In the immediate post-war period the Australian Services were involved principally in implementing the government policy of rapid demobilisation and Australia's assumption of responsibility for the British Commonwealth Occupation Force (BCOF). The BCOF's function was limited to the disposal of Japanese armaments and installations and policing activities. A Joint Chiefs of Staff, Australia (JCOSA) was set up to oversee policy and administration related to the BCOF. The JCOSA, which put in place the organisation for later Australia, New Zealand and Malayan Area (ANZAM) cooperation, comprised the Australian Chiefs of Staff, together with representatives in Australia, of Britain and New Zealand. It helped satisfy the Australian desire for a voice in the West's strategic policies.

Australia's strategic perceptions developed gradually over the period, from a total reliance on British Commonwealth policies to a more independent stance. The awareness of the need to focus on South-East Asia, i.e. Australia's regional environment, was very gradual, the reason lying predominantly in Australia's inherent European background and the close ties, both political and economic, with the UK.

Several key elements have shaped the development of Australia's strategic policy since World War II. The first and major influence has been the gradual trend away from a

commitment to the British Commonwealth or Empire, and towards a more independent national policy. Throughout Australia's history there has been an emphasis on maintaining a close affiliation with major allies, which has been perceived as the only practical means of achieving security against a major threat which realistically could not be accomplished independently. The enormous size, extreme inhospitality, and relative isolation of the Australian continent, when considered in the light of its limited population and financial resources, made access to the resources of a major ally an extremely attractive option. However, although reducing the feeling of vulnerability, this reliance on allies has tended to inhibit the development of strategic independence.

Australian defence policy in the early post-war period provided for standardisation of Australian military equipment, organisation and doctrine with Britain. Of the three services, the Navy had the closest links to Britain, and the impact of the Royal Navy (RN) on Royal Australian Navy (RAN) policy development was total. All RAN officers trained in the RN and officers from both navies were interchangeable. The RN had provided the Chief of Naval Staff (CNS) or head of the RAN until the then Rear Admiral John Collins was appointed in 1948. It is perhaps understandable that the RAN continued to seek policy advice from the British Admiralty as a matter of course.

A legacy of the war which was shared by all Australians was the fear that Japan could again pose a threat to Australia. It was this apprehension of and animosity towards Japan which influenced Australia's insistence on a peace treaty which would keep Japan disarmed and subject to continuing controls on the development of any post-war military capability. It was also the primary reason that Australia wished to create some form of collective regional security, although in time the perceived threat from Japan was to be eclipsed by that posed by communism.

The broad political philosophies of the two major political entities also affected the development of strategic policies. The Labor Party (1941–49), considered that Australia, like other small or middle powers, had a greater ability to influence international developments through the United Nations than through major allies. The Liberal-Country Party Coalition (1949–72), on the other hand, sought to tie Australia's security to that of what the Prime Minister, Mr Menzies, termed 'great and powerful friends'.

In addition to deriving the broad Australian defence strategic policies, the other major activity for the Defence planners in the early post-war years was the development of a defence program. The requirement to put in place the framework which was to form the basis for the post-war defence force structure was a significant task. The Defence Committee did not attempt this important activity until mid-1945, despite a standing instruction from the Minister in early 1944 to keep the question of post-war defence forces under review. The development of the first post-war defence program was convoluted, but its direction was informed by strategic assessments and government defence policy, if constrained by financial reality. Lessons drawn from World War II were used to influence each Service's respective force structure, and in the Navy's case were to alter significantly the composition and capability of that Service.

Australia recognised, as the war had demonstrated, the vital importance of the US to its future security. However, unlike the UK, the US did not see the security of Australia as a

*continuing commitment, responsibility or problem. The US did not see the Pacific as an important strategic area and was more concerned about events in Europe. Britain, on the other hand, having re-established control of its colonies in South-East Asia, was again a major power in the region. It was a natural step for Australia to fully participate in Empire Defence. Also, Australia was tied economically to Britain, with about half of its exports and imports in the immediate post-war years going to and from the UK.*

Three dominant themes, which were central to the defence policy development process in the first decade after the war, are examined in this book. The first is the development of strategic policies, from Empire Defence, through cooperation in British Commonwealth defence and the growth of a closer relationship with the US, towards a more independent, regional focus.

The second theme is the development of the post-war defence programs. The first program took some two years before government approved it in 1947. The change of government in 1949 also changed the process of defence planning and introduced mobilisation planning. Despite an increase in defence spending, the country never achieved the readiness envisaged by government. Finally, the Government had to impose its view on the defence machinery, as Defence failed to come to grips with the changed strategic and economic situation. This set the scene for the 'Long Haul' policy.

The third theme is the development of the Navy's force structure plans, which were marked by the total dependence on the Admiralty and the dominance of the aircraft carrier issue. Significant delays in ship building and planned modernisations also affected the overall force structure, as did the crippling manpower shortages.

All three themes are interrelated and together point to the inadequacies of the higher defence machinery in Australia during the period. The development of Australia's strategic thinking and the impact of this and economic reality on defence policy and in particular, the RAN's force structure development, gives an insight into the evolution of the higher defence process. It also shows how the dominance of civilian officials over the military came about, through the inability of the latter to manage complex force structure and programming issues effectively.

The major defence policy issues of the period such as the Korean War, the negotiation of the ANZUS (Australia, New Zealand and the United States) Treaty, and the beginnings of SEATO (South-East Asia Treaty Organisation), have been well covered in the literature. Less has been written on the Radford/Collins Agreement, and there is a dearth of writing on the evolution of Australian strategic thinking and force structure development. The literature also tends to view defence development from an Army perspective and little has been written on naval policy and force structure development.

Books by retired admirals merely reinforce the close ties they felt with the RN and hardly ever throw any light on their role in higher defence policy development. The chapter in Vice Admiral Sir John Collins' book on his period as First Naval Member contains nothing of substance. He sums the period up as 'an interesting seven years at Navy Office, spanning two



Prime Ministers, several Chiefs of the General and Air Staffs, Ministers of Defence and the Navy, and a succession of defence programmes'.<sup>1</sup>

Consequently, the majority of sources used involve archival material, supported where possible by other analysis. The Australian Archives in Canberra were used primarily, and sources for this book included: Cabinet Minutes and Agenda, War Cabinet and Council of Defence Minutes, Defence Committee Minutes and Agenda, Defence files, Prime Minister's Department files, the Shedden Papers, and Minutes of the Commonwealth Prime Ministers' Meetings. Australian Archives in Melbourne hold the majority of Navy Office files for the period, but data on major policy and force structure issues are generally duplicated on Defence files.

Department of Defence (Navy Office) Naval Historical Section holds some valuable material relating to the actual composition of the RAN fleet. Official publications can sometimes be at variance in relation to what ships were in commission, and the published list in the annual Navy List was used. Similarly, defence expenditure quoted in various references can vary, and the Commonwealth Parliamentary Debates annual Budget paper was used.

To assist in assessing the development of the Navy and the defence expenditure allocations for each Service, Appendixes have been included to list numbers and actual names of the ships in commission and both planned and actual expenditure.

---

<sup>1</sup> Vice Admiral Sir John Collins, *As Luck Would Have It*. Angus & Robertson, Sydney, 1965, p. 167.

## CHAPTER ONE

### EMPIRE DEFENCE - EARLY POST-WAR DEFENCE POLICY

*The basic ingredient of Australia's Defence must  
be Empire Cooperation.*

Australian Defence Committee 1946

#### Post-War Interim Arrangements

The RAN began World War II with a fleet (or Squadron as it was called) of six cruisers, five destroyers, two sloops, a survey ship and a depot ship. Construction of a further two sloops had begun. At the outbreak of war, the personnel strength of the RAN was 5440, which doubled overnight as reserve personnel were mobilised. By the end of the War, there were some 36 200 mobilised personnel in the RAN, and 2590 Woman's Royal Australian Naval Service (WRANS).<sup>1</sup>

This increase in personnel was reflected by changes to the Navy's force structure. At the end of the war the RAN totalled some 337 ships comprising four cruisers, 11 destroyers, six frigates, two sloops, 53 minesweepers, three landing ships infantry, one fleet oiler, 12 stores ships, three repair ships and many smaller auxiliary and specialist vessels.<sup>2</sup> An extensive naval shipbuilding program commenced during the 1940s and, although initially the Australian shipbuilding industry was almost non-existent, three 'Tribal' class destroyers, seven frigates and 60 Australian minesweepers (AMS or corvettes), were constructed during the war years.<sup>3</sup>

Following demobilisation, manning was planned around a Squadron comprising three cruisers (plus the 29 year old *Adelaide* in reserve), six destroyers (plus two in reserve), 11 frigates, two sloops, 18 minesweepers (plus 35 in reserve) and three landing ships (infantry), as well as a number of auxiliary vessels.<sup>4</sup> The majority of these ships had been built in Australian yards and completed during World War II. The Navy was a very different one from the pre-war days, and although the bulk of the fleet was of recent construction, it reflected the exigencies of wartime design, and there was a need to review the existing force structure against the new perceived threat. (Appendix III lists the actual ships in service.)

The immediate activity for the Defence planners, however, was to determine the interim post-war force for the transition period from war to peace. The Defence Committee was requested by the Minister for Defence in November 1945 to review the organisation, strength,

---

<sup>1</sup> *Official Year Book of the Commonwealth of Australia* No. 36 1944-45, Government Printing Office, Canberra, May 1947, pp. 1023 and 1026.

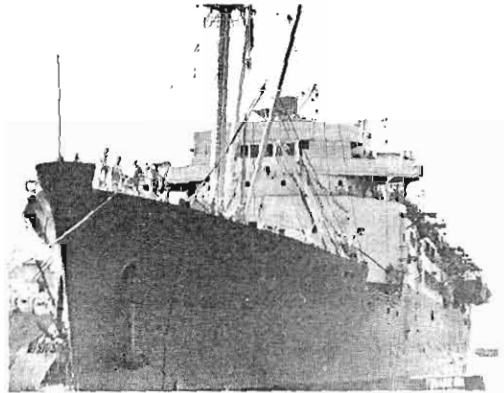
<sup>2</sup> G. Hermon Gill, *Australia in the War of 1939-1945. Volume II*, Collins Melbourne, 1985, p. 710.

<sup>3</sup> *Official Year Book of the Commonwealth of Australia*, No. 36, op. cit., p. 1023.

<sup>4</sup> DCM 482/1945. 26 November 1945 and 10 January 1946, Appendix A, CRS 2031, AA.

and method of recruiting to meet the Services' requirements for interim forces for the next two years. The report was completed by January 1946<sup>5</sup> and approved by government in April.<sup>6</sup>

Australia had assumed initial responsibility for the Dutch East Indies area, as well as responsibility for repatriation of some 143 000 Japanese in the South-West Pacific. Australia had also committed some 14 000 service personnel to the BCOF in Japan. In addition, the RAN was specifically required to undertake surveillance in the First Army Area, i.e., Papua New Guinea, conduct mine clearance operations, continue with hydrographic survey, and man the three landing ships to be used for troop transport.



*The landing ship HMAS Kanimbla berthing at Woolloomooloo, December 1945. (J. Straczek)*

Australia's commitment to the BCOF and the surveillance and control of Japanese disarmed personnel in the Pacific Islands under Australian control largely determined the interim force. In addition, forces were required in Australia for administrative and maintenance activities. By the end of 1945 the RAN strength was 32 550, which was to be progressively reduced to the approved interim strength of 12 500 by June 1946.<sup>7</sup>

Having resolved the interim situation, the major task facing the Defence planners was to derive the broad strategic defence policy and to develop a defence program. From the Navy's point of view, there was little experience in force structure planning and the existing force structure largely reflected pre-war and early wartime concepts. The new force structure

---

<sup>5</sup> *ibid.*

<sup>6</sup> Commonwealth Government. *Digest of Discussions and Announcements*. No. 113, period 27 March 1946 to 22 April 1946, Commonwealth Government Printer, Canberra, p. 16.

<sup>7</sup> DCM 482/1945, *op. cit.*

would have to reflect strategic realities and new technologies, notably the primacy of the aircraft carrier. The other factor which impacted on force structure planning was the bureaucratic framework within which decisions were reached.

### Higher Defence Policy Process

The wartime government structure was based around the War Cabinet, established by Mr Menzies on 15 September 1939. For the greater part of the war, under both the Menzies and Curtin governments, the War Cabinet directed war policy, although the full Cabinet was customarily called together for discussion of contentious issues affecting national welfare in a broader way than the actual conduct of the war.<sup>8</sup>

The War Cabinet was assisted by the Advisory War Council which was chaired by the Prime Minister, and whose members included representatives of the Government and the Opposition.<sup>9</sup> This organisation continued to function until early 1946, when the War Cabinet was abolished and the Council of Defence was reconstituted as the Government's senior advisory body on defence policy and organisation.

The Council of Defence consisted of the Prime Minister, Treasurer, the Ministers for Defence, External Affairs, Navy, Army and Air Force, Aircraft Production, Post-war Reconstruction, the leader of the Government in the Senate, the Chiefs of Staff and the Secretary, Department of Defence. The function of the Council of Defence was to consider and advise upon any questions of defence policy or organisation referred to them by the Prime Minister or the Minister for Defence.<sup>10</sup>

Policy advice to the Minister for Defence came from the Chiefs of Staff Committee and the Defence Committee. The Chiefs of Staff Committee was responsible for strategic appreciations and plans of an operational nature, and for the execution and control of operations in war. The Defence Committee advised the Minister for Defence with respect to:

- . the defence policy as a whole,
- . matters of policy or principle and important questions having a joint service or interdepartmental defence aspect, and
- . such other matters having a defence aspect as are referred to the Committee by or on behalf of the Minister.<sup>11</sup>

It could also advise the Minister on its own initiative on any matters falling within its functions. The Committee was composed of the three Chiefs of Staff and a civilian officer of the Department of Defence appointed by the Minister, who also appointed the chairman and could coopt other members.

---

<sup>8</sup> Paul Hasluck, *The Government and the People 1939-41*, Australian War Memorial, Canberra, 1952, p. 423.

<sup>9</sup> *ibid.*, p. 270.

<sup>10</sup> Council of Defence Regulations, Statutory Rules 1946, No. 38 of 27 February 1946.

<sup>11</sup> Defence Committee Regulations, Statutory Rules 1946, No. 39 of 27 February 1946.

Following a joint request by the three Chiefs of Staff to the Secretary, Department of Defence (Sir Frederick Shedden) in November 1947, Shedden was appointed as the permanent chairman of the Defence Committee. This position was approved by the Prime Minister and announced in the Parliament on 29 April 1948.<sup>12</sup>

This request was significant in that it represented the first action to place a civilian official in a position to dominate defence policy development. In their letter asking Shedden to be chairman, the Chiefs of Staff noted:

Your unique knowledge of the problems of Empire Defence, Higher Defence Organisation and Governmental Procedure would be of inestimable value in the discussions at the meetings of the Defence Committee where Service views would be presented ... and you, as Chairman, would be in a position to guide conclusions in accordance with your especial qualifications and experience.

It is apparent that your advice and guidance would be of great help in implementing the provisions of the Post War Five Year Defence Plan with the minimum of delay and highest efficiency.<sup>13</sup>

The other major committee subordinate to the Defence Committee was the Joint Planning Committee (JPC), which was also responsible to the Chiefs of Staff Committee. Assisted by other subordinate bodies including the Joint Intelligence Committee and the Joint Operations Staff, the JPC was responsible for the development of inter-service operational plans and appreciations, joint intelligence, and strategic appreciations relating to the planning of the post-war forces. It was comprised of representatives of the Navy, Army and Air Force at colonel (equivalent) rank and, like the other committees, was serviced by a combined staff of civil and service officers responsible to and controlled by the Secretary, Department of Defence.<sup>14</sup>

With respect to the Navy, the Naval Board was 'charged with the control and administration of all matters relating to the Naval Forces, upon the policy directed by the Minister' (for the Navy). He was its President and exercised the general direction and supervision of all business. The Board also enjoyed executive command of the naval forces.<sup>15</sup> An examination of the Board's minutes between 1945 and 1955 indicates that they were mainly concerned with matters which today would be delegated to a much lower level, generally involving approving minor expenditure and individual personnel matters.

### **Initial Post-War Planning**

The first significant instruction with respect to planning for the post-war defence of Australia was issued in January 1944 by the Prime Minister and Minister for Defence (Mr Curtin) and stated, in part:

---

<sup>12</sup> CPD Vol. 196, 29 April 1949, p. 1253.

<sup>13</sup> Joint Chiefs of Staff letter, November 1947, CRS A5954/1, Item No. 1490/14, AA.

<sup>14</sup> CPD Vol. 170, 23 March 1945, p. 888.

<sup>15</sup> Statutory Rules 1920, No. 249.

The Minister wishes the Defence Committee ... to keep constantly in mind the question of post-war Defence Policy from the following angles:

- The experience of this war in relation to the principles of Australian and Empire Defence, and to the nature, strength, and organisation of the Australian Forces.
- As and when any progress is made in regard to the principles and nature of the collective system, either on a world or regional basis, their implications in regard to Australian Defence should be considered.<sup>16</sup>

Subsequently, because of their implications for post-war defence policies, the War Cabinet deferred consideration of, or decision on, a range of issues submitted by the Services and referred them to the Defence Committee. However, over a year after the issue of Curtin's instruction, the Defence Committee had done little to implement it. This was perhaps understandable, given the demands on its individual and collective time concerning the conduct of the war, and the fact that in mid-1944 the UK's realistic planning date for the invasion of Japan was either the spring or autumn of 1947.<sup>17</sup>

As a result of consideration in March 1945 of post-war munitions production capacity, the Defence Committee noted there was a growing number of questions awaiting decision on the strength of the post-war forces. The Committee decided, therefore, that post-war forces should receive preliminary joint service consideration and directed the JPC submit a report on the matter.

In the preamble of its direction to the JPC, the Defence Committee asserted that, while it was then possible to formulate advice regarding the nature and functions of the post-war forces, details of their strength and organisation could not be prepared until the Government had given some indication of the annual amount likely to be available post-war for expenditure on defence. The only financial guidance then to hand was a statement by the Treasurer that the likely amount was £60m annually, but this was not considered authoritative.<sup>18</sup>

Accordingly, the JPC was instructed that its report should contain an appreciation relating war experience to the principles of Australian and Empire Defence; from this appreciation, recommendations on the nature and functions of the post-war forces were to be derived. The report was also to state that before the Defence Committee could make a recommendation on their strength and organisation the government would have to endorse the conclusions on nature and functions, and advise whether £60m, or any other sum, could be assumed for planning purposes 'to be the present estimate of the annual post-war expenditure on defence'. The JPC was also to assume that 'some system of general service would continue in force in Australia after the war'.<sup>19</sup>

---

<sup>16</sup> DCM 25/1944, 18 January 1944, CRS A2031, AA.

<sup>17</sup> John Ehrman, *Grand Strategy*, Vol. V, London, 1956, p. 437.

<sup>18</sup> DCM 102/1945, 27 March 1945, CRS A2031, AA.

<sup>19</sup> DCM 152/1945, 4 May 1945, CRS A2031, AA.

The Defence Committee Report,<sup>20</sup> issued in June 1945, was closely based on the JPC Report. It is an important document in that it represents a strategic distillation of the Australian war experience. The report considered five major issues:

- . review of pre-war policy of Imperial and Australian defence,
- . war experience,
- . considerations affecting the nature and functions of the post-war forces,
- . summary of major requirements, and
- . recommendations on the function and nature of the forces.

Australia's pre-war defence posture was characterised by the basic premise that, unaided, Australia could not ensure control of its sea approaches and sea communications. Defence policy had been based primarily, therefore, on the adequacy of British naval power in the Pacific and the presumed strength of Singapore. The possibility of invasion and serious enemy air attack on mainland objectives had not been provided against. In fact, no action had been taken in this regard until 1942 when invasion had appeared imminent. The Imperial strategy had assumed that Australia would provide sufficient forces to be secure against raids until Imperial naval superiority had been asserted.<sup>21</sup>

Major lessons of varying generality were derived from the war experience. They are summarised as follows:

- . The Imperial force had not afforded adequate protection to British possessions and interests in the Pacific and South-East Asia because of heavy and vital commitments elsewhere. There was no guarantee that in a future war this would not happen again.
- . Contrary to pre-war assumptions, an enemy might establish military superiority in areas close to northern Australia, and bases for all arms within striking distance of the coast.
- . In the event of war, and because of commitments in other theatres, Empire or Allied assistance for the defence of Australia might not be available for some considerable time.
- . The establishment of British or Allied bases at Singapore, in the East Indies, or elsewhere in the West or South-West Pacific could not, of itself, relieve Australia of the responsibility to provide for its local defence, or preclude the possibility of invasion of its territories. The war had demonstrated that security against invasion had become a major consideration for the future.
- . Because aircraft could operate both independently and in cooperation with sea and land forces, fleets and armies should be shaped to secure the fullest

---

<sup>20</sup> DCM 234/1945, 19 June 1945. CRS A2031, AA.

<sup>21</sup> *ibid.*, Appendix A, p. 1.

utilisation of air power, whilst the Air Force should assist the other Services in every possible way. The outstanding lesson of modern warfare is the importance of maintaining and coordinating all arms to a single plan.

- The cardinal principle of Imperial strategy, as proven in both wars, was valid. Each part of the Empire should both provide for local defence to its maximum capacity and be prepared to contribute also to an Empire pool of resources.
- Because training and provision for the mobilisation of manpower and other resources in pre-war Australia had been insufficient for its defence against sudden attack by considerable forces, a system of universal service was essential to enable the establishment of trained and readily mobilisable reserves.
- Australia must maintain basic defence industries - shipbuilding, supply and munitions production, and aircraft manufacture - but in accordance with an Empire-wide plan and division of effort. In any future Pacific war Australia, because of its position and resources, would be an important base for Empire or Allied forces.<sup>22</sup>

From these lessons of the war, the report turned to a consideration of certain defence weaknesses inherent in Australia's location and economic condition. To begin with, its isolation meant that in war its lines of communication might be seriously interrupted by enemy surface vessels, including aircraft carriers, disguised raiders and submarines. Carrier-borne aircraft and submarines could also interdict its coastal trade.

Were the mainland attacked by large forces, Australia's survival might depend upon the safe arrival from overseas of reinforcements and supplies. It was therefore, vital to defend main bases against destruction or capture during the period until relief. Fortunately, these vital areas were both small in proportion to the considerable part of the coastline open to invasion and sporadic raids, and were located furthest from a possible enemy's line of advance. Finally, an enemy established in the screen of islands to the north and north-east would constitute a threat to Australia's safety.<sup>23</sup>

The report concluded that the scale of these contingencies was such that defence against them unaided was beyond the capacity of Australia and New Zealand. Defence cooperation with the UK and the US was essential. In addition, Australia ought to participate fully in the 'World Organisation for Collective Security' (i.e. the United Nations (UN)) and maintain 'highly mobile offensive Naval, Army and Air Forces equipped for extended operations over long distances and with adequately protected bases in and to the north of Australia'. The capacity to reinforce these forces at short notice from trained reserves should be developed by the reintroduction of compulsory military training for all three services.<sup>24</sup>

The report then went on to elaborate, though still in general terms, on the capabilities required for defence against the interruption of ocean and coastal traffic, sporadic raids, and

---

<sup>22</sup> *ibid.*, pp. 2-4.

<sup>23</sup> *ibid.*, p. 5.

<sup>24</sup> *ibid.*



invasion. It assumed that sea communications could be defended properly only by a powerful Empire or Allied Fleet superior to that of any possible enemy in the Pacific and operating from defended bases. To this force Australia should contribute naval units, (including aircraft carriers), air force reconnaissance and strike squadrons, and defended operational bases.

The primary safeguard against sporadic raids on the mainland or the island mandates was naval forces, (including carriers), and air forces. It was additionally seen as necessary to secure bases by stationing land forces permanently in vital areas.

To guard against invasion, provision should be made for naval and air forces to be deployed to northern bases and protected by army garrisons.<sup>25</sup> The report concluded with recommendations on the function and nature of the forces needed to meet the capability requirements previously identified.

In its further consideration of the report, the Defence Committee considered Australia's economy would preclude the provision of the forces seen as necessary for its security. It was therefore considered essential to cooperate fully in an Imperial Defence Policy and to give support to any system of collective security.

The provision of the forces envisaged in the report, however, was considered to represent a valuable contribution to any future Imperial or Allied forces which might be engaged in the defence of the country or vital interests and would form the basis for mobilisation in an emergency. The Committee recommended that the Government be asked to endorse the nature and functions of the post-war forces proposed in the report and to advise on the annual expenditure to be allocated to defence for planning purposes.<sup>26</sup>

The subsequent actions in evolving a detailed plan for the post-war force structure will be discussed in Chapter Two. However, a significant feature of the approach adopted was that the composition of the post-war Australian forces was to be determined by financial rather than strategic considerations. The planners sought a financial target as the first step, rather than determining needs and then costing them.

While it must be accepted that any view of the immediate post-war situation would be heavily influenced by Australia's war experience, some of the conclusions drawn appear to be influenced by the pattern of established thinking and relationship with the UK, rather than an objective assessment of Australia's defence needs. It was argued that it was 'not possible for the imperial force to adequately protect British possessions in the Pacific ... and ... there was no certain guarantee that history may not repeat itself.' Further, the Committee agreed that 'the course of the war had shown ... that security against successful invasion is a major consideration in future defence policy'.<sup>27</sup> As further British intelligence assessments on the world situation and potential threats were made available, Australia changed its position on this judgement and thereafter considered the risk of direct military threat to Australia to be low.

---

<sup>25</sup> *ibid.* pp. 5-6.

<sup>26</sup> *ibid.*

<sup>27</sup> *ibid.*

At the same time the Defence Committee concluded that '... the defence of the Australian area is beyond the capacity of Australia and New Zealand unaided and that defence cooperation with the UK ... is essential'.<sup>28</sup> This seems patently inappropriate given the inability of Britain to provide effective assistance in the initial phase of World War II, which the Committee had observed and conceded might happen again in a future war. The strength of the 'British tradition' was clearly dominant in contemporary defence thinking.

The Defence Committee's report clearly reflects the profound shock caused by the rapid Japanese advance through South-East Asia to Papua New Guinea. However, the conclusion that in 1942 Australia was threatened with invasion rested upon the unfounded assumption that such an operation was a major objective of Japanese strategy. While in mid-1942 the apparent imminence of invasion made it an overriding concern, there seems little excuse for the persistence of this opinion in 1945 in the light of the Allies' own immense difficulties in organising successful trans-oceanic, large-scale amphibious operations.

Furthermore, to conclude on the basis of the Japanese threat that defence against future invasion attempts should become a major consideration of defence policy was a classic example of retrospective policy-making. In fact, following Japan's defeat, the only nations with the capability to invade Australia even in the long term—the US and perhaps Britain—were those with the least inclination to do so.

Apart from invasion, the Defence Committee considered the interruption of sea communications and sporadic raids (against either maritime or continental targets) to be the major contingencies to be addressed by post-war defence policy. The maritime interdiction threat, like invasion, presumed either the existence or the development of a substantial offensive maritime capability (as well as the political intent and determination to use such a force).

Given the extent of the naval imbalance at the time, which was likely to persist beyond the short term, and the nature of the international political situation in the Indo-Pacific region, which was dominated by the struggle to shake off British, French and Dutch rule, it seems quite fanciful to suggest that either remote major powers or weaker regional states would, even in the mid-term, be able to develop sufficient resources with which to coerce Australia. Despite this situation, the Defence Committee asserted that the sea lanes vital to Australia's security could be protected '... only ... by a powerful Empire (or Allied) Fleet superior to that of any possible enemy in the Pacific',<sup>29</sup> implying that the RAN was incapable of the task.

The Committee's analysis was perhaps an over-reaction to what it perceived as Australia's most serious and enduring weakness—its distance from 'its markets in peace and its Allies in war'.<sup>30</sup> This judgement ignored the enormous strategic changes which had resulted from the war. Surprisingly, Australia's remoteness was not viewed as providing any security benefits at that stage.

---

<sup>28</sup> *ibid.*

<sup>29</sup> *ibid.*

<sup>30</sup> *ibid.*

The general thrust of the analysis, while containing many relevant issues, still clung to the traditional belief that one of the most fundamental guarantees of Australia's security was the unity and stability of the British Empire. It was an Empire, however, which already was clearly beginning to disintegrate.

### Post-War Defence Policy

The Government's post-war defence policy was outlined in the Governor General's speech on the occasion of the opening of the Eighteenth Parliament on 6 November 1946. The Government's preference for working under the auspices of the UN was clearly noted, with emphasis on the Pacific region. Cooperation in Empire Defence was also highlighted, as was the desire to develop future cooperation with the US.

In relation to the overall organisation and strength of the post-war defence force, the Governor General stated that:

... the post-war defence forces will proceed on a basis that recognises that Australia will make a larger contribution towards the defence of the British Commonwealth ... this could best be done in the Pacific ... An arrangement with the US government for the joint use of bases in the Pacific on the principle of reciprocity would be welcomed by my government, and discussions have been proceeding towards this end.

The size of each service will be determined by the blending of the Navy, Army, Air Force and Supply services in a balanced scheme which provides in the most effective manner for our self defence, for our cooperation in Empire and regional defence, and for the fulfilment of our obligations under the Charter of the United Nations.<sup>31</sup>

The general basis of the Government's defence policy was participation in the collective security provided for by the UN Charter, cooperation in Empire Defence and maintaining the forces needed to provide for the inherent right of self defence. The policy was realistic in regard to the degree of reliance to be placed on each of these three safeguards, and special emphasis was laid on cooperation with the British Commonwealth countries and the US. Additionally, Australia was to take a leading role in the development of defence planning in the Pacific region, in conjunction with Britain and New Zealand.

Within a strategic environment characterised by a strong British Commonwealth, Australia's defence considerations centred on possible contribution to the global strategies of major allies and the forces needed to support this role. Despite the general phobia about Japan within the Australian community, which was to recede by the early 1950s, Australia accepted the general belief that the enemy of Western democracy was the spread of international communism.

In relation to the planning for post-war forces an overall appreciation of Australia's strategic position was prepared by the JPC in early 1946. Its report, the 'Appreciation of the Strategic Position of Australia, February 1946' was approved by the Chiefs of Staff Committee

---

<sup>31</sup> CPD, Vol. 189, 6 November 1946, pp. 6-7.

on 20 March that year. The appreciation took up the issues raised in the 1945 Report on the Nature and Functions of Post-War Defence Forces and put them in sharper focus, with the following main themes:<sup>32</sup>

- . the USSR is a potential enemy;
- . Australia is well removed from the potential theatres of war;
- . provided Australia has in peace a firm plan of Empire Defence and arrangements for cooperation with the USA, the possibility of invasion in the foreseeable future can be excluded; and
- . the role of the armed forces in the next war should be 'the fulfilment of Australia's obligations in a wide strategic plan ... any organisation on the basis of home defence would necessitate reorganisation and inevitable dislocation.

The appreciation concluded that:

... the basic ingredient of Australia's defence must be Empire cooperation since the size of this country demands for its defence, armed forces and an industrial potential quite beyond our present capacity .... Australian forces should be so organised and trained that they can fit in as complete units with Empire forces in any theatre, keeping particularly in mind the Pacific theatre...<sup>33</sup>

The Government appreciated that a scheme of collective security under the UN would be slow to develop and, in the meantime, reliance for security must be placed primarily on cooperation in British Commonwealth Defence, although the ultimate aim was some form of Pacific security pact involving the US. Australia's concern with the politico-military affairs of the South-East Asian region as an aspect of its own and Empire Defence planning and cooperation had increased significantly by the April 1946 Prime Ministers' Conference, when the debilitating effects of the war on Britain, and their complications for Empire Defence, were pointed out to the Dominions.

At that Conference, in an attempt to develop a more comprehensive and positive defence plan, the Australian Prime Minister, Mr Chifley, proposed that in the absence of an overall plan, the only possibility of developing cooperation in Empire Defence was on a regional basis. He stated that:

... Australia must, in future, make a larger contribution towards the defence of the British Commonwealth, and that this could best be done in the Pacific, and that the approach to a common scheme of defence for this area should be by

---

<sup>32</sup> Chiefs of Staff Committee Minute 11/1946, 20 March 1946, Naval Historical Records, Department of Defence (Navy Office).

<sup>33</sup> *ibid.*

agreement between the UK, Australia and New Zealand, and thereafter with the US, and later with other nations with possessions in the area.<sup>34</sup>

He observed that planning relating to any regional arrangement would be subject to political negotiations, and went on to propose that the Australian government should develop the machinery for coordinating defence planning for regional security in the Pacific.

Australia's views on providing an organisation for adequate consultation were circulated to all Commonwealth countries in May 1947, suggesting that they should consult through their respective defence organisations, widened to include accredited representatives of each other. This was agreed by the UK and New Zealand in December, and by early 1948 each had Defence representative staffs in place.<sup>35</sup>

It was clearly recognised in the Australian Government memorandum that the area of strategic importance to Australia was South-East Asia. The Governments of the other Commonwealth countries consulted, Canada, South Africa, India and Pakistan, obviously saw little mutual benefit in contributing to such a cooperative arrangement and did not agree to further consultation.

### Strategic Review - 1947

In September 1947, during the development of this process, the Chiefs of Staff had prepared a further strategic appreciation, the Strategic Position of Australia, as a basis for future planning.<sup>36</sup> This document built on the 1946 Appreciation but, because of the developments already underway in relation to cooperation in British Commonwealth defence, was to prove a catalyst in turning Australia's strategic policy and possible defence commitments away from Australia's region as directed by government, to a policy more in keeping with British requirements.

The Appreciation noted the interdependence of Australia's domestic affairs with international events. It made the assessment that since little reliance could be placed on the UN to maintain world peace, Australia should continue to depend on close British Commonwealth cooperation for its security. However, 'Australia can no longer rely, to the same extent, on the assistance previously provided by the UK', and given the unsettled state of the world in general, and the increase in nationalistic movements in Asia in particular, and given its geographic isolation, 'Australia should make greater efforts for self-sufficiency and also contribute to the military and economic strength of the British Commonwealth to a greater extent than in the past'. The Chiefs of Staff argued that 'Australia should assume increased responsibilities in British Commonwealth matters in the Indian Ocean, South East Asia and the

---

<sup>34</sup> Commonwealth Government, *Digest of Decisions and Announcements, No. 139*, period 8 September 1948 to 10 October 1948, quoted in a Statement by the Minister for Defence, 23 September 1948, Commonwealth Government Printer, Canberra, p.32.

<sup>35</sup> Co-operation in British Commonwealth Defence. Australian Government Memorandum 23 May 1947 and related papers, CRS A5954, Box 1628, AA.

<sup>36</sup> Appreciation by the Chiefs of Staff of the Strategic Position of Australia - September 1947. CRS A5954, Box 1628, AA.

Pacific', while noting that events in Europe, Asia and the Middle East would impact on the local region.

In considering Australia's vulnerability to attack, the Chiefs of Staff noted that 'no hostile power, without possessing command of the sea and local air superiority, could successfully invade Australia, nor could it launch an effective major air attack on vital areas of Australia, without possessing suitable bases for launching long-range weapons'. Apart from the possibility of sporadic raids on sea communications and port facilities by long-range submarines, no direct threat to Australia was considered likely to emerge. In less than two years, strategic planning had moved away from the 1945 position which saw invasion as a major consideration for future planning.

In examining measures to achieve security, the Chiefs saw the need for joint strategic plans for the defence of the British Commonwealth which should include provision for participation by the US. In the context of the preparation of overall strategic plans, the broad situation and Australia's possible role was assessed:

USSR would probably first seek to over-run Western Europe, before embarking on large scale operations in the Middle East or Far East. Australia is unlikely to be directly threatened except as the result of successful actions by the USSR in one or both of these two areas. In such a situation, Australia's interest might be best served by making a contribution either in the Far East or Middle East. If the USA were involved in the war prior to, or at the same time as, the British Commonwealth, its forces would probably be employed in both Europe and the Far East. Since it might be difficult for the UK to reinforce the Middle East, Australia's most effective contribution in this case might best be made in that region. If, as in the past, a period elapses after the commencement of hostilities, before the USA becomes involved, then it might be preferable for Australia's contribution to be made in the Far East to stabilise the situation until aid is forthcoming from the USA.<sup>37</sup>

The Chiefs of Staff concluded that should hostilities occur before agreed overall plans had been formulated, then each nation of the British Commonwealth would be primarily concerned with the defence of its own zone of strategic responsibility and its vital communications. A strategic zone covering the northern approaches for which Australia should accept responsibility was proposed.

On 20 April 1948 the Council of Defence authorised the development of strategic planning at the official level within the limits of a zone in the South-West Pacific, subject to certain reservations regarding government commitment.<sup>38</sup> The Australian Prime Minister wrote to his counterparts in the UK and New Zealand on 24 May 1948 circulating the Council of Defence documents and conclusions, and observed that 'a basis has now been established for

---

<sup>37</sup> *ibid.*

<sup>38</sup> Council of Defence Minute No. 10, Agendum No. 1/1948, 20 April 1948, CRS A7535, Item 14, AA.

the machinery for cooperation in British Commonwealth defence to operate on the official level'.<sup>39</sup>

The British Prime Minister, Mr Attlee, referred the documents to the British Chiefs of Staff for comment. On 6 July, Major General Boase, the Australian Defence Representative in London, reported to the Secretary of Defence that while there was 'apparently no conflict of opinion on any matter of substance between the Chiefs of Staff of the two countries', the decision of the Council of Defence to confine planning to the defence of the strategic zone of Australia and its northern approaches was considered by the British Chiefs of Staff to be undesirable as it appeared 'to preclude any Australian contribution to the Middle East'.<sup>40</sup>

Retention of the Middle East, Boase informed Shedden, was a vital part of established British strategy and it was the view of the British Chiefs of Staff that the Australian Government 'should ... be persuaded that it is in its own best interests to extend joint planning to cover the Middle East, and not bar in advance the possibility of an Australian contribution in that theatre'.<sup>41</sup>

The detailed comments by the British Chiefs of Staff on the appreciation were forwarded to Australia as an enclosure to a letter from Attlee to Chifley of 29 December 1948. It was made clear that the UK would greatly appreciate an extension of the scope of Australian strategic planning to embrace the possible deployment of Australian forces to the Middle East.<sup>42</sup>

### **British Commonwealth Defence Cooperation**

At the October 1948 Prime Ministers' conference, Britain circulated a paper on 'The World Situation and its Defence Aspects'. (PMM (48) 1) This paper raised questions relating to general British Commonwealth defence policies and strategy, the allocation of strategic responsibilities and the preparation of long range plans for British Commonwealth Defence.

The Defence Committee took the paper in November, and in December 1948 the Prime Minister, with the concurrence of the Minister for Defence, agreed to a Defence Committee recommendation that the scope of strategic planning, in conjunction with UK and New Zealand liaison staffs, be extended to cover:

- the basic objectives of British Commonwealth Defence Policy and general strategy, and
- a suitable basis for the distribution of strategic responsibility and war effort.

---

<sup>39</sup> Letter, Chifley to Attlee and Fraser, 24 May 1948, CRS A5954, Box 1628, AA.

<sup>40</sup> Letter, Boase to Shedden, 6 July 1948, *ibid.*

<sup>41</sup> *ibid.*

<sup>42</sup> Comments by the British Chiefs of Staff on the Major Military Aspects of the Australian Chiefs of Staff Appreciation, September 1947 (attached to British Prime Minister Letter of 29 December 1948), CRS A5954, Box 1627 (File D), AA.

It was agreed, subject to government approval, that these policy documents, would provide the basis for military contingency planning.<sup>43</sup>

Chifley wrote to Attlee on 10 December 1948 to inform the British Prime Minister that he had approved the Defence Committee's recommendations, subject to the proviso that the proposed studies would proceed strictly on an official level without commitment. On 31 January 1949, Attlee replied to Chifley's letter with a proposal that a UK joint service planning team might visit Australia to hold detailed discussions with Australian defence planners, and on 16 February the Australian Prime Minister agreed to this suggestion. Meanwhile the Defence Committee had instructed the JPC, in conjunction with the New Zealand and UK liaison staffs, to prepare reports which would form the basis of broad discussions on Defence planning. It was further agreed that Australia and New Zealand should hold joint defence discussions after the UK Planning team had visited.<sup>44</sup>

A UK Chiefs of Staff Defence Appreciation - COS(49)49, dated 9 February 1949 was forwarded to Australia and New Zealand in February as a basis for discussion between the Commonwealth military staffs. This paper consolidated the UK views given in the paper presented to the 1948 Prime Ministers' Conference, PMM(48)1, and the comments made on the Australian Chiefs of Staff appreciation. It presented the UK Chiefs of Staff view of a world wide allied defence policy and general strategy. Following JPC comment, the Defence Committee examined the paper in May and agreed that it was 'acceptable generally from the Australian Services point of view as a basis for discussion'.<sup>45</sup>

The Australian views were forwarded to the UK, and the UK Appreciation was used as the basis of the paper prepared by the JPC on basic objectives and general strategy. This again demonstrated the significant influence the British had on the development of Australian strategic policies.

Shedden visited the UK at the Prime Minister's direction in June 1949 to discuss the relationship between the approved Australian defence policy and Defence Program, and the development of cooperation in British Commonwealth Defence. In a letter of 26 July 1949, one of several reports on his visit to the Prime Minister, he gave notice again of the British agenda:

*The Chiefs of Staff were of the opinion that a future war would be won or lost in the area between Iceland and the Persian Gulf. They considered that there was no direct threat to the Australian continent, and that the Australian Armed Forces could best further the war effort of the British Commonwealth as a whole by making a contribution to the defence of the Middle East.*<sup>46</sup>

---

<sup>43</sup> DCM 252/1948, 11 November 1948, CRS A2031, and Review by Chiefs of Staff - Conclusions of Council of Defence, CRS A5954, Box 1628, AA.

<sup>44</sup> Strategic Planning in Relation to Co-operation in British Commonwealth Defence, CRS A5954, Box 1628, AA.

<sup>45</sup> DCA 15/1949, 28 April 1949, CRS A5799, AA, and DCM 73/1949, 5 May 1949, CRS A2031, AA.

<sup>46</sup> Secretary's Discussions in United Kingdom, Shedden to Chifley, 26 July 1949, CRS A5954, Box 1628, AA.



This point was re-emphasised by the UK planning team in talks in Melbourne with the JPC and resulted in a change in emphasis in the paper on the distribution of strategic responsibility, to reflect the British view.

A conference was held in Melbourne in August 1949, attended by the Defence Committee members, the New Zealand Chiefs of Staff and the UK Chief Liaison Officer, to discuss a range of defence matters including the two papers prepared to cover the broad scope of strategic planning. Other topics included the delineation of the ANZAM area, the control and defence of sea communications in the ANZAM area, proposals for establishing a defence planning organisation in peace and a high command in war for the ANZAM area, and intelligence cooperation.<sup>47</sup>

The initial step in developing cooperation was seen as the detailed delineation of strategic boundaries, the relative responsibilities for the protection of vital communications to and from the zone, and the probable form and scale of attack. The title 'ANZAM' was agreed as being appropriate for the strategic area. Initially known as the 'ANZAM Area', the term was amended in 1950 to 'ANZAM Region' which was seen as more in keeping with the terminology such as 'regional defence' and 'regional planning', being used in discussions on cooperation in British Commonwealth Defence.<sup>48</sup>

The three countries later agreed that this acronym could be given more general use as planning proceeded, and could be used in papers reaching government level.<sup>49</sup> The delineation of the exact boundaries of the ANZAM Region caused considerable correspondence between the three players before being finally agreed in June 1950.<sup>50</sup> The area was significant, extending from the mid-Indian Ocean, encompassing Malaya, Australia and New Zealand, and finishing around the Cook Islands in the Pacific Ocean.

ANZAM planning was at first limited to the defence of sea and air communications in the region, as this was seen as the major problem. The UK, because of its treaty commitments with Malaya which entailed special responsibilities in the area, stated that it would retain responsibility for the defence of that country.

Involvement in ANZAM planning did not require firm commitments by the governments concerned. It was not a treaty or written agreement, but a term used to denote a consultative arrangement through which Australia, the UK and New Zealand coordinated defence interests in the region. Subsequently, planning responsibility under ANZAM was extended to cover the defence of Malaya, and ultimately it led to joint operational activities.

The August 1949 meeting in Melbourne had agreed that Australia should take the lead in regional defence planning and, after the meeting, the Australian strategic papers were

---

<sup>47</sup> ANZAM Strategic Planning. A full set of the notes taken at the Meeting 22–26 August between the Defence Committee, New Zealand Chiefs of Staff and UK Liaison Officer are held in this Box (file B), CRS A5954, Box 1627, AA. The initial acronym proposed, ANZIM, was dropped as the 'I', referring to Indonesia, could cause political complications.

<sup>48</sup> DCM 56/1950, 27 April 1950, CRS A2031, AA.

<sup>49</sup> DCM 86/1950, 8 June 1950, CRS A2031, AA.

<sup>50</sup> DCM 77/1950, 1 June 1950, CRS A2031, AA.

referred to the British Chiefs of Staff for detailed examination. The papers as developed by the JPC for the conference were largely accepted, and were to form the basis of Australia's revised strategic policy.

The change of government in December 1949 made no impact on the process of developing Australia's strategic defence policy, which was well advanced. The two significant papers covering the basic objectives and general strategy, and the distribution of strategic responsibility, were amended to include the British comments and finally taken by the Defence Committee in June 1950. This meeting is discussed in Chapter Four.

The paper on *'The Basic Objectives of British Commonwealth Defence Policy and General Strategy'*<sup>51</sup> was the more fundamental of the two and drew on the UK paper in assessing the world situation and threat. Four elements in the current international situation were considered of 'outstanding military significance'. First, the UN had not been able to establish an effective system of collective security. Second, Soviet policy posed a threat to all non-communist nations, which thereby stood in danger of being subjugated one by one. Third, Soviet persistence in this policy would lead inevitably to a clash. Fourth, the Soviet Union could engage in a land war at any time but Soviet economic and air power weaknesses inclined the leadership to be cautious except in cases where it was confident of rapidly achieving its primary objectives in any war.

The Committee accepted the UK view that the Commonwealth response to this situation should be twofold. First, the spread of communism should be resisted by stimulating political resistance and promoting the economic advancement of those threatened by it. Second, security could only be achieved by the closest cooperation with the US, Western Europe and the Commonwealth. The Committee recommended that these policies should also become the basis of Australian defence policy.

The Committee further supported the British Chiefs of Staff war aims that in the event of war, allied policy could not be limited to restoration of the status quo before the war 'or even to that of driving the Russians out of territories over which they have acquired control'. Rather allied war aims should be defined as: first, to ensure the abandonment by the USSR of further military and ideological aggression; and, second, to create conditions conducive to world peace.

Because of the geographical characteristics of the USSR and the numerical superiority of its land forces, the Committee considered the only means of taking offensive action initially was by air power. To launch an air offensive, bases and vital sea and air communications must be protected. This strategy required secure air bases and sea areas in the UK, Middle East, Pakistan and Japan as well as possible sea areas for carrier operations. A major war in the foreseeable future would be global in nature, the major conflicts taking place in Europe and the Middle East, and to a lesser degree in the Far East. Australia's fate would depend on the result of these conflicts.

It is of interest to note that the words 'to a lesser degree' were included after discussion with the UK Planning team on the draft paper. This reinforced the UK view expressed in a

---

<sup>51</sup> DCM 86/1950, 8 June 1950, CRS A2031, A.A.

Chiefs of Staff attachment to a letter from the UK Prime Minister of 29 December 1948 commenting on the Australian Chiefs of Staff Appreciation of September 1947, that:

... the most immediate and dangerous Russian threats will be in Western Europe and the Middle East ... the threat in the Pacific can be adequately matched by American naval and air strength.<sup>52</sup>

It was essential for Australia to strike a balance between the requirements of local defence and a contribution to decisive overseas theatres. Australia was thought unlikely by the Committee to be an objective of high strategic priority in Soviet plans. Its security was dependent upon distance from enemy air bases and control of air and sea communications in the Pacific Ocean, the Indian Ocean and in South-East Asia.

Provided there was an adequate superiority of allied naval and air forces in the Pacific and a secure hold was maintained on Malaya and the Philippines, the Committee believed, no serious air attack could be made on Australia. It saw no threat of invasion of the Australian mainland. Although the Committee agreed that subversive activity in South-East Asia would increase, it did not believe that such action would directly affect Australia's security.

In examining the time factor, the Committee noted that the speed of modern warfare had increased immeasurably and that Soviet forces were maintained at a high degree of readiness for mobilisation. It was assessed that the period of warning of the possible outbreak of hostilities could be very short.

In view of these factors, it was considered essential for plans to be developed fully and for armed forces to be maintained in a higher state of readiness for war than had previously been necessary. Allied general strategic plans would influence the composition, strength and armament of the Australian services and hence it was important to examine the part which Australian forces might play in British Commonwealth emergency and long range plans.

The Committee affirmed that plans for the seaward and air defence of vital areas in Australia and the resources required for ensuring Australia's security had been formed in outline. Plans for the protection of sea and air communications were under consideration, in cooperation with British and New Zealand service liaison staffs, and were due for early completion.

The Committee believed that planning should now begin for participation by Australian forces, surplus to those required for home defence, in British Commonwealth deployments. These plans, after development by Australia, Britain and New Zealand, should be coordinated with those of the US for the defence of the Pacific. The Committee regarded ultimate acceptance of such plans by the Australian Government as contingent on an agreement between the US, Britain and Australia as to how defence responsibilities were to be shared in the Far East, the South-West Pacific and the Middle East.<sup>53</sup>

---

<sup>52</sup> Comments by the British Chiefs of Staff on the Major Military Aspects of the Australian Chiefs of Staff Appreciation, September 1947 (attached to British Prime Minister Letter, 29 December 1948), CRS AS954, Box 1627 (File D), AA.

<sup>53</sup> DCM 86/1950, 8 June 1950. CRS A2031, AA.

The second paper considered by the Defence Committee, 'A Suitable Basis for the Distribution of Strategic Responsibility and War Effort', followed logically from the first.<sup>54</sup> In the event of a major war, inevitably global, it argued, Australia would be directly interested in the North Pacific-Far East and Middle East theatres. In a war, the former would be an American responsibility while the latter would be primarily a British responsibility.

Between these two lay the ANZAM region, for which Australia was now responsible to the extent of initiating defence plans in peace. Therefore, the Committee believed, Australia's strategic responsibilities embraced both home defence and, in conjunction with the UK and New Zealand, the overall direction and control of operations, other than home defence, in the ANZAM area. While the political structure of a wartime regional defence organisation had not been determined, the Committee proposed that military direction would be exercised through an organisation to be known as the ANZAM Chiefs of Staff, which included the Australian Chiefs of Staff with British and New Zealand representatives attached, functioning through the Australian defence machinery.

*Based on the recent war experience, the Committee agreed that the forces that could be available by the end of the first year of any future war, for home defence and to support other strategic requirements, would be of the order given in Table 1.1.*

The planned allocation of the expanded defence forces after one year of war, between home defence and overseas deployment, clearly reflects the threat assessment at that time. The Committee deliberations concentrated on the possible deployable component, and home defence was seen as only of secondary importance compared to support for the UK's strategy.

The Committee reviewed the considerations in the three theatres of particular interest to Australia. The North Pacific-Far East theatre was adequately provided for by the US. In the ANZAM region, especially Malaya, a military threat was unlikely to develop until the outcome of subversive activity in Malaya was more apparent. Provided control of the sea and air was maintained, any threat would be in the form of land attack in Malaya and would be unlikely to occur suddenly.

However, in the Middle East, the Committee argued a crisis was possible within three months of the outbreak of war and the early arrival of forces would have a beneficial effect out of all proportion to their size. The Committee warned that if Australian forces were withheld unnecessarily to meet a possible threat to Malaya, the security of the Middle East, and thus of Australia, could be adversely affected.

On this basis, the Defence Committee recommended that alternative plans for the employment of Australian ground and air forces, other than those required for home defence, should be developed to provide for the following possibilities:

- *deployment, in the Middle East, of the first army contingent and air task force raised, with provision for later forces to be allotted to Malaya, should the possible threat develop; and*

---

<sup>54</sup> DCM 89/1950, 15 June 1950, CRS A2031, AA.

deployment in Malaya for the first army contingent and air task force raised, with provision for later forces, not required in Malaya, to be allotted to the Middle East.

The similarity of the first alternative to what actually occurred in World War II is marked and reflects poorly on Australia's ability at that time to plan independently. The Navy was not included in these plans because the Committee believed that it would be required for home defence, for securing sea communications in the Pacific and Indian Oceans, and for protecting the movements of Australian and New Zealand forces.<sup>55</sup>

Table 1.1 Forces available after first year of war<sup>56</sup>

Service	Home Defence	Other Strategic Requirements
<b><u>RAN</u></b> (27 000 personnel)	5 destroyers. 12 frigates. 22 Australian minesweepers. Fleet train, auxiliaries and harbour defence forces. Training force.	2 carriers. 2 cruisers. 6 destroyers. 2 frigates.
<b><u>ARMY</u></b> (240 000 personnel)	Coastal and anti-aircraft defence. Garrison battalions. Training force.	Corps headquarters, three infantry divisions and an armoured brigade.
<b><u>RAAF</u></b> (77 000 personnel)	48 fighters. 18 transports. 48 reconnaissance. 12 maritime strike. Training force.	36 bombers. 96 fighters. 54 transports.

<sup>55</sup> *ibid.*

<sup>56</sup> *ibid.*, Appendix B.

### **The Strategic Dilemma - the Middle East or Malaya**

*UK strategic planning maintained that Britain's established position in the Middle East was an essential part of its continuing role as a great power. Because of the US reluctance to accept a major involvement in that area, being committed to Western Europe, it became vital for the UK to secure Commonwealth support in the Middle East. This view was reflected in the British advice given on the development of the Australian strategic planning papers.*

*These planning papers indicate the dilemma facing Australian defence planners at this formative stage in the development of strategic policy. The Chiefs of Staff were naturally concerned with the security of the South-East Asian region as an important element in Australia's defence. However, as a result of British pressure, the Middle East began to rise in Australian strategic priorities, although the Defence Committee declined to make a final allocation of priorities between Malaya and the Middle East. By embracing the concept of cooperation in British Commonwealth Defence and accepting the assessment that a future war would be global, Australia had little choice but to accept British advice on where it could best contribute to the overall strategy.*

*It was primarily the willingness on the part of the Australian defence planners in the early post-war years to simply accept direction, concepts and strategic policies from Whitehall, without examining their relevance to Australia's strategic circumstances, which saw the acceptance by the Defence Committee of the need to consider the possibility of operations in the Middle East. The need to coordinate activities with the US in the Pacific was recognised, but strategic perceptions were very much aligned to Empire Defence, with the lead being taken by the UK. Although the experiences of World War II were still very much uppermost in defence thinking, the US had shown little interest at that stage in actively cooperating with Britain or its Australian Dominion.*

*In an attachment to Attlee's letter of 29 December 1948, in response to the Australian Chiefs of Staff Appreciation of September 1947, the UK Chiefs of Staff offered some views, which the Prime Minister indicated were endorsed by the British Government. They suggested that war was unlikely, as they doubted that the USSR would take action to initiate war against the US and the British Commonwealth until its economic and military rehabilitation had progressed much further. This was assumed as unlikely until after at least two post-war Five Year Plans i.e. not until at least 1957. However, they cautioned that a Soviet miscalculation could cause war to break out earlier.*

*This threat evaluation confirmed the USSR as the only real potential enemy, and the need for support in the Middle East was emphasised by the UK Chief's of Staff in their comments on Australia's appreciation:*

*The successful defence of the Middle East depends on the rapid build up of Commonwealth and American Forces. We estimate that we shall be hard put to it to deploy adequate forces in time. The British Chiefs of Staff suggest, therefore, that any contribution which Australia is prepared to make, over and above those forces which she requires for the defence of areas vital to its home*

defence, would be most usefully employed in assisting in the defence of the Middle East.<sup>57</sup>

The acceptance by the Australian defence planners of the essentiality to British Commonwealth strategy of retaining the Middle East was reflected in the second of the strategic papers covering distribution of responsibilities, which noted that:

The crisis in the Middle East theatre will arise early, possibly within about three months of the outbreak of war. The arrival of any forces in the Middle East, in the very early stages after the outbreak of war, would have a beneficial effect out of all proportion to their size, and would be of greater value than, than would much larger forces sent at a later date.<sup>58</sup>

Certainly the British Government regarded the security of the Middle East as of fundamental importance to Allied security and its defence was one of the key issues of the UK strategy. The US supported this view and regarded the defence of the Middle East as being second only to that of Europe, but at the same time had advised the UK that it could not provide land or air forces in the Middle East for the first two years of a war. The importance of the area lay in its value as a potential strategic base—especially for offensive air action against the southern and central Soviet Union, as a main source of supply of oil, and in regard to communications between Europe and the Far East. The loss of the oil resources would be significant to any Allied war effort and this factor alone made the Middle East a key strategic area.

The possible Australian contribution was assessed as important, and at this stage, with strong British urging, Australian defence planners had to take the Middle East into account, against a desire to concentrate in the ANZAM area. The relevance of this strategy must also be assessed in the prevailing strategic climate, which could not rule out the prospect of war as likely in the short term. However, it was the start of a dilemma in Australia's strategic thinking which would take some years to resolve. Further, the widely differing nature of the two areas imposed heavy additional training and equipment requirements. It is perhaps ironic that the first call on Australian forces would be the third theatre, the North Pacific, assessed as adequately provided for by the US.

---

<sup>57</sup> Comments by the British Chiefs of Staff on the Major Military Aspects of the Australian Chiefs of Staff Appreciation, September 1947, CRS A5954, Box 1627 (File D), AA.

<sup>58</sup> DCM 89/1950, 15 June 1950, CRS A2031, AA.

## CHAPTER TWO

### DEVELOPMENT OF THE FIRST POST-WAR DEFENCE PROGRAM

*The security of Australia depends ultimately on  
the command of the sea communications.*

Prime Minister Joe Lyons, 1937

#### Ship Construction and the Post-War Navy

The RAN ship building program had developed a momentum of its own, independent of the force structure deliberations on the type of post-war navy Australia should have. To put the deliberations on shipbuilding and the size and shape of the future navy in focus, the composition of the post-war navy will be briefly examined.

The Squadron was organised from April 1946 into a type organisation consisting of: Cruisers, 10th Destroyer Flotilla, 1st Frigate Flotilla, Surveying Group, Training Ships, 20th Minesweeping Flotilla, Landing Ships and the miscellaneous auxiliary ships. The administration was generally the responsibility of the Commodore Commanding HMA Squadron except for the 20th Minesweeping Flotilla, the landing ships in reserve, training ships attached to Flinders Naval Depot and the miscellaneous auxiliary ships. The latter were administered by the appropriate local naval authorities. Operational command of the Squadron by the Commodore Commanding was limited to the cruisers, destroyers and frigates, the remainder coming under the direct operational command of the Naval Board, except for the Senior Officer 20th Minesweeping Flotilla who had operational command for the extensive minesweeping activities then underway.<sup>1</sup> A complete listing of the ships and their organisation is at Appendix 1.

Two of the cruisers (*Australia* and *Shropshire*) were 8-inch gun British 'County' class, completed in the UK in 1928. *Australia* undertook an active role throughout the war. *Shropshire* was given to the RAN after *Canberra*, a sister ship to *Australia*, was sunk off Savo Island in August 1942. *Australia* was the Squadron flagship until the arrival of the aircraft carrier *Sydney* in 1949, and was paid off for disposal in 1954. *Shropshire* paid off in 1949 and was sold for scrap in 1954. The third cruiser, *Hobart*, was a British modified *Leander* class 6-inch gun cruiser built in 1934 and transferred to the RAN in 1938. It was placed in reserve in 1955 and sold for scrap in 1962.<sup>2</sup>

The cruiser was seen as a dual-purpose ship, providing anti-aircraft and surface defence to a fleet or convoy, and able to operate independently as a raider or for naval presence missions. However, in the post-war era, they lacked the action information organisation necessary to coordinate the ship's weapon systems, and had ineffective fire control systems. *Australia* and *Shropshire* were too old to modernise, but the RAN wished to retain this

---

<sup>1</sup> Commonwealth Navy Order 81/46, Naval Historical Records, Department of Defence (Navy Office), File No. 185. The 'Squadron' became a 'Fleet' after the introduction of an Aircraft Carrier in 1949.

<sup>2</sup> John Bastock, *Australia's Ships of War*, Angus and Robertson, Sydney, 1975. pp. 102, 103, 124, 126 and 160.



capability within its force structure. However, as will be discussed in Chapter Three, plans to replace the cruisers never eventuated.

During the war years, Australian yards lacked the capacity and experience needed to construct cruisers. Moreover, war needs demanded that lead times be as short as possible, necessitating concentration on destroyer and frigate/corvette designs. The anti-submarine campaign (in which the cruisers played no effective role) tied up so many escorts that they were continually in short supply throughout the war, as well as being invaluable for numerous other tasks.

On completion of building in the UK in 1942, two 'Q' class destroyers were transferred to the RAN. A further three were also transferred from the RN in 1945 to coincide with the return of the four 'N' class from Australia at the end of the war, giving the RAN a homogeneous group of ships. Although officially on loan, ownership was formally transferred in 1950 at which time the announcement was made they would be converted to Type 15 frigates.<sup>3</sup>

The 'Tribal' class was a pre-war UK design which aimed at producing a destroyer able to match the increasingly heavy armament of foreign destroyers. Three (of a planned flotilla of eight) 'Tribals' were built in Australia after the outbreak of war. *Arunta* and *Warramunga* commissioned in 1942, but *Bataan* was not completed until 1945.<sup>4</sup>

The 'River' class frigates were an Admiralty design to commercial standards and evolved from the requirement to produce an ocean-going escort and patrol vessel. The constraint that they had to be built in commercial yards, however, meant a design compromise had to be reached. They used corvette type reciprocating machinery and had a speed limit of 20 knots. Simplicity was the key-note of the program and resulted in a lightly armed ship, with good endurance and seakeeping.<sup>5</sup>

The RAN built eight ships of this design. Six were completed in time to participate in the war against the Japanese in the Pacific (*Barcoo*, *Burdekin*, *Diamantina*, *Gascoyne*, *Hawkesbury* and *Lachlan*). The final two, *Macquarie* and *Barwon*, were completed shortly after the war. *Barcoo* and *Lachlan*, were later used as survey vessels, with the latter being transferred to the Royal New Zealand Navy (RNZN) in 1949. The remaining six were used briefly for general patrol duties in the early post-war years, and by the mid-1950s were in reserve.<sup>6</sup>

The 'Bay' class frigates were a further development of the 'River', designed as an escort vessel with heavy anti-aircraft fire power, to accompany the British Fleet in the Pacific. They were of heavier displacement, half a knot slower and with double the armament, having two,

---

<sup>3</sup> *ibid.*, p. 155. *Quiberon* and *Quickmatch* were transferred in 1942, *Quality*, *Queenborough* and *Quadrant* in 1945.

<sup>4</sup> Leo Marriott, *Royal Navy Destroyers Since 1945*, Ian Allan Ltd, London, 1989, pp. 17–19.

<sup>5</sup> Leo Marriott, *Royal Navy Frigates 1945–83*, Ian Allan Ltd, London, 1983, p. 10.

<sup>6</sup> Bastock, *op. cit.*, p. 195.

twin 4-inch guns.<sup>7</sup> The RAN built four of this class, all of which became operational post-war (*Condamine, Culgoa, Murchison* and *Shoalhaven*). A further ten were cancelled in 1944. This class served with distinction in Japan and Korea, but by 1956 all ships were laid up in reserve, being replaced by the Type 15 frigates. By the early 1950s, the RN had officially rated this class of ships as 'second rate frigates' in recognition of the fact that they had been eclipsed by post-war designs and weapons fits.<sup>8</sup>

Shortly before the outbreak of World War II, an RAN requirement for a vessel of relatively simple design, combining the roles of minesweeping, patrol and escort duties was met by the introduction of the Australian minesweeper (AMS). The class was an indigenous Australian design and not, as is often claimed, based on the RN 'Bangor' class. There were similarities, and the AMS combined many of the better features of the 'Bangor' and to some extent, the 'Flower' class corvette.<sup>9</sup>

The concept for such a class was conceived in 1938 by the then Director of Plans, Captain Collins, primarily to meet the perceived submarine threat in Australian waters. They were designated the *Bathurst* class and named AMS as a cover to their anti-submarine capability.<sup>10</sup>

The ships proved useful in World War II as anti-submarine escorts, and the roomy quarterdeck made them very suitable as minesweepers. Sixty of the class were built in eight Australian yards; 36 for the RAN, 20 paid for by the Admiralty but manned and commissioned in the RAN, and the remaining four for the Royal Indian Navy. *Bathurst* commissioned in 1940, with the last order for the class placed in 1944. The ships were simple and reliable and in addition to their anti-submarine, patrol and escort duties, they were used on a variety of general tasks such as carrying troops and stores, assisting in bombardment and assault landings, surveying, and towing disabled ships. They were manned largely by reserves.<sup>11</sup>

After the war, the Admiralty owned vessels were disposed of on behalf of the British Government. Turkey purchased five, the Netherlands acquired eight (four were subsequently transferred to Indonesia), one went to China, and the remainder were scrapped or converted to merchant ships. Of the 36 Australian owned vessels, three were lost in the war, twelve were formed into the 20th Minesweeping Flotilla to clear the minefields off north east Australia, New Guinea and the Solomons (*Warrnambool* was sunk in September 1947, after striking a moored mine during minesweeping operations in the Barrier Reef) and the remainder were placed into reserve.<sup>12</sup> On completion of the massive minesweeping task, most were also paid off in reserve. Although twelve were upgraded as comprehensive ocean minesweepers, the national service training load and general manpower shortages restricted their use in this role.

---

<sup>7</sup> Marriott, *Royal Navy Frigates 1945-83*, op. cit., p. 12.

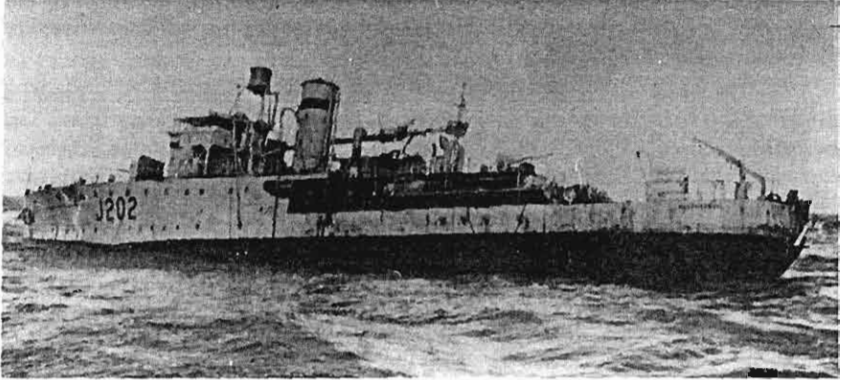
<sup>8</sup> Bastock, op. cit., p. 207.

<sup>9</sup> Peter Elliott, *Allied Escort Ships of WWII*, McDonald and Jones' Publishing Ltd, London, 1977, p. 387.

<sup>10</sup> Collins, *As Luck Would Have It*, p. 70.

<sup>11</sup> Bastock, op. cit., p. 163.

<sup>12</sup> *ibid.*, p. 164.



*HMAS Warnambool sinking near Cape York Peninsula, September 1947 after striking a mine.  
(J. Straczek)*

The two sloops, *Swan* and *Warrego* were of the pre-war British 'Grimsby' class which, when ordered in 1934, was the latest design. This class was superseded by wartime designs. Two (*Yarra* and *Parramatta*) were lost during the war and, in the early post-war years, *Swan* led the 20th Minesweeping Flotilla and *Warrego* was converted for surveying duties.<sup>13</sup>

Against this background, the deliberations on the future classes of ship to be built in Australia to contribute to the post-war navy's force structure can be viewed.

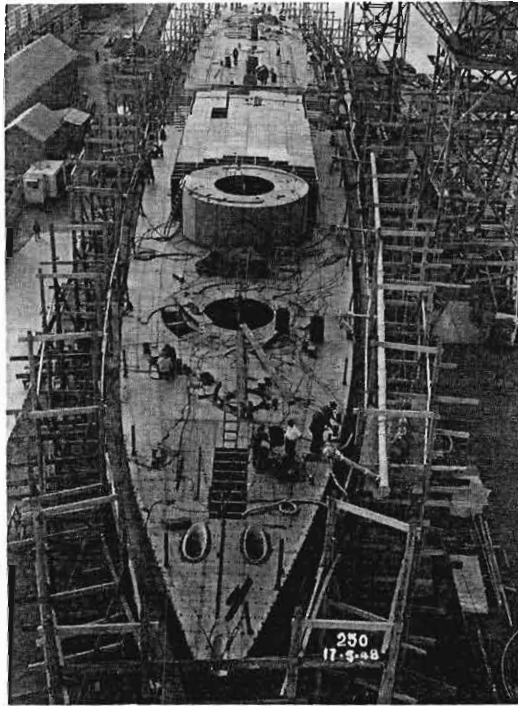
In April 1944, the War Cabinet approved the construction of one cruiser at Cockatoo Island Dockyard, Sydney and a destroyer at Williamstown Naval Dockyard, Melbourne; the priority of these projects was to be after that of ship repair. The Minister for the Navy commented that this might be the start of a ten year naval building program. Later that year, in September, on the Navy's advice, the War Cabinet amended its decision to build a 'Battle' class destroyer at Cockatoo in lieu of the cruiser.<sup>14</sup>

The 'Battle' class design was conceived in the RN in 1941, with the aim of producing a ship better equipped to deal with air attack. The 'Battles' were generally regarded as replacements for the 'Tribals' which had suffered heavy losses in the war. Their inception marked the point at which the prime function of a destroyer was seen to be the air defence of

<sup>13</sup> Elliott, op. cit., p. 379.

<sup>14</sup> War Cabinet Minute No. 3439, 4 April 1944 and No. 3809, 21 September 1944, CRS A2673, Vol. XIV and XV, A.A.

the Task Force it was escorting.<sup>15</sup> The Australian 'Battle' class incorporated improvements over the RN design, notably the newer Mk. VI gun mounting, with an increased rate of fire, an increased number of 40mm guns, torpedo tubes, and the Squid anti-submarine mortar and associated sonar.



*The 'Battle' class destroyer HMAS Anzac under construction, 1948. (J. Straczek)*

In April 1945, the Minister for the Navy submitted further Naval Board proposals to the War Cabinet covering future naval shipbuilding policy generally, and, in particular, the construction of additional destroyers at the two dockyards. The War Cabinet directed that the Defence Committee consider these proposals as part of its assessment of post-war defence policy.

---

<sup>15</sup> Marriott, *Royal Navy Destroyers*, pp. 69–75.

The Defence Committee agreed to the Naval Board recommendations that the Australian shipbuilding program be developed for the time being by building destroyers, and that the viability of building larger ships be investigated, but did not endorse the recommendation to build four additional destroyers as part of a program to build 12 destroyers in 10 years. These latter recommendations were to be deferred until the question of Australia's overall post-war defence forces had been examined.

These conclusions were endorsed by the War Cabinet in July 1945. Subsequently, the full Cabinet, on 27 August 1945, in considering shipping and shipbuilding, approved a planned naval construction program being entered upon to ensure stability in the shipbuilding industry.<sup>16</sup> The Navy requested reconsideration of the War Cabinet decision of July 1945 in early January 1946 as, it was argued, it was necessary to obtain approval to build additional destroyers if the Government's policy was to be implemented in an 'orderly and economic manner, and continuity of employment on naval shipbuilding is to be assured'.<sup>17</sup>

Naval advice was that recent experience had shown that it required at least twelve months after obtaining approval to build a new class of major war ship, before work could be started in the ship yard. This time was required to obtain plans from Britain, check them, prepare and place orders for material and equipment and receive enough material to ensure continuity of work when started.

It was suggested by the Navy that an order for at least four vessels of one class was necessary to enable production to be on an economical basis. The total cost of these four vessels was estimated by the Navy as not more than £10m, which would not be fully incurred until 1950. The destroyers for which approval was sought were the *Daring* class, a large, general purpose destroyer type being built in UK. The *Daring* class was a modern design, with a good range and had capable anti-air warfare systems, a powerful surface and shore bombardment capability as well as the latest anti-submarine equipment.

The *Daring* design incorporated lessons learnt during the recent war and introduced the most advanced marine and general engineering techniques ever used in Australia.<sup>18</sup> The hull was of welded construction and the machinery included a very high pressure steam plant. Such a ship would have the endurance and armament appropriate for the defence of sea communications in the Pacific. In selecting a suitable ship, the links with the RN were so close that the RAN would only consider the building of a warship of British design. It was to take another 40 years before this was to change.

The JPC, in developing its proposals for the post-war force structure, supported the Navy proposals and made the following recommendation to the Defence Committee (with the Air Force member disassociating himself from the decision) in respect of action to ensure continuity of employment in naval shipbuilding and allied industries:

Observing the urgency of a decision to ensure continuity of employment in Naval shipbuilding and allied industries, we recommend that immediate approval

---

<sup>16</sup> DCM 21/1946, 15 February 1946, CRS A2031, AA.

<sup>17</sup> Department of the Navy Memorandum 2064/4/203, 19 January 1946, *ibid.*

<sup>18</sup> Bastock, *op. cit.*, p. 320.

be given to a program for the building, locally, of 4 destroyers with approval to expend in the financial year 1946–47, £150,000 for modifying the shipyards and providing shipyard equipment to enable this program to be implemented, and £20,000 for the purchase of drawings and the provision of additional technical staff.<sup>19</sup>

The Defence Committee gave cautious endorsement to the plan, provided that when a decision had been taken on the composition and role of the post-war defence forces, the *general question of naval shipbuilding in Australia be further examined to ensure the scale of construction was consistent with the approved size of the RAN.*<sup>20</sup> This was approved by the Government on 26 March 1946. Planning could now proceed to maintain a nucleus ship construction and repair industry. With the two 'Battle' class under construction and four *Darings* to be laid down, a continuous building program could be maintained at Cockatoo Island Dockyard and Williamstown Naval Dockyard.

### Post-War Force Structure Planning

From early 1944, many key issues affecting the future defence force had been deferred by the War Cabinet for consideration by the Defence Committee in the context of a review of the post-war defence force structure. As discussed in Chapter One, that Committee tasked the JPC to prepare a paper on post-war defence requirements, which was taken in June 1945.

This paper included recommendations on the nature and functions of the forces to be maintained by Australia. The Defence Committee had concluded that Australia's economy would preclude the forces necessary for its security, but the forces recommended would 'provide a valuable contribution to future Imperial or Allied forces for the defence of the country of our vital interests in this area, and would form the basis for the expeditious organisation of mobilisation in an emergency'.<sup>21</sup>

The recommendations made by the Defence Committee in 1945 concerning the nature and functions of the post-war forces were:

#### Naval Forces

- . A balanced Task Force including aircraft carriers, supported by a fleet train, as a contribution to Empire security.
- . A sea frontier force of escort, minesweeping, harbour defence and surveying craft.
- . The assault shipping required for combined operations.

---

<sup>19</sup> DCA 14/1946, 24 January 1946, CRS A5799, AA.

<sup>20</sup> DCM 21/1946, 15 February 1946, CRS A2031, AA.

<sup>21</sup> DCM 234/1945, 19 June 1945, *ibid.*

### Land Forces

- . The land forces should be so organised and disposed that they can act with the other Services in the protection of areas of strategical importance and in the undertaking of amphibious operations.
- . Local mobile forces for the defence of the main vital areas.
- . Coast and anti-aircraft defence and garrison forces for bases.

### Air Forces

- . Reconnaissance and striking forces capable of:
  - Strategic operations.
  - Tactical operations in support of Naval and Land Forces.
  - Defence of sea communications and trade in cooperation with the Navy.
- . Forces for the defence of important bases.
- . Transport aircraft to ensure flexibility of air forces and airborne troops and to provide air transportation for all Services along lines of communications.<sup>22</sup>

In submitting its report to the Minister, the Committee sought government endorsement of the above recommendations and others on defence industries, the combination of the forces' administrative services, a combined operations staff and universal service.

In assessing the nature of the forces contemplated, it had been assumed that the total annual defence vote would be in the order of £60m (a figure advised by the Treasurer). The Committee consequently also recommended that the Government be asked what amount would be available for planning purposes.

The Defence Committee did not accept the strong advice of the JPC explicitly to represent to the Government that the forces sustainable by an annual expenditure of £60m 'would be quite inadequate to ensure the effective defence of Australia against attack by even one first-class power', but the corollary—'the primary importance of Imperial cooperation and giving the fullest support to any system of collective security' was emphasised.<sup>23</sup> A fundamental assumption of the report was that Australia lacked the resources adequately to defend itself.

By September 1945, the Defence Committee had not received any advice regarding what annual defence outlay was to be used for planning purposes. The Committee was concerned at the number of important post-war questions which had been referred to it for examination, but which could not be resolved until an indication was given of the likely post-war expenditure on the defence forces. Because of the urgency, the Committee decided

---

<sup>22</sup> *ibid.*

<sup>23</sup> DCA 107/1945, 1 May 1945, CRS A5799, AA.

that the JPC should take into account the post-war proposals of the Services and coordinate an overall report on the shape and organisation of the future defence force, including the estimated annual cost.<sup>24</sup>

The Minister for Defence, Mr Beasley, instructed the Committee on 19 November 1945 regarding the 'correct procedure' in the planning of the post-war forces, i.e., its function was first to formulate a plan and second to advise on the finance required. The relevant extract gives an interesting insight into the political view at the time:

The correct procedure is for the Defence Committee, as the government's advisers, to examine the matter for the strategical aspect of a defence problem, and to tender their advice of the strength and organisation of the Forces which, in their opinion, should be provided. They have for their guidance the elements of the strategical situation as they see it now and in the future. They are aware of the forces that were provided in the pre-war period by a population of 7,000,000 people. They have knowledge of the lessons and experience of the War.

After the Defence Committee have formulated their proposals, which should be coordinated as a joint system of defence, the government will consider them, together with the estimated cost, and decide whether the proposals are approved and whether the prospective vote can be provided. If necessary, the government will give any further instructions that may be necessary for the revision of the proposals and the allocation of the vote.<sup>25</sup>

Beasley was a little unfair in this direction, and his reference to the pre-war forces provided by seven million people was somewhat out of context. Force structure planning can theoretically be considered under three broad steps. Firstly, the preparation of a strategic appreciation or assessment. Secondly, capabilities can be derived necessary to meet the roles and tasks indicated by the assessment. Finally, a proposed force structure, including manpower, to meet the capabilities should be prepared, with an estimation of the resource implications together with lower cost options and their implications. While government can be involved at any stage in the process, it must ultimately decide the level of public funds to be allocated to implement the desired force structure.

What the Defence Committee was saying was that it could not proceed to the final step without knowing the likely financial guidance to meet the capabilities requirement identified, and which the Government should endorse. This method differed from that envisaged by Minister Beasley. Implicit in his approach was the assumption that the Government should decide the amount of the defence vote and the strength and organisation of the forces after receiving advice that was based upon military considerations and not constrained by financial ones.

---

<sup>24</sup> DCM 365/1945, 4 September 1945, CRS A2031, AA.

<sup>25</sup> 'Post-War Defence Forces, Nature and Function', Minute by Minister, 19 November 1945, CRS A816, Item 52/301/184, AA.



Of course, these descriptions of the two approaches greatly simplify both. From a rational planning point of view it is important to have some idea of the resources likely to be available. If strategy is disconnected from likely budgets and budget plans are disconnected from reality, then an over optimistic plan creates instability and wasted effort. The upshot was that the planning process continued in accordance with the Defence Committee instruction of September 1945 to the JPC.

The 1946 Appreciation of Australia's strategic position (which was discussed in Chapter One) was used by the Service Departments in the development of their force structure plans. The Prime Minister intervened in the planning process at this stage with a directive, 'Defence Policy and National Security', issued to both Defence and External Affairs. The directive required the Chiefs of Staff Committee to provide for planning purposes an up-to-date and comprehensive strategical appreciation and the Defence Committee was instructed in the amplifying minute to explain its approach to the determination of the ultimate strength and organisation of the forces. In reply, the Committee reported that its approach now involved three consecutive steps:

- . an appreciation to determine the role which the forces will have to fit,
- . determination of the types of forces required to fit the role, and
- . determination of the size of the forces required in accordance with the conclusions reached under the second step.

The Committee noted that the first two steps had been completed with the submission in March of the strategical appreciation for Ministerial approval, which included a summary of the types of forces needed (these were similar to the forces recommended in the June 1945 report). The final step was in preparation.<sup>26</sup>

Each Service had been invited as part of the development of the post-war defence policy to produce a Single Service Plan on the recommended strength and organisation of the post-war force. The Defence Committee had instructed the JPC to review these plans and report on the force and base organisation to be maintained in peace to enable a wartime expansion to the maximum force Australia could provide. The forces provided for World War II were to be used as a basis for this maximum force.<sup>27</sup>

In its consideration of the Service Plans the JPC was invited by the Defence Committee in July 1946 to note two papers prepared in the UK, one from the Admiralty, 'An Appreciation of the Future Naval Requirements of Australia' and 'United Kingdom Air Staff Views on Composition and Strength of the RAAF'.<sup>28</sup>

In forwarding the Admiralty appreciation (dated 1 May 1946), to the Defence Committee in June 1946, the Secretary, Department of Defence noted that the appreciation was 'furnished by the Admiralty while the Prime Minister was in London...' (i.e. during his visit

---

<sup>26</sup> DCA 53/1946, 29 February 1946, CRS A5799 and DCM 133/1946, 2 April 1946, CRS A2031, AA.

<sup>27</sup> DCA 14/146, 14 November 1946, CRS A5799, AA.

<sup>28</sup> DCM 271/1946, 14 November 1946, CRS A2031, AA.

for the 1946 Prime Ministers' Conference). The paper was presumably prepared as a result of discussions at that conference. Australia's Chief of Air Staff (CAS), during a visit to the UK in September 1946, discussed the problem of the future air defence of Australia as well as the proposed nature and composition of the RAAF, with the UK Air Council. As a result of these discussions, the RAF Air Staff prepared the paper for Australia.<sup>29</sup>

The Admiralty appreciation is an interesting document, indicating Whitehall's view on where it saw Australia and its Navy fitting into the overall scheme of Empire Defence. It clearly articulated the situation as perceived in the UK and, although suggesting a naval force structure beyond Australia's capacity to finance, would have reinforced RAN views, particularly in relation to the need for air power at sea.

The paper noted that the objective for Australia was to maintain armed forces:

- . to provide for Australia's own security,
- . to contribute to the common defence of the British Commonwealth, and
- . to undertake primary Commonwealth responsibility for regional defence in the Pacific.<sup>30</sup>

Naval forces of the British Commonwealth as a whole were assessed as being necessary in peace for the provision of forces for 'police' duties and as a basis for expansion in war. It proposed therefore, that Australian naval forces should be similarly planned but the naval forces maintained in peace should not be beyond the capacity of Australia with regard to both manpower and financial resources; a balanced naval force should include an air component.

It was noted that it had generally been accepted and amply proven in the recent war that:

- . naval air power is an essential part of sea power and that a balanced force must include the carriers which provide the naval air component, and
- . the submarine threat can endanger the survival of a seabound country.

War experience and the development of tactics had shown that the major units of a balanced naval force of the approximate size Australia might maintain may be considered to be:

- 2 aircraft carriers,
- 4 cruisers,
- 2 flotillas of destroyers (i.e. 16 ships),
- 4 groups of 8 anti-submarine frigates (i.e. 32 ships),
- minesweepers,

---

<sup>29</sup> Minute, Secretary to Defence Committee, 29 June 1946, and letter Minister for Air to Minister for Defence, 4 October 1946, CRS A816, Item 52/301/184, AA.

<sup>30</sup> DCA 133/1946, 3 July 1946, CRS A5799, and CRS A816, Item 52/301/184, AA.

appropriate fleet auxiliaries (depot ship, stores ship and tankers), and suitable ships and craft for training and combined operations.

The Admiralty suggested that such a force could be supported in peace by a force of about half this strength in reserve.

With regard to bases, it was proposed that the following be maintained:

- . main support area centred on Sydney and Brisbane combined,
- . operational base at Fremantle, and
- . advanced bases at Manus, Darwin and Port Moresby.

Finally, it was suggested that Australia should combine with New Zealand for greater economy in the provision of common requirements and for the establishment of common defence strategy and tactical doctrine.

This paper showed a detailed understanding of the Australian post-war requirements, and was written with a view to ensuring appropriate support was available should the RN ultimately operate in this region. It failed to appreciate Australia's economic circumstances, but gave the naval planners a good basis for considering Australia's needs, given the desire to establish a 'balanced force', including aircraft carriers.

The broad thrust of this paper was reflected in the initial Naval Plan. The fact that such guidance was given, and accepted without question, indicates the pervasiveness of RN influence on RAN policy development during this period.

The capabilities each Service sought to attain with its proposed force were those broadly set down by the Chiefs of Staff in the 1946 Strategic Appreciation, which in turn followed the general thrust of the forces recommended in the Defence Committee's report on the nature and functions of the post-war forces in June 1945. Each plan varied in the degree to which equipment, manpower and resource implications were developed.

**The RAN Post-War Plan (1947-1960)**<sup>31</sup> involved a 13 year program at a total capital cost of £130m. By 1960-61, the Navy planned to acquire 55 new major vessels, including three light fleet carriers, six cruisers, 24 destroyers, 18 frigates, a repair ship, a stores carrier and two fleet tankers. These 55, together with ships already in service, were to comprise; the Carrier Task Force of 3 carriers, 6 cruisers and 24 destroyers, a Sea Frontier Force, of some 50 escorts and other smaller vessels, and a fleet train as broadly recommended in the June 1945 Defence Committee report on post-war forces.

In the case of the carriers, cruisers and destroyers of the Task Force, an availability factor or reserve of one-third was allowed to provide for refitting and action damage. Only a proportion of the total forces would be in commission in peace, determined by strategic requirements and financial guidance. The ships in commission and reserve would be regularly exchanged to allow for maintenance and to balance total operating time.

---

<sup>31</sup> Post-War Defence Forces, File No. 2, RAN Post-War Plan, CRS A816, Item 52/301/245, AA.

The plan's manpower requirements were for 14 018 personnel in 1947–48 rising to 20 981 in 1960–61, sufficient to allow wartime expansion over an unstated period to 51 000, or some 15 000 greater than the number employed in the recent war. The increase arose from the concentration of logistic support into a service-manned fleet train, whereas during the war shore depots had generated large civilian manpower requirements.

The proposed force was seen as the minimum, effective independent fleet, based around naval air power. It was emphasised that RAN forces were not self supporting in World War II, being almost entirely dependent on US and British logistic support. Consequently the plan called for a fleet train to enable Australia to exercise positive control over the Fleet's employment. A battleship was considered desirable but was rejected on capital and operating cost grounds, and the potential logistic problems for one major unit.

**The Army Post-war Plan**<sup>32</sup> provided for the establishment over five years (1947 to 1952) of two infantry brigade groups and an armoured regiment as a Permanent Force (strength 11 880), two infantry divisions and one armoured brigade as a Citizen Military Force (43 423) and headquarters and fixed establishments (20 759), making a total strength of 76 062, including 33 641 in the Permanent Military Forces. This force was considered sufficient to allow the creation in the first year of war of a field force comprising five infantry divisions, supporting armoured formations, corps line of communications and base troops. A sixth infantry division would be available at the beginning of the second year. The ultimate strength of the war-time Army was set at 314 000, much below the peak of 500 000 attained in the recent war.

In the Defence Committee discussions it was explained that during the war, the Army had over-expanded, causing serious manpower shortages in industry which eventually resulted in reductions in the Army and caused it great administrative difficulties. These could have been avoided had the Army been limited initially to a size which Australia could maintain for a reasonable period. It was estimated that the annual costs of the force would rise over the five years from £19.6m to £26.4m, with a subsequent annual recurrent cost of £29.6m after the termination of the commitment to the BCOF.

**The Air Force Plan**,<sup>33</sup> proposed a five-year program (1947 to 1952), with expenditure increasing from £18.3m in the first year to £25.7m in year five. A final force of 19 483 personnel (19 095 Permanent and 399 Citizen Air Force) would man a Mobile Task Force including three long-range/ground-attack fighter, three heavy bomber and two transport squadrons, and static units including four interceptor squadrons and a mixed heavy bomber/ground reconnaissance squadron. A training and maintenance organisation supported the front line squadrons.

In November 1946, in coordinating the report on post-war forces, the JPC noted the Minister's instruction of the previous November. In this context, the JPC stated that it considered it necessary to stress that the strength and organisation of the forces which should be provided as a result of its review of the general defence problem was far beyond the

---

<sup>32</sup> The Army Post-War Plan, *ibid.*

<sup>33</sup> The Post-War RAAF: Nature, Strength and Organisation, *ibid.*

resources of Australia. It therefore concluded that to examine this problem in detail and to give an opinion as to the strength of the forces required would be of no value. Consequently the Committee 'approached the problem with the object of determining the minimum forces required by Australia as a nucleus from which to expand in war'.<sup>34</sup>

It is of interest to note that the very first attempt at defining a post-war force structure produced the concept of a 'core force' as a basis for expansion, which was to be a familiar theme for the next 40 years. Although the JPC considered that a much larger force was required, its opinion would have been understandably heavily influenced from its members' very recent war experience. Considerations of the minimum force required were guided by government policy that, in the first instance, the basis of Australia's defence should be Empire Cooperation.

A summary of the Service personnel plans for the forces which should be maintained in peace to allow for expansion to the levels considered necessary in war is shown in Table 2.1. The Defence Committee subsequently recommended that approval be sought to establish an initial permanent personnel strength, at the existing approved interim strength, as also shown in Table 2.1.<sup>35</sup>

**Table 2.1 Service Personnel Planned and Approved Strengths - 1947**

<b>Service</b>	<b>Planned Peace</b>	<b>Planned War (Maximum)</b>	<b>Approved Interim Strength</b>
Navy	14 018 (to rise to 20 981 by 1960)	51 000	13 500
Army	76 062 (33 641 Regulars & 42 421 Citizen Forces)	314 000	17 954
Air Force	19 483	150 000	15 000
<b>TOTAL</b>	<b>109 563</b>	<b>515 000</b>	<b>46 454</b>

The JPC was substantially in agreement with the RAN and RAAF plans, which were considered to be balanced and appropriate as minimum requirements in peace. The Navy's lack of a capability to develop naval aviation was described as a serious deficiency that ought to be remedied by early action.

The Army plan was assessed as not falling within the strategic guidance given by the Chiefs of Staff appreciation and resulting in too large a standing force in comparison with those of the other Services, given their lower expansion capacities. The strategic guidance

<sup>34</sup> DCM 420/1946, 19 November 1946, CRS A2031, AA.

<sup>35</sup> *ibid.*

indicated that it would be necessary to maintain naval and air forces in higher states of readiness than the Army. Consequently the Army proposals were considered to be inconsistent with the proposed basic strategy and out of balance as a peace time plan with those for the other two Services.

A national service scheme was also considered essential. This formed the basis of the Army plan, but was less important in the case of the Navy and Air Force. The JPC recommended, subject to certain conditions, implementation in 1947–48 of the first year of the plans, with subsequent years to be subject to annual review.<sup>36</sup>

The central assumption informing the Defence Committee's recommendations on the Service Plans in November 1946 was that the 'basic ingredient of Australia's defence must be *Empire Cooperation*' because its defence required armed forces and industrial potential 'quite beyond' its capacity. To secure the support of other Empire nations, Australia must accept a share of the burden of Empire Defence and maintain in peace a level of preparedness to allow total mobilisation in war, after an unspecified period.

Australian forces should be 'so organised and trained' that they could 'fit in as complete units with Empire Forces in any theatre', but particularly in the Pacific. The provision made for local defence could largely be met from such forces. Further, it was in Australia's interest to reach agreement on a reciprocal basis with other Empire nations for their forces to be employed to an agreed plan in an emergency, or when the international situation required deployment as a precautionary measure.<sup>37</sup>

In its comments on the individual plans, the Committee reiterated the remarks of the JPC concerning naval aviation, and sought immediate approval for increased permanent personnel establishments for the *Interim Forces*. It also agreed that the planned strengths in war represented a *satisfactory balance between the Services*. The *Chiefs of Staff* were unable to agree, however, that their implementation in peace would result in a proper balance between the Services.

Both the CNS and the CAS believed the Army plan would place the Army in a higher degree of readiness for war than was necessary. The Chief of the General Staff (CGS) disagreed, emphasising his proposals were a minimum for effective preparation for expansion in war. Unable to reconcile these differences, the Committee decided to submit the plans in their original forms to the Government for decision. This was an early example of how the Defence Committee failed to resolve difficult decisions relating to service relativities and set the scene for non-partisan civilian control of the higher defence decision making process.

A summary of the expenditure proposed is shown in Table 2.2.<sup>38</sup>

---

<sup>36</sup> *ibid.*

<sup>37</sup> *ibid.*

<sup>38</sup> *ibid.*

Table 2.2 Proposed Defence Expenditure 1947-1951

YEAR	NAVY £m	ARMY £m	AIR FORCE £m	TOTAL £m
1947-48	20.7	19.6	18.3	58.6
1948-49	21.2	21.2	19.3	61.7
1949-50	21.6	21.3	20.3	63.2
1950-51	22.0	21.4	21.1	64.5
1951-52	22.4	26.4	25.7	74.5
<b>TOTAL</b>	<b>107.9</b>	<b>109.9</b>	<b>104.7</b>	<b>322.5</b>

### Financial Reality

The Council of Defence did not consider the Defence Committee recommendations until well into 1947 and then considered the issue over two meetings. The first meeting was held on 6 March 1947 and was a 'general background discussion' on the post-war defence policy to determine the way ahead. The Minister for Defence, Mr Dedman (who had succeeded Beasley on 1 November 1946) submitted the Defence Committee proposals for the strength and composition of the forces.

The Prime Minister noted that the 'aggregate future strength' of the forces 'will be governed by the percentage of the national income and resources which should be devoted to Defence'. He observed that the net cost that year of defence, together with post-war reconstruction, was £221m of which Defence and allied services were to receive £147m.<sup>39</sup> He concluded that the probable amount available to restructure the forces would relate to other government commitments, the importance of maintaining continuity of defence policy and the minimum maintenance vote. He emphasised that this also related to the manpower resources able to sustain strengths to which the peacetime organisation could be expanded in war. Pay and conditions to attract suitable recruits were important and he saw the need for greater emphasis to be given to scientific research and development.

<sup>39</sup> The 1947/48 Defence vote had two components:

- Provision for all those elements which comprise the organisation, forces and requirements of the peacetime defence policy including R&D.
- Provision for war time commitments and outstanding liabilities such as:
  - accumulated deferred pay for war time service.
  - special costs associated with the BCOF such as cost of personnel exceeding the authorised peacetime strength and special maintenance charges such as the support ships *Manoora* and *Kanumbra* which would otherwise not be incurred.

Chifley added that while each post-war plan was the responsibility of the respective Minister and Service Board, the coordination of these plans was the responsibility of the JPC and the Minister for Defence through the Defence Committee. He suggested that £50m was *about all that could be allocated to Defence and this should include provision for research and development, the central defence machinery, and munitions as well as the Services.*<sup>40</sup>

At the Council of Defence meeting on 12 March 1947 to decide the defence allocation, the Minister for Defence presented the annual cost of the total defence plan (including research and munitions as well as the three Services) as being £90m. The Prime Minister noted that this sum was some 25 per cent of government income and stated that £50m was the most that could be allocated.

Chifley then outlined the basis of the Government's defence policy and emphasised that Australia needed to play a leading role in Empire Cooperation to ensure the world collective security system did not fail. He also acknowledged the potential implications of scientific and technological change for the structure and organisation of the forces and emphasised again that high priority should be given to research and development, to which Australia intended to cooperate with Britain in a Long-Range Weapons Project.

The Prime Minister stated that the Services should be small and efficient, the vote was to be £50m and that the Defence Committee should divide this up. The Council then decided, in accordance with the 'Draft conclusions...', that the Defence Committee should submit to the Minister for Defence recommendations on the provision to be made from a vote of £50m. This was to include an annual amount for research and development, the Defence Department (including the Joint Service machinery) and an amount for expenditure by the Munitions Department. After settling this, the Defence Committee was to report on the strength and composition of the forces which could be provided if the remainder of the Defence Vote were divided equally between the Services, or with such adjustments as might be agreed. The concept of national service was rejected.<sup>41</sup>

The Defence Committee considered this on 18 March 1947. The Chairman of the New Weapons and Equipment Development Committee, the Secretary, Department of Munitions, and the Controller-General, Munitions Supply, were also present while their allocations were discussed. Agreement was reached that planning should proceed on the basis of the following annual allocations: Department of Defence, £650 000; research and development, £5m; and £7.5m to the Department of Munitions. The last two amounts were provisional and to be justified. The amount remaining for the Services was £36.8m, but the Chiefs rounded this to £37.5m which, if divided equally, would have allowed each Service £12.5m.

The CNS (Admiral Sir Louis Hamilton KCB, DSC—the last RN officer on secondment to head the RAN) indicated that the strategic situation dictated the provision of a modern navy including aircraft carriers. He stated that he needed about £20m annually to provide the minimum force necessary and invited the other Services to reduce their requirements so as to enable him to plan for such a force. This proposition 'was not, however, found acceptable by

---

<sup>40</sup> Council of Defence meeting 6 March 1947, CRS A7535, Item 14, AA.

<sup>41</sup> Council of Defence Minute No. 4, Agendum No. 1/1947, 12 March 1947, *ibid.*



the other Services'. The Committee then decided, pending final determination of the amounts to be allocated to research and development and munitions, that each Service should prepare plans on the basis of an annual expenditure of £12.5m.<sup>42</sup>

The Defence Committee met again in April and May to determine the amounts to be allocated to research and development and munitions. The Services meanwhile could not complete their revised plans until these issues were resolved. Discussions were protracted but finally resolved and the reports were considered at the Defence Committee meeting of 21 May 1947. The revised Service Plans were also taken at that meeting.

The Navy revised plan was in three parts. The first re-stated the RAN Post-War Plan 1947–60, whose implementation was described as a 'Long Range Plan'. The second part, which contained proposals for the period 1947–51, was designed to fit into this Long Range Plan. It differed from the first five years of the original plan in that cruiser replacement was deferred, the destroyer construction program reduced, and the acquisition of modern escort vessels and the fleet train was omitted.<sup>43</sup>

The Navy now proposed that by 1951–52 the RAN should include two light fleet carriers, three cruisers, including one in reserve, eight destroyers (two in reserve) and nine frigates (six in reserve). The third part of the new plan set out the 1947–48 requirements for the implementation of the five-year plan. It included the acquisition but not the commissioning of the first aircraft carrier, the ordering of aircraft and the setting up of training and shore establishments for the air arm.<sup>44</sup>

Because of a reduction in the planned munitions expenditure, the amount to be allocated to the Services, £40.1m, was some £2.5m over the basis on which they had prepared their plans i.e. an annual allocation of £12.5m each (total £37.5m). The Chiefs of Staff could not agree on the disposal of this amount. The CNS and VCGS considered it should be added to Navy's allocation, while the CAS contended it should be divided equally between the Services. The question was submitted for decision by the Council of Defence.<sup>45</sup>

At its meeting on 30 May 1947, the Council noted that government was giving a guaranteed program of about £250m over 5 years and that the £50m annually for peace time requirements should be interpreted as an aggregate program over the period from 1947–48, subject to annual review. The Council endorsed the need for an increased allocation to the Navy and agreed to the allocations shown in Table 2.3:<sup>46</sup>

---

<sup>42</sup> DCM 87/1947, 18 March 1947, CRS A2031, AA.

<sup>43</sup> The RAN Post-War Plan 1947–1960, attached to Post-War Defence Forces, File No. 2, CRS A816, Item 52/301/245, AA.

<sup>44</sup> DCM 187/1947, 25 May 1947, CRS A2031, AA.

<sup>45</sup> *ibid.*, p. 19.

<sup>46</sup> Council of Defence Minute No. 5, Agendum No. 2/1947, 30 May 1947, CRS A7535, Item 14, AA.

Table 2.3 Revised Allocations

Department	1947-48 £m	Five Year Total £m
Navy	15.0	75.0
Army	12.5	62.5
Air Force	12.5	62.5
Research and Development	6.7	33.5
Munitions	3.5	17.5
Department of Defence	0.6	3.0
<b>TOTAL</b>	<b>£50.8m</b>	<b>£254.0m</b>

The Council noted that reductions would be necessary to bring the Services' plans within cost and that the Navy and Air Force both had provision for naval aviation. This matter would need to be considered by the Council and Cabinet in due course to determine whether the Navy or the Air Force would provide personnel for naval aviation. The Council's recommendations were approved by Cabinet on 3 June 1947.

#### Naval Five Year Program

The main elements of the Five Year Program were presented to Parliament the next day by Dedman, in a major post-war defence policy statement. Some two years after the Chiefs of Staff commenced consideration of the post-war defence force, the decision had been finally made. The Government had been loath to provide planning guidance on the basis of the first proposal submitted late 1945, but by early 1947 was well aware of the realities of the economic situation. It had assessed that there was no likely immediate threat to Australia's security and that Australia's future strength would depend more on post-war reconstruction than defence.

Dedman outlined the planned expenditure over the five years of £250m, noting that 'an assured program over a period of years is the only basis on which the planning and authorisation of expenditure and the balanced development of the Services and Departments can proceed'.<sup>47</sup> The Navy allocation was 30 per cent of the defence program, the largest individual quota.

The basis for the Navy receiving a major share was explained by describing the fundamental importance of sea power as demonstrated in the recent war, the long lead time for building ships, the inability to replace those lost in combat and the essentiality of a navy being

<sup>47</sup> CPD, Vol. 192, 4 June 1947, p. 3337.



1 cruiser.  
 2 destroyers.  
 6 frigates.  
 1 sloop.  
 31 Australian minesweepers.  
 39 miscellaneous vessels.

**Total**                      **80**

### Early Naval Planning - Summary

Although instructed by the government to examine the nature of the post-war forces in January 1944, the Defence Committee only commenced a serious examination of this important policy issue in early 1945. Some two years after the preliminary report to government, and seven months after the final report, the plan for the development of the post-war Australian Defence Force was finally approved in June 1947. A summary of the evolution of naval thinking of the number of major units considered necessary, compared to the RAN in 1938, is given in Table 2.4.

**Table 2.4**      **Comparison of Major Units of Pre-War and Planned Post-War RAN**

Ship Type	1938	Admiralty Appreciation Plan		Initial Post-War Plan		Approved Post-War Plan	
		C <sup>(1)</sup>	C	R	C	R	C
carrier	-	2	1	2	1	2	-
cruiser	6	4	2	4	2	2	1
destroyer	5	16	8	16	8	6	2
frigate		32	16	34	16	4	6
sloop	2	-	-	-	1	-	1
minesweeper	-	++ <sup>(2)</sup>	++ <sup>(2)</sup>	8	25	2	31
fleet auxiliary	1	3+	-	4+	-	-	-

- Note: 1.      C = commission  
                   R = reserve  
 2.      ++ = large, but unspecified number

This table does not include support vessels, training ships, surveying and the many smaller support vessels. The number of these ships in the approved post-war plan was based on what could be adapted from those available at the end of the war, rather than what was needed for a future post-war Navy.

The influence of the Admiralty appreciation is significant, and the RAN initial plan virtually encompassed all that the Admiralty suggested, including the need to build 24 new destroyers for the carrier task force. The British war-time experience confirming the need for a large number of escorts was reflected in the RAN plan, which in the interim planned to use the existing destroyers, frigates and AMS to meet the requirement of a total of 50 ships in the Sea Frontier Force, with some 18 new frigates to be constructed.

The cruisers and destroyers were planned to form part of the carrier task force, a force that would be committed as an Australian contribution to a 'powerful Empire or Allied fleet'. The frigates would be primarily for training and presence missions. It is noteworthy that the fleet train in the initial plan, of a repair ship, a stores carrier, and two fleet tankers, was discarded in the final plan. This meant that the RAN could only operate remote from Australian waters as an element of another naval task force.

The initial post-war plan was retained within the Navy as the 'Long Range Plan', which was aimed at 'building a balanced force capable of operating independently by 1960'.<sup>49</sup> This planning basis was finally given up by the Navy as unrealistic and beyond the capacity of the country's resources in 1955, as discussed in Chapter Eight.

The central problem for the post-war planners lay in the limited resources available and in the fact that the initial plans were over ambitious and unrealistic. The naval planners' thinking was no doubt dominated by the recent conflict, and they had not really come to terms with what the Australian Government could realistically provide for future defence forces.

The Government's immediate priority was to get Australia back on its economic feet. Post-war reconstruction was vital to Australia's future well being, while the threat of armed conflict was seen as unlikely. In the event, the RAN was fortunate that support was maintained for the introduction of naval aviation, with its inherent significant costs.

---

<sup>49</sup> The RAN Post-War Plan 1947-1960, CRS A816, Item 52/301/245, AA.

## CHAPTER THREE

### FROM SQUADRON TO FLEET - THE INTRODUCTION OF NAVAL AIR POWER AND THE SHIFT TO ANTI-SUBMARINE WARFARE

*The government ... has decided that ... members  
of the Royal Australian Navy will not again be  
required to put to sea in a scrap-iron flotilla.*

W.J.F. Riordan,  
Minister for the Navy, 29 September 1948.

#### Aligning the Program with Strategy

The 1947 Five Year Defence Plan was very well received, particularly in the UK where officials at high levels were most complimentary of the Government's commitment to build up a defence force, not only appropriate to Australia's needs, but designed to contribute to British Commonwealth defence. In view of the 'importance of the Ministerial announcement of 4 June announcing the Government post-war Defence program and its proposals for cooperation in British Commonwealth defence', the Defence Secretary, Sir Frederick Shedden had sent some 200 private copies to a large number of 'high officials and Service circles' in the UK and Australia, and received many glowing responses. These he had summarised and given to the Prime Minister and Minister for Defence, no doubt to reinforce the appropriateness of the new policy, of which he was the prime architect.<sup>1</sup>

In February 1948, Shedden produced an overview of the more important aspects of defence policy for the Prime Minister and Minister for Defence. This paper (Defence Policy Review - February 1948) was subsequently issued by the Minister for Defence and discussed by the Council of Defence in April that year.<sup>2</sup> The paper reviewed the latest security issues and then examined Australia's defence program in relation to the strategic conclusions.

Reflecting the prime source of intelligence information to Australia in that period, the paper went on to summarise 'the most recent authoritative view from London and the probability of danger from the Soviet Union'. Australia had implicitly accepted the British advice that the only threat to world order could come from the Soviet Union. In fact, the deterioration in the international situation in the late 1940s, following so closely after World War II, could be perceived as repeating the main features of the events of 1938 and 1939 and hence there was a genuine anxiety about security and defence.

However, in his notes to guide discussion at the Council of Defence meeting, Shedden summarised a view of Australian defence which was to be accepted by successive governments for many years. 'If the US and Russia do come to blows, Australia's effort will not turn the scales either way. There is therefore no need for us to devote to defence more than is a

---

<sup>1</sup> Speeches on Defence Policy 1946-47, CRS A5954, Box 98, AA.

<sup>2</sup> Defence Policy Review 1948, CRS A5954, Box 852, AA.

reasonable proportion of our resources in the present circumstances'.<sup>3</sup> He then went on to point out it was essential to maintain a good basic organisation and strength for the purposes outlined in the Minister's recent Defence policy speech, and therefore important not to 'lag' in the present program so that it could be stepped up should the strategic circumstances deteriorate.

The key strategic conclusions from this review provided a pragmatic basis for Australia's defence policy, but show the strong influence of the UK on Australian strategic thinking. These conclusions included:

- . All possible support should be given to the United Nations to make it an effective body for the maintenance of peace, but realistically accepting that this body cannot prevent war and therefore recognising the importance of maintaining defences of 'adequate strength'.
- . The need for Australia to develop cooperation in British Commonwealth defence and assist Britain 'to enable it to maintain its position as the heart of the British Commonwealth'.
- . Note the equally great importance of developing cooperation with the US in every way possible.<sup>4</sup>

Australia's Prime Minister had already stated that the best means by which Australia could aid the UK in peace, was to relieve it, as far as possible, of the burden of British Commonwealth defence in the Pacific. The British strategy had three main features: the defence of the homeland; the control of essential sea communications; and to maintain a firm hold in the Middle East and its development as an offensive base.

The UK had assessed that the possibility of a major threat in the Far East was remote. The motive for maintaining British forces in the region was to secure strategic and economic interests. The reality of the UK's economic situation had been officially advised to Australia and in the event of a major war in the Pacific, 'they would not, if also engaged elsewhere, be able to make any large contribution'.<sup>5</sup> This fact, together with American economic and military strength, emphasised the need for Australia to establish effective cooperation with the US.

The cooperative machinery in place for British Commonwealth defence was seen as an appropriate basis for any future British cooperation and coordination of plans in the Pacific with the US. It was recognised that talks would probably have to be developed initially on a purely service level and hence would be predominantly of a naval nature. It was therefore essential for effective cooperation for the RAN to know its role in relation to US plans.

---

<sup>3</sup> *ibid.*

<sup>4</sup> *ibid.*

<sup>5</sup> *ibid.*

The broad force structure being planned was designed to conform with the requirements of British Commonwealth Defence in the Pacific, but went further and aimed to assist the UK in the basic requirements of its own strategy as the 'heart of the British Commonwealth'. This latter judgement was to influence defence planning, and begin the agonising over the requirement to provide ground and air support to the Middle East. The naval program and planned use of the Navy to defend sea lines of communications remained relevant to Australia's defence needs.

The objectives of the naval program were to build a balanced force capable of playing a part in the protection of sea communications in the ocean trade routes as well as Australian coastal waters. It was considered that the provision of sea power to defend sea trade also provided a deterrent against seaborne raids.

The Army program had as an objective the provision of forces for a possible UN commitment. The limitations of the UN machinery in this regard were recognised, but this was seen as important for ultimate cooperation with the US in any plans it had in the Pacific. In regard to cooperation in Commonwealth defence, a future aim of the Army program was to assist the UK in the Middle East. The program provided for a basic organisation for expansion in time of war. The forces required for these objectives were seen as also covering local defence of the mainland.

The Air Force program was complementary to the Navy and Army ones in their relationship to the broad strategy. The planned strength of the Air Force would allow Australia to fulfil its obligations under the UN Charter and enable participation in British Commonwealth defence. It was also seen as providing the basis for expansion in war and the air contribution to the local defence of Australia.

In April 1948, in the context of discussing progress on British Commonwealth cooperation planning, the Council of Defence authorised, subject to certain reservations, the development of strategic planning at the official level:

- . within the limits of a zone in the South-West Pacific area (which became the ANZAM Region), and
- . for the defence of vital sea communications between main support areas.

The Council also agreed that 'should it be possible to open discussions with the US at the naval level, the plans may be coordinated with them at that level, though, should Joint Service and Supply aspects arise, the coordination should be brought within the scope of the Defence Machinery'.<sup>6</sup>

In discussing the state of the five year program, the Council of Defence noted that all Chiefs of Staff were concerned about personnel strengths and that the CNS was concerned about the delay in launching his program. The personnel situation was aggravated by the unpredictability of the large numbers of short term engagements, doubts about re-engagement, and general recruiting problems.

---

<sup>6</sup> Council of Defence Minute No. 10, Agendum No. 1/1948, 20 April 1948. CRS A7535, Item 14, AA.



From the material point of view, the main problem was a cost increase for the two aircraft carriers, relating to both higher prices and the new requirement identified for them to be modernised. Shedden proposed that a Defence Progress Review Committee be established to safeguard against 'lag' in the program. The *ad hoc* committee, chaired by the Secretary Department of Defence and consisting of the permanent heads of related departments and the Chiefs of Staff, was seen as an appropriate administrative body to review that function and report to the Defence Committee.<sup>7</sup>

### Background to the Carrier Decision

The major component of the naval program was the decision to introduce naval air power. Because of its significant impact on the evolution of the RAN after World War II, it is important to review the background to this decision. The addition of light aircraft carriers also involved a change of status. On 1 January 1949, after delivery of the first carrier, the RAN ceased to be a 'Squadron' and assumed the status of a 'Fleet'. A 'Fleet' is considered 'an organisation consisting of various types of ships and naval aircraft, capable of undertaking major operations'.<sup>8</sup>

Following the Prime Minister's direction to the Defence Committee in January 1944, to commence planning for the size and shape of the post-war defence forces, a further instruction was issued in February that year inviting the Committee to 'review the war effort in the light of the present strategic situation', distinguishing what was necessary to meet operational requirements in the South-West Pacific area and for the defence of the mainland.<sup>9</sup>

The RAN at this stage, despite an increase in manpower, had suffered a general decline in the number and quality of its 'fighting strength' i.e. cruisers and destroyers. By 1944 it had effectively only two cruisers and 10 destroyers, six of which were on loan from the RN. A third 'Tribal' class was under construction.<sup>10</sup> There were numerous frigates and minesweepers in service and more building, but these were not considered by the Naval Board to be the type of ships on which to base a post-war fleet, let alone contribute in a politically significant fashion to the war against Japan.

The RAN considered a carrier task group to be a logical way ahead and a means by which Australia could contribute to British Commonwealth defence while maintaining an independent naval capability. Also, given the age of the cruisers, even without further war losses, the Australian Squadron was in danger of losing its identity as an operational unit.

By 1944, the RN had a substantial ship construction program underway, including a number of light fleet carriers, but was having severe manning problems. On the basis of the impending allied naval build-up in the Pacific to conclude the war against Japan, and observing

---

<sup>7</sup> Defence Policy Review 1948, CRS A5954, Box 852, AA.

<sup>8</sup> *Official Year Book of the Commonwealth of Australia No. 38*, 1951, October 1950, p. 1193.

<sup>9</sup> War Cabinet Minute 3334, 22 February 1944, CRS A2673, AA.

<sup>10</sup> The cruisers were: *Australia* and *Shropshire*; *Hobart* being out of action since 1943 and the antiquated *Adelaide* being laid up. The destroyers were: *Aruna*, *Warramunga*, *Suairi*, *Vendetta*, *Napier*, *Norman*, *Nizani*, *Nepal*, *Quiberon* and *Quickmatch*.

that Canada had recently been loaned RN ships (including two escort type aircraft carriers) the CNS sought support from the Advisory War Council in March 1944 for an increase of 4000–5000 personnel.

This increase would enable the RAN to man up to nine additional warships (one or two cruisers, six destroyers and a light fleet carrier) which it was assessed the UK had, or would soon have, but could not man, and which it could make available to Australia for service with the RAN, probably as gifts. The Advisory War Council concluded that as the proposal was related to the question of the strength at which each of the Services was to be maintained, it was *not prepared to take a decision pending the submission of the review requested by War Cabinet* (i.e. the overall review of the war effort).<sup>11</sup>

The recommendations on the war effort and manpower strength of the Services which were ultimately submitted showed the inability of the Defence Committee to submit unanimous advice on priorities when inter-service rivalries were concerned. The report contained no weighing of competing demands leading to an agreed recommendation. Instead, each Chief of Staff restated the manpower claims of his Service, purportedly derived from a joint strategic appreciation that Australia was well past any risk of invasion or serious attack, but that *measures necessary for the defence of Darwin and Fremantle should be maintained; offensive action by enemy submarines against shipping and all parts of the mainland coast was possible; the chances of any landing or attack by surface forces on the east coast might be discounted; there was no longer any danger of air bombing on this coast; the chances of an enemy landing on the west coast were remote; and the mainland area north of 20 degrees south was the most vulnerable.*

In discussions on the subject, Army supported a re-allocation of the manpower intake, subject to Britain making the additional ships available. This would enable an increased Navy recruiting intake to man the carrier. Air Force insisted that any additional recruiting allocation to Navy should come wholly from Army so as not to prejudice Air Force's operational effectiveness and approved expansion by the end of 1944 to 53 squadrons.<sup>12</sup>

Curtin visited the UK in April/June 1944 and while he was absent, in early May, the War Cabinet gave approval in principle to increase the Navy's recruiting quota. The decision was subject to review in the light of any arrangements made by Curtin with Churchill for return of the, some 3000, RAN personnel serving in the RN, and in any case it was to be reviewed by the end of October 1944.<sup>13</sup> Despite attempts by both the Army and Air Force to resist the readjustment, following Curtin's approval, the War Cabinet agreed to implement the decision on 23 May 1944.<sup>14</sup>

Apart from seeking the return of RAN personnel, Curtin had been briefed to offer to man for service in the Pacific area, a small carrier and one or two cruisers. Following discussion on the planned British build-up in Australia after the defeat of Germany, the First

---

<sup>11</sup> Advisory War Council Minute 1322, 21 March 1944, CRS A2676, AA.

<sup>12</sup> DCM 89/1944, 25 March 1944, CRS A2031, AA.

<sup>13</sup> War Cabinet Minute 3523, 3 May 1944, CRS A2673, AA.

<sup>14</sup> War Cabinet Minute 3550, 23 May 1944, *ibid.*

Sea Lord, Admiral of the Fleet Sir Andrew Cunningham, offered to turn over to Australia a *Colossus* class light fleet carrier and two new 6-inch gun *Tiger* class cruisers. The nucleus of air personnel would be gradually provided by withdrawing Australian aircrew and maintenance personnel serving with the Fleet Air Arm. The RN would also loan personnel until RAN reliefs could be trained.<sup>15</sup>

Curtin indicated that he would consider the matter. During his London discussions he was most annoyed to discover that the British knew of the Australian War Cabinet's support for the RAN proposal, knowledge which he believed (correctly) had been communicated to the Admiralty through naval channels. The Prime Minister directed Mr Forde, the acting Prime Minister, to prevent further breaches of the explicit instruction that policy issues were to be government to government only.<sup>16</sup> This was not the first time that the Naval Board had disregarded this instruction in its close and somewhat subservient relationship with the Admiralty.

Curtin invited the Defence Committee to review the proposal, along with all other military aspects of the war effort. The Navy submitted a paper to the Defence Committee which began to develop the theme of the carrier's place in post-war navies. The value of naval air power and its important and varied uses was espoused, including its 'strategic ubiquity'. The carrier was described as a mobile air base, capable of providing fighter protection for naval forces and aircraft for anti-submarine operations, and anti-ship and anti-shore striking power.

The Defence Committee agreed in August 1944 that a 'balanced Naval Task Force should include carriers and that provision should be made for this type of ship in the RAN. At this stage ... provision should be made for one carrier and ... consideration should be given to the provision of a second carrier'.<sup>17</sup> Curtin continued to defer the scheme, and was more concerned with Australia's overall manpower shortages and their allocation between the Services and the needs of the civil economy, including the indirect war effort.

Following a major review of manpower in February 1945, the War Cabinet, amongst other recommendations, agreed that the Prime Minister should re-open negotiations with Britain for the transfer of 'one or two modern cruisers and one light fleet carrier', without payment.<sup>18</sup> It is significant that Curtin in his request to Churchill noted that their transfer would not only strengthen the Navy for future operations against Japan, but would provide a foundation of modern ships on which to build Australia's post-war fleet. Curtin had started to raise the prospect of Australian participation in a post-war scheme of Empire naval defence in the Pacific.

The British delayed an answer for some three months and finally offered the *Colossus* class light fleet carrier *Ocean*, and because of delays with the *Tiger* class, offered alternative cruisers. The reply also asked for reimbursement of some £9m. The problem was who was to

---

<sup>15</sup> J. Goldrick, 'Carriers for the Commonwealth', in T.R. Frame, J.V.P. Goldrick and P.D. Jones (eds), *Reflections on the Royal Australian Navy*, Kangaroo Press, Kenthurst, 1991, p. 225.

<sup>16</sup> Goldrick, *ibid.* and David Homer, *High Command*, Allen and Unwin, Sydney, 1991, p. 372.

<sup>17</sup> DCM 269/1944, 18 August 1944, CRS A2031, AA.

<sup>18</sup> War Cabinet Minute 4044, 9 February 1945, CRS A2673, AA.

pay? A major issue was that the Australian Government was proposing to charge Britain for the greater part of the facilities to be provided in Australia for the British Pacific Fleet. This amounted to some £26m and Curtin had drawn this to Churchill's attention. While Churchill was inclined to give the ships free, the British War Cabinet took a harder view.<sup>19</sup>

By this time the surrender of Germany was imminent, and although planning continued for the invasion of Kyushu and Honshu in the spring of 1946, Churchill was aware the atomic bomb might be ready by August 1945 and used against Japan. A slight increment in Empire prestige, influence and power consequent on the enlargement of the Australian Squadron and the modest increase in Empire presence in the Pacific was not worth £9m to Britain. This was especially so when compared to the significant size of the US Fleet in the Pacific.<sup>20</sup>

It was one thing for Cunningham to portray in mid-1944 the free transfer of vessels as contributing to the foundation of the post-war Australian fleet when he sought to get ships manned and to sea against the enemy, it was clearly another altogether to contemplate their gift when that need was no longer felt. In addition, this could also preclude sales by private British ship builders post-war.

It was finally agreed by War Cabinet that a decision should be deferred pending the report by the Defence Committee on the nature, strength and organisation of the post-war defence force. Chifley, now head of a caretaker government, cabled Churchill on 16 June 1945 declining the British offer, but indicated the matter might be raised again when further progress had been made on the formulation of post-war defence policy.<sup>21</sup>

### **The Carrier Debate**

The Naval Board raised the establishment of an Air Branch again with Shedden in February 1946.<sup>22</sup> A somewhat over-stated letter described the Navy, with its ageing cruisers, as 'obsolescent by the modern standards adopted in the RN and the US Navy', which both regarded the aircraft carrier as an indispensable part of the fleet.

It was assessed that the lack of modern vessels was adversely affecting the morale of the officers and men of the Permanent Naval Forces who were well aware that without an air arm the Navy would 'virtually cease to exist as a first-line Naval Force'. In the absence of government reassurance on this matter, the Board was unable to assuage their concern and the Navy's future appeared 'most insecure'.

The Board drew attention in the memorandum to the Defence Committee's recommendation of June 1945 that the Navy should contain 'a balanced Task Force including aircraft carriers' and the Minister's instruction of November 1945 that this should be considered in the Committee's pending report on the strength and organisation of the post-war forces.

---

<sup>19</sup> Goldrick op. cit., pp. 227, 228.

<sup>20</sup> *ibid.*, p. 228.

<sup>21</sup> *ibid.*, p. 229.

<sup>22</sup> Memorandum 05371, Department of Navy to Department of Defence, 23 February 1946. CRS A816, Item 52/301/236, AA.

Because of the wide scope and complexity of the questions to be addressed in that report, the Board thought its early submission unlikely. It conceded that the final composition of the post-war Navy must await examination of the report, but emphasised most strongly, if it was the intention of the Government to maintain an effective Naval Force, the acquisition of aircraft carriers and the formation of a naval air branch was essential.

It was pointed out that even if immediate permission were given to establish the branch, five years would elapse before it reached an efficient operational state. The Defence Committee was therefore requested urgently to consider seeking early government approval 'for discussions on a staff level with Admiralty, and preliminary arrangements for the establishment of a naval air branch'.

Consideration was given by the Defence Committee to the Navy Memorandum in March 1946. Although the minutes were not issued, the draft records its recommendation that, with the exception of the CAS (who wished to first resolve the question of whether a Navy Air Arm should be raised independent of the RAAF), as no resource implications were involved, approval be given for the Navy to conduct preliminary planning with the Admiralty.<sup>23</sup> No further action resulted.

The Navy again raised the issue in mid-July 1946 following receipt of the Admiralty appreciation on the future naval requirements for Australia, and a visit to Australia by the RN carrier, HMS *Glory*. The Admiralty view on the importance of naval air power was pointed out, and it was noted that the RAN (compared to the other two services) 'owing to the lack of naval air power, is moribund judged by modern standards...'. The memorandum concluded with the request that a government decision be sought on the establishment of naval aviation and that planning commence on the basis of two aircraft carriers and three air groups.<sup>24</sup>

The CNS had also raised the matter with the Minister for the Navy, Mr Makin, in late June, following their discussions on board *Glory*. The Minister forwarded his submission to the Prime Minister, noting that this matter would have to be considered by the Minister for Defence in conjunction with other proposals for the post-war defence policy.

Obviously the *Glory* visit had impressed Makin as he suggested that, if a decision was reasonably immediate, the *Glory* itself 'should be one of the vessels selected because of its special historic importance to the war in the Pacific' and the fact that it was the 'vessel on which the Japanese representatives signed peace terms at the cessation of hostilities'.<sup>25</sup> The Prime Minister acknowledged the letter, forwarding the correspondence to the Defence Committee.

The Defence Committee re-examined the requirement to establish an air branch in the RAN in late July 1946. It recorded the fact that no final conclusion had been reached on the Navy memorandum of 23 February and noted the further Navy memorandum of 18 July. It noted its earlier view of August 1944 that 'a balanced naval task force should include carriers and that provision should be made for this type of ship in the RAN'. It also noted from its

---

<sup>23</sup> Draft DCM 92/1946, 12 March 1946, *ibid*.

<sup>24</sup> Memorandum 013789, Department of Navy to Department of Defence, 18 July 1946, *ibid*.

<sup>25</sup> Minister of the Navy to Prime Minister, 19 July 1946, *ibid*.

meeting of June 1945 in the context of considering the nature and functions of the post-war defence forces that it had recommended in respect of the RAN that 'provision be made for a balanced task force including aircraft carriers...'.<sup>26</sup>

The Committee drew on the Admiralty appreciation of the future naval requirements of Australia, which noted that 'it has generally been accepted and amply demonstrated in the recent war that naval air power is an essential part of sea power and that a balanced force must include the carriers...'. The Committee affirmed its earlier views and agreed that the RAN should include aircraft carriers if Australia were to possess a modern navy. It was agreed that planning should be on the basis of two carriers and three air groups, and that the Naval and Air Staffs should report on the alternative methods of providing air personnel i.e. as an air branch of the RAN, or provided by the RAAF.<sup>27</sup>

In the UK, the war had ended with a substantial building program of ships still incomplete, including some 17 light fleet carriers. These came in three basic categories: three of the original 13 000 ton *Colossus* class, six of a slightly modified *Majestic* class, and eight of the 22 000 ton *Hermes* class, enlarged to operate the latest aircraft. In one of many RN program reviews, the Naval Staff argued in late 1945 that the utility of the *Majestic* class as anything other than an escort carrier was dubious, however, because of their possible sales potential, they were not scrapped.<sup>28</sup>

Following the July 1946 Defence Committee meeting, the RAN sought advice from the Admiralty in relation to the availability and cost of light fleet carriers. They received a reply in September 1946 from the Admiralty advising that two light fleet carriers could be transferred when required to the RAN by completing two of the *Majestic* class under construction, but on which work had been suspended. The Admiralty offered to transfer them at half the capital cost i.e. £A3.44m.<sup>29</sup>

The Prime Minister directed the CNS to reply on 8 October 1946 thanking the Admiralty for its offer, but indicating that at this stage the only government approval given was for planning for a naval aviation branch to proceed without any financial commitment to the Commonwealth. The Government would consider the matter when planning was complete and full costs ascertained, in conjunction with other naval and defence requirements. The Admiralty was requested to keep the proposal open until Australia was in a position to consider its post-war defence policy as a whole.<sup>30</sup>

A reply was received in November, in which the Admiralty stated it had no objection to the offer remaining open to enable Australia to consider its defence policy. The Admiralty

---

<sup>26</sup> DCM 301/1946, 30 July 1946, CRS A2031, AA.

<sup>27</sup> *ibid.*

<sup>28</sup> E. Grove, *Vanguard to Trident, British Naval Policy since World War II*, US Naval Institute, 1987, p. 13.

<sup>29</sup> *ibid.* p. 19.

<sup>30</sup> Briefing Paper for Ministers visit to London, CRS AS954, Box 98, AA.

hoped, however, for the decision to be made as soon as possible to enable it to resume work on the suspended vessels.<sup>31</sup>

Defence Committee deliberations of the report by the joint naval and air staffs took place in May 1947. The joint staffs, in their paper, had reached the following conclusion:

In the opinion of both staffs it is clear from the above agreed minutes that the Naval Plan will provide the more efficient weapon for naval purposes at the present day.<sup>32</sup>

Both staffs had accepted the need for considerable experience for naval aviation, with the Navy arguing that this could only be achieved by long and continuous service with the fleet. The RAAF view was that adequate experience could be acquired after a period of years, provided the RAAF personnel were employed generally in naval flying. Because the two plans were fundamentally different in their conception, a true comparison of manpower was not possible, but the Committee agreed that the costs would be similar if prepared from a common base.

The CNS and VCGS agreed the Joint Report's conclusions. The CAS could not agree and noted that the report 'is really a comparison of the ability of the RN to establish naval aviation in Australia compared with the ability of the RAAF to perform the task'. The CAS was of the opinion that the development of Australian air power rendered it essential that there should be a unified and fully coordinated Air Force. He was concerned that the Naval Plan implied complete independence in air matters and reliance on the UK for equipment and personnel.<sup>33</sup>

The arguments and counter-arguments of the Navy and Air Force were really a reproduction, adapted to post-war Australian circumstances, of the conflict of opinion between the Admiralty and the Air Ministry in the UK over control of the Fleet Air Arm which lasted from 1918 to 1937. During that period, the Admiralty had exercised operational control and the Air Ministry administrative control. The essence of the Navy case was that:

...no Service can achieve a high standard of efficiency unless it is manned by personnel, who have in the first place the desire to serve in it, and in the second the proper training to enable them to undertake their duties. An efficient ship depends primarily upon the welding together of its company to form a single unit; this can be achieved only with personnel who have been trained in and who owe a single allegiance to the Naval Service. Unless such efficiency is achieved, the whole Naval aviation effort will be undermined and its value seriously reduced. Experience has shown that manning by two Services results in dual control and divided allegiance with serious administrative complications and delays.<sup>34</sup>

---

<sup>31</sup> *ibid.*

<sup>32</sup> DCM 186/1947, 22 May 1947, CRS A2031, AA.

<sup>33</sup> *ibid.* Attached Minute by CAS dated 28 May 1947.

<sup>34</sup> DCA 91/1947, 26 May 1947, CRS A5799, AA.

The Air Force case rested on the Trenchard doctrine of the unity of the air: 'the object with which we set out to train both RAN and RAAF crews in flying, is to find their target and to attack it. In this, their tasks are the same whether the crews fly over land, over sea, or above the clouds and they must be ready to attack the same kind of targets'.<sup>35</sup>

The CAS went on to argue that because the tasks were, in his view, the same, the aim should always be to ensure the maximum flexibility possible in the employment of Australia's necessarily limited air forces, whether land-based or carrier-borne, by the unification of overall command. This did not mean that the RAAF contemplated withdrawal of the operational control of the air component of the carriers from the Navy save in a national emergency and then only on the decision of a higher authority such as the Chiefs of Staff Committee.

The Defence Committee finally recorded the CNS and VCGS support for the joint report conclusions supporting the adoption of the Naval Plan, which embodied British and Canadian practice. From the perspective of participation in Empire Defence it was considered 'highly desirable' that Australia adopt the form of organisation most compatible with that of its allies. The CAS dissented, remaining of the opinion that the RAAF Plan should be adopted.<sup>36</sup>

The Council of Defence considered the 'Status of the Naval Aviation Branch' on 3 July 1947. The meeting generated considerable debate and Chifley, who was acting Minister for Defence, finally noted that '...the debate could last for 20 years'. He did not like duplication, and from the Committee reports he was impressed that the great navies had decided to give their naval air to their navies. He agreed there might be financial benefits from the Navy Plan, and taking into account the psychological and morale factors raised by Navy, he came to the conclusion that the Navy Plan should be supported.<sup>37</sup>

The Council concluded that 'the status and control of the Naval Aviation Branch should be in accordance with the principles and proposals of the Naval Plan. The Minister for Air dissented noting that the conclusion 'had not taken the developments of air power based on experience in World War II into account and was not in the best interests of the defence force which were best served if the RAAF plan was adopted'.<sup>38</sup> Chifley gave government approval to the Councils' recommendations immediately after the meeting and Cabinet endorsed his decision on 15 August 1947.<sup>39</sup>

The problem was now to complete contractual arrangements with the UK for the purchase of the two carriers, their aircraft and stores, as well as the training of Australian personnel and the loan of RN personnel until sufficient Australians had been trained. The five year naval program, approved by Cabinet on 3 June 1947 had provided for a total expenditure of £75m, with about £23.4m for naval aviation, of which some £12m was for capital expenditure.

---

<sup>35</sup> *ibid.*

<sup>36</sup> DCM 186/1947, 22 May 1947, CRS A2031, AA.

<sup>37</sup> Council of Defence Original Draft Minutes, Agendum 5/1947, 3 July 1947, CRS A7535, Item 3, AA.

<sup>38</sup> Council of Defence Minute No. 6, Agendum 5/1947, 3 July 1947, CRS A7535 Item 14, AA.

<sup>39</sup> Cabinet Agendum 1347A, 15 August 1947, A2700, AA.



Having decided to proceed with the introduction of naval aviation, the Government sought confirmation of the Admiralty's September 1946 offer. This was confirmed, but the UK advised that the construction costs had risen some 10 per cent. Additionally, although HMS *Terrible* was due for completion in June 1948, and would be suitable for Australia, the requirement to modernise the *Majestic* class in the early 1950s was raised. Modernisation would be necessary to be able to operate the new aircraft entering service with the RN up to 1955, including the possibility of jet fighters. However, modernisation would increase the cost per carrier by about 43 per cent.<sup>40</sup>

This cost increase of nearly £2m annoyed both the Minister of Defence, Mr Dedman and Prime Minister Chifley, particularly so soon after the announcement of the Defence program. It would be embarrassing to the Government to have informed Parliament in June of its defence objectives, only to be advised in October that these could not be achieved within the envisaged expenditure. The Government asked for a review of the whole naval program, particularly in the light of the prospective limitations on the operational capability of modernised carriers after 1955 and their even lesser capability without modernisation.<sup>41</sup>

Chifley had a right to be critical over the Navy's lack of foresight in failing to make some provision for any modernisation in the naval aviation plan, particularly given the tendency for aircraft weights and landing speeds to increase. Also, the Navy should have either allowed some project contingency or confirmed the Admiralty's price validity prior to submitting its revised naval program to the Defence Committee in May 1947, given the rising material and labour costs world wide.

Government to government negotiations continued into 1948. In view of Australia's financial difficulties, an offer was made to transfer the *Terrible* in 1948, as planned, and later a carrier of the *Colossus* class for the sum planned in the Australian program. Mr Riordan, the Minister for the Navy, advised Chifley in February 1948 to maintain the original plan. He argued that the *Majestic* class was superior to the *Colossus*; an additional barrier and arrester wires gave greater safety; a better island, bridge and control layout; and improved anti-aircraft armament, living accommodation and amenities. Further, not only was the *Majestic* the better carrier, the intention to procure two had been given wide publicity and the acquisition of a lesser capability would be bad for naval morale.<sup>42</sup>

Dedman supported Riordan's recommendation, which was approved by Chifley on 10 March. There was some £427 000 available from the Replacement Fund set up by public subscription after the loss in 1941 of the cruiser *Sydney*. Legislation could transfer this money to a new carrier, particularly if the name *Sydney* were adopted. Additionally, the completion of the second carrier and any modernisation would fall outside the scope of the 1947–52 Five Year Plan, and thus under different budgetary provisions.

Chifley informed Attlee on 30 March 1948 that Australia would purchase two *Majestics* on the understanding that modernisation would not be commenced until the end of

---

<sup>40</sup> Message, Admiralty to ACNB, 191958A August 1947, CRS, A816, Item 52/301/285, AA.

<sup>41</sup> Letter, Chifley to Riordan, 11 November 1947, *ibid.*

<sup>42</sup> Letter, Riordan to Chifley, 25 February 1948, *ibid.*

the program in 1952.<sup>43</sup> Subsequent negotiations concluded with the decision in October to modernise the second carrier during construction at an additional cost of £0.5m, however no decision was made regarding any modernisation of the first.<sup>44</sup>

In a Defence policy statement to Parliament on 24 April 1948, Dedman announced that 'it has now been decided to acquire the *Majestic* type of carrier, and the first one is expected to be commissioned in October or November this year .... and arrive in Australia in March or April 1949.... Progress in establishing a naval air station at Nowra is proceeding according to plan ...'.<sup>45</sup>

The Minister announced on 29 April 1948 that, with the King's approval, the two carriers would be named after the cities of Sydney and Melbourne, perpetuating the names of the Australian cruisers of the First and Second World Wars. The King had also approved the Naval Air Station at Nowra being named *Albatross* after the first Australian seaplane carrier.<sup>46</sup>

Legislation was introduced into Parliament on 10 June 1948 to allow the funds in the *Sydney* Replacement Fund to be used for the purchase of *Sydney* as 'prospects for a new cruiser are remote and the wishes of the subscribers would be met if the money were used to buy an aircraft carrier bearing the same name'.<sup>47</sup>

HMAS *Sydney* commissioned on 16 December 1948 and arrived in Australia on 18 May 1949. She carried two types of aircraft:

- . The Sea Fury, a single seater, high performance, piston engined fighter aircraft. It had a top speed of around 390 knots with a radius of action of about 150 nm at 250 knots.
- . The Firefly, a slow, two seater, reconnaissance, strike and anti-submarine warfare aircraft. It had a top speed of around 300 knots with a radius of action of about 300 nm at 200 knots.

Almost three years had elapsed since approval to commence planning for the introduction of a naval air arm, although it was less than two years from endorsement of the concept to the first operational carrier arriving in Australia. This was only achieved with the significant and willing assistance of the RN. However, this achievement belies the assertion made by the Naval Board in their earlier submission in June 1945, that five years were required for such a capability to reach an efficient operational state. (*Sydney* was fully operational in mid-1949, albeit with significant RN help).

---

<sup>43</sup> Cablegram No. 78 Chifley to Attley, 31 March 1948, *ibid*.

<sup>44</sup> Cablegram No. 266. Commonwealth Government to Secretary of State for Commonwealth Relations, 11 October 1948, *ibid*.

<sup>45</sup> CPD, Vol. 196, 29 April 1947, p. 1246.

<sup>46</sup> The Age, 29 April 1948, CRS A5945, Box 2131, AA. Speculation as to the names of the carriers appeared in the *Sydney Morning Herald* in December 1947, suggesting they would be named after Australian statesmen. A follow up story on 23 December 1947 suggested this had occurred as the Navy had advised the first one was called *Terrible*.

<sup>47</sup> *Sydney Morning Herald*, 10 June 1948, CRS A5954, Box 2131, AA.



*A Sea Fury running up on the deck of HMAS Sydney. (J.Straczek)*

The ability of the *Majestic* class carriers to operate modern aircraft had caused Australia some concern ever since the decision had been made to buy them. In a meeting in Britain in early 1949, Collins was advised of the potential limitations of the light fleet carriers in relation to operating the heavier aircraft being developed in the RN. A memorandum between the Secretary to the First Sea Lord and the First Sea Lord's office of April 1949 following Collins' discussions records the results:

Admiral Collins ... asked that action might not be taken to bring this matter to the notice of either of the governments. He accepted the fact that the British light fleet carriers would be in exactly the same position ... but he felt that if the Australian government became aware that there was any hitch with regard to these carriers—a hitch which he felt might be resolved eventually—the Australian

government might feel disinclined to purchase the second carrier ... he personally would accept, on behalf of the RAN, any disabilities in the supply of modern aircraft.<sup>48</sup>

Operating modern aircraft from a carrier depended primarily on the planned development of the steam catapult. It would appear that the prestige associated with the introduction of aircraft carriers into the RAN, resulting in it being regarded as a fleet rather than a squadron, was proving to be a greater consideration than the capability originally envisaged. The *Majestic* class was the only type of carrier available which could be afforded by Australia, and the RAN was dependent on Admiralty developments and modifications to improve its ability to operate modern aircraft.

Goldrick quotes an exchange of letters from CNS to the First Sea Lord in March 1950, where Collins had obviously accepted the inherent limitations of the Australian carriers:

Although up to date, I have maintained that our carriers should be capable of operating the latest jet fighters, I am now beginning to have my doubts whether this ideal is practicable. In the old days we bought *Australia* and *Canberra*, two trade protection cruisers, and accepted that they were not fitted with 15" guns and armour. Is it not logical for us to provide now two *Majestic* class carriers and accept that they are not fleet carriers, nor even *Hermes* class ... their primary role would be trade protection in which A/S operations play a major part and for which they are well suited. If our carriers were to be employed in an area within radius of fast enemy shore-based aircraft, the carriers would have to form part of a force with other carriers armed with the appropriate fighters.<sup>49</sup>

The one fighter aircraft suitable for use from the *Majestic* was the proposed navalized version of the RAF Venom. The RAN's request for a jet fighter suitable for operations from the modified *Melbourne* meant that the size of the buy would be large enough to justify the RN proceeding with this project.<sup>50</sup>

The Admiralty aim with the Sea Venom was to provide an all-weather fighter to combat low performance reconnaissance aircraft in the Atlantic. This aircraft, together with the new Gannet anti-submarine warfare aircraft, offered a reasonably modern air group for the RAN. However, the need to modify *Melbourne* to operate them ultimately led to completion delays and considerable cost increases, as *Melbourne* received a range of modifications including the steam catapult, angled deck, heavier lifts, more robust arrestor gear and strengthened flight deck over the next few years.

### A Cruiser Policy

The approved post-war plan allowed for the maintenance of two cruisers in commission and one in reserve, however, no provision had been made for their replacement. In mid-1949, Navy

---

<sup>48</sup> ADM 205/72 Secretary to First Sea Lord to First Sea Lord's Private Office Minute No. 1912/89C, 27 April 1949. Quoted in Goldrick, op. cit., p. 236.

<sup>49</sup> ADM 205/74 first Naval Member to First Sea Lord letter, 27 March 1950. Goldrick op. cit., p. 237.

<sup>50</sup> Grove, op. cit., p. 65.

undoubtedly be armed with torpedoes of greater performance, and other new weapons and devices including possibly atomic weapons.<sup>57</sup>

Riordan went on to say that the steps taken by the government to respond to the potential threat included '...the modernisation of existing ships, the equipment of ships under construction with the latest weapons and devices for combating submarines and the efficient training of officers and men to operate the new equipment'.<sup>58</sup> To assist in this training he announced that the UK had agreed to make submarines available for service on the Australia station, with the first arriving in January 1950. He made the point that ASW training was now one of the most important aspects of naval activities.

After World War II, British submarines based in Singapore had been available for training in Australian waters at regular intervals. The RN withdrew its submarines from Singapore in May 1948, but early in 1949 offered to base three submarines in Sydney indefinitely for anti-submarine training. The cost, £20 000 annually, was to be shared by Australia and New Zealand. Their refits and the pay and victualling of their crews would be an Admiralty liability.

In supporting the proposal to the Defence Committee, the Naval Board emphasised its concern at the reduction in anti-submarine efficiency, particularly in view of the 'special importance of maintaining a high standard of proficiency in this sphere of training at the present time, when our only potential enemy is in possession of a powerful submarine fleet, a substantial part of which is based in the Far East'.<sup>59</sup>

The CNS noted during the Defence Committee deliberations that the cost could be borne from the naval vote and observed they would also be useful for Air Force training. The Defence Committee, in July 1949, supported the proposal and agreed that the Australian portion of the costs be borne from the naval vote.<sup>60</sup>

In January 1950, the Defence Committee took a November 1949 Naval Board paper containing proposals for the modernising and enlargement of the ASW force in the RAN.<sup>61</sup> The paper described the development of the threat from the modern 'fast submarine', which had 'revolutionised' underwater warfare.

The Navy paper stated that the increased submerged speed of submarines (in excess of 15 knots) demanded a corresponding improvement in the speed, endurance and ASW offensive capacity of the vessels which will be used to hunt them. To this end it was noted that both the RN and the US Navy had commenced the conversion of destroyers to fast ASW frigates and the building of ASW vessels of new design.

It is of interest that the basis for the speed and endurance characteristics of the new ASW frigate came from the RN requirement to escort a 10 knot convoy across the Atlantic i.e.

---

<sup>57</sup> CPD, Vol. 2:1, 28 September 1949, p. 711.

<sup>58</sup> *ibid.*

<sup>59</sup> DCA 92/1949, 22 July 1949, CRS A5799, AA.

<sup>60</sup> DCM 143/1949, 26 December 1949, CRS A2031, AA.

<sup>61</sup> DCA 149/1949, 23 December 1949, CRS A5799, AA.

4500 miles at 12 knots.<sup>62</sup> Further, the analysis of the submarine threat in the Navy paper only related the marked impact of the new, 'fast' submarine compared to those used in World War II in general terms, and did not draw on the Joint Intelligence Committee Appreciation giving the latest intelligence assessment, which had caused the basic force structure policy change.

In examining the implications to Australia of the submarine threat, the Navy paper explained that one of the main functions of the light fleet carriers was the conduct of ASW operations. In such operations, the carriers join the destroyers and fast escort vessels to provide an anti-submarine screen, or to form 'hunter-killer' groups for detached operations.

While the 'Battles' and *Darings* could contribute to effective ASW operations, with or without the carriers, their completion date had gone out to 1954 and six ships were inadequate to provide ASW protection to both naval forces and merchant shipping. It was argued therefore that the numbers needed to be supplemented to assure the defence of sea communications.

The Naval Board stated that it had given full consideration to the problem, consulted the Admiralty, and had noted the measures being undertaken in this regard in the USA and Canada. Three proposals were recommended for the modernisation and enlargement of the RAN's ASW force:

- The modernisation of the three 'Tribal' class to give them improved ASW sensors and weapons, radar, and communications, at a total cost of £200 000.
- Conversion of the five 'Q' class destroyers on loan from the RN to fast ASW frigates, generally following an Admiralty design (type 15) at a cost of £400 000 each. The conversion aimed at bridging the gap until purpose built ships could be introduced.
- The construction of six ASW frigates to follow on the six destroyers already under construction, in place of further destroyers as currently envisaged, at a cost of £2m per ship.<sup>63</sup>

It was estimated that the ASW modernisation of each of the 'Tribals' would take about six months and that the conversion of each 'Q' class Destroyer would take about eighteen months. Thus, within the Five Year Program ending June 1952, the three 'Tribals' and three of the 'Q' class would be completed. The new frigates would commence building in 1954, on completion of the endorsed destroyer build program of two 'Battles' and four *Darings*.

The Navy assessed that a new design frigate in the RN construction program would 'provide the type required', being a ship of some 2000 tons with hull and machinery similar to the *Daring* class. The design selected was the Type 12 or *Whitby* class, designated 'first rate ASW frigates' in the RN, and fitted with ASW sensors and weapons of post-war development. They had good sea keeping qualities, but did not achieve the endurance suggested as necessary.

---

<sup>62</sup> Grove, *op. cit.*, p. 61.

<sup>63</sup> DCA 149/1949, *op. cit.*



*The view forward from the gun direction platform of the 'Tribal' class destroyer HMAS Arunta. (J. Mortimer)*

The basis for determining the numbers shows the simplicity of decision making in that era, and the total acceptance of RN concepts. 'The accepted scheme of British tactics for the operation of ASW Frigates is that ships be organised in homogeneous escort groups, each composed of six frigates, which permits four ships of a group to be operational at any one time.' As these frigates met RAN operational and construction capacity requirements (i.e. compatible with the plant and equipment set up to construct the *Darings*), it was proposed to build six to follow on from the *Darings*.<sup>64</sup>

In its deliberations in January 1950, the Defence Committee endorsed the proposal to modernise the 'Tribals' and the conversion of five 'Q' class (subject to their being a gift from the UK Government), but decided that proposals for a new ship construction program be raised separately.<sup>65</sup> The Navy took little time to resubmit its proposals for the six frigates, having gained the endorsement of the Joint War Production Committee, in its function in

---

<sup>64</sup> *ibid.*

<sup>65</sup> DCM 6/1950, 19 January 1950, CRS A2031, AA.

relation to the current production programs and the war potential of the naval shipbuilding industry.

In May 1950, the Defence Committee, noting the strategic need and the necessity to provide for continuity in the naval construction program, agreed with the proposal to construct six ASW frigates. It added, however, that the construction of the frigates would be authorised in stages, having regard to other defence priorities, including the balance of the defence vote between the Services.<sup>66</sup>

### **Program Implementation - Problems and Delays**

The Chiefs of Staff had represented in early 1948 that the rise in costs since the program had been drawn up required additional funds to meet the agreed objectives. During the Council of Defence meeting in April 1948, the Prime Minister was critical of the Services' apparent inability to manage within the overall sum of £250m. Shedden, in a letter to the Minister, considered it was primarily an administrative problem, and that the Services' programs were badly prepared and they had each underestimated the cost of their objectives.

In relation to the preparation for the September 1948 Budget debate, Shedden advised the Minister that *'since the program had been badly prepared and under estimated with regard to the costs of the objectives, there appears to be no point in publicly explaining the actions taken by government to salvage the Services from the difficulties in which they had involved themselves as this would only put the government and especially the Service Ministers on the defensive'*.<sup>67</sup> It would appear that Shedden, who could be open to criticism regarding the program, was quickly taking 'the high ground' and distancing himself from any administrative responsibility for the execution of the Government's program.

The Council of Defence deliberated on the problem in September 1948 and directed that *program statements be submitted which detailed the additional resources necessary to meet the approved program objectives. Some of the lessons of the aircraft carrier project had been learnt, as each service was invited to include a contingency for unforeseen increases.*

The Council also agreed that financial provision would be made for 'the achievement of those objectives which are physically possible during the program'. It instructed that the defence aspects of the increases would be dealt with on the administrative level by the Defence Committee, the financial aspects by the Treasury Defence Review Committee, and the policy aspects by the Council of Defence and Cabinet.<sup>68</sup>

The Navy submission was considered by the Defence Committee in May 1949. It called for a 27 per cent total program increase from £75m to £95m. Ultimately, a 23 per cent increase to £92m was agreed, together with some £9m outstanding capital commitment outside the program, an increase of 21 per cent over that previously planned.<sup>69</sup>

---

<sup>66</sup> DCM 69/1950, 25 May 1950, *ibid*.

<sup>67</sup> Letter, Shedden to Minister, 23 September 1948, CRS A5954, Box 98, AA.

<sup>68</sup> Council of Defence Minute No. 22, Agendum 13/1948, 21 September 1948, CRS A7535, Item 14, AA.

<sup>69</sup> DCM 70/1949, 5 May 1949, CRS A2031, AA.



The Navy submission raised four major issues in relation to the approved post-war plan. Recruiting levels had not been achieved and the Navy sought to make up the shortage with local entries from the UK. However, the approved strength was unlikely to be achieved, and because of this estimated deficiency, Navy advised that it would have to take a cruiser, a destroyer, a frigate and a surveying frigate out of commission at the end of the program.

Ships in commission were to be retained on a reduced peacetime complement, but this manpower requirement necessitated one 'Tribal' class destroyer and one frigate to be immobilised immediately, though not placed in reserve. The second aircraft carrier, together with its new aircraft, was now forecast to be ready in late 1952, after the program period. Finally, only the two 'Battle' class could be completed within the five year period because of construction delays, leaving the four *Daring* class to be completed subsequently.

The paper further called for additional funding of some £2.6m for initiatives not covered in the post-war plan, the major one being the re-establishment of the Naval Reserve. It also included establishing a naval base at Manus Island.<sup>70</sup>

The Government acknowledged that rising costs would call for an annual vote of some £57m (as opposed to the £50m previously approved) if its objectives were to be achieved. These changes were accepted by the Council of Defence on 7 June 1949,<sup>71</sup> and approved by Cabinet on 4 July.<sup>72</sup>

It soon became evident that financial restrictions were not the Services' only problem. When the Defence Committee reviewed progress towards the goals of the Five Year Program in August and October 1949, it concluded that the Services would underspend their votes, by the amounts shown in Table 3.1:<sup>73</sup>

**Table 3.1 Service Underspend - October 1949**

Service	Amount
Navy	£1.2m
Army	£4.4m
Air Force	£3.3m
<b>Total</b>	<b>£8.9m</b>

<sup>70</sup> *ibid.*

<sup>71</sup> Council of Defence Minute 28/1949, 7 June 1949, CRS A7535, AA.

<sup>72</sup> Cabinet Agendum 1347C/1949, 4 July 1949, CRS A2700, AA.

<sup>73</sup> DCM 159/1949, 16 August 1949, DCM 174/1949, 8 October 1949, CRS A2031, AA.

In the case of the Navy, this shortfall was due partly to slow progress with the second carrier. However, all three services were experiencing great difficulty in meeting their manpower targets. The Navy's target for 1949–50 was 13 880, but a strength of only 10 907 seemed possible. The corresponding figures for the other services were: Army - 16 000 regulars planned but only 15 000 possible and 50 000 citizen forces planned but only 23 000 possible; Air Force - 12 611 planned but only 11 671 achieved, including 2000 civilians temporarily employed in service vacancies.<sup>74</sup>

These personnel deficiencies made a significant contribution to the shortfall in expenditure. In the event, however, the slow growth personnel did not by itself seriously hinder the program, which was to be subjected to long delays in ship construction and delivery.

### The Chifley Legacy

At the Federal elections in December 1949, the Australian Labor Party (ALP) lost office and with it, the concept of a well defined, five year defence program. The broad objectives of the Chifley government's defence policy can be stated as the provision of forces to enable Australia to fulfil its obligations under the UN Charter, including regional arrangements in the Pacific, to participate in British Commonwealth defence, and to provide for the inherent right of self-defence.

Before deciding its post-war policy, the Government had considered the direction the UK government was heading and consulted it as to the appropriate measures for cooperation in British Commonwealth defence. The actual program gave a firm indication of Australia's undertaking to accept a greater share of responsibility in the Pacific.

Despite Chifley's severe and uncompromising approach to the development of the Defence program in 1947, the Services' organisational structures were not equipped to manage the funds allocated and projects planned. This was compounded by the personnel recruiting and retention problems experienced. However, when it was obvious that increased funding was necessary, it was allocated.

Overall, the ALP's five year naval program can be viewed as a sensible and pragmatic approach to re-equipping the RAN to contribute to overall defence policy, and in particular to protect Australia's vital sea communications. The concept of Australia taking a lead in strategic planning in the ANZAM region was well advanced under the Chifley government, which ensured that a major power, the UK, supported Australia in the region. The need for close cooperation with the US was recognised and the RAN was authorised to commence preliminary talks in this regard.

The relevance of the emerging potential submarine threat was accepted by the Government and plans were well advanced by the election as to the future shape of the RAN. The change of government during higher defence committee consideration of the future ASW requirements appears to have had no impact on the deliberations or ultimate decisions.

Although only one of the proposed major additions to the Fleet, HMAS *Sydney*, had arrived by late 1949, the two major legacies of the program—the introduction of carriers and

---

<sup>74</sup> *ibid.*

the reorientation of the RAN to ASW—decisively shaped the force structure and the designated role of the Fleet for the next thirty years. The Chifley Labor government had set Australia's post-war Navy on a sound footing, albeit within restricted fiscal bounds which reflected the realities of Australia's economic situation in the late 1940's. It was the many other factors relating to the Service organisations, the manpower situation and the general inability of Australia's shipbuilding industry to cope with the new technologies and productive work practices necessary to meet deadlines within cost, which caused the whole program to slip beyond recovery.

## CHAPTER FOUR

### STRATEGIC DECISIONS AND THE SHIFT TOWARDS AMERICA

*I feel, in the face of the advancing tide of world events in Asia, Australia must seek to revive the close working relationship with our American friends, which existed during the war. This relationship should, in due course, be given formal expression within the framework of a Pacific Pact...*

Sir Percy Spender, 1950

#### Strategic Planning for the Middle East

In December 1949 Australia elected the Liberal-Country Party coalition government under Menzies. The change of government reflected the general concern felt in Australia at the onset of the 'cold war', which was characterised by the sharpening of US-Soviet tension in Europe.

To many Australians, the rise of communism appeared to be a monolithic conspiracy aimed at taking over the world. Communist governments in Eastern Europe had assumed power through non-democratic means. The Soviet Union had imposed a land blockade on Berlin from June 1948 to May 1949. Mainland China had fallen into communist hands under Mao Tse-tung. North Korea was a Soviet satellite; a nationalist-communist movement was engaged in a revolutionary war against the French in Vietnam; there was communist insurrection in Malaya and the Philippines. Closer to home, in Australia, the Communist Party was creating industrial unrest.

To meet this apparent threat to Australia, Menzies promised in his election campaign to ban the Australian Communist Party and to introduce compulsory national service. The introduction of a 'sensible system of universal training designed to meet the military requirements of Australia...' was foreshadowed in the Governor-General's speech on 22 February 1950. He also noted that the Government's defence policy was based '... on the acceptance by Australia of its full share in coordinated British Empire schemes of defence, and on the closest cooperation with the US'.<sup>1</sup>

With regard to the Navy, the Governor-General noted that 'active steps are being taken to improve its efficiency'. This apparently included the introduction of reserve training (as had been planned the previous year). The speech also raised the intention to establish government factories for direct support of defence needs.

The new government did not hesitate to identify the Soviet Union as the cause of the cold war, and linked the colonial nationalist movements in South-East Asia with the expansion of Soviet and Chinese communism as a source of potential aggression against Australia. In Parliament in March 1950, the new Minister for External Affairs, Mr Spender, emphasised that:

---

<sup>1</sup> CPD, Vol. 206, 22 February 1950, p. 7.

Our security has become an immediate and vital issue because changes since the war have resulted in a shifting of potential aggression from the European to the Asian area. Our policy must be to ensure ... that these new States cooperate with each other and with us in [reacting to] the problems created ... by the emergence of Communist China and by the ever-increasing thrust of communism which endeavours to ally itself, in the pursuit of its ends, with the national aspirations of the millions of people of South-East Asia ... Our foreign policy ... must be principally and continually concerned with the protection of this country from aggression, and with the maintenance of our security.<sup>2</sup>

A major security issue which the new government pursued was the negotiation of a formal security pact with the US. Although both the Chifley and Menzies governments believed the UK would continue to play a significant role in the region, they saw the security of the region ultimately resting with the US. Because of its own interests, the UK was prepared to maintain the close defence relationship in the region, whereas the US was less than enthusiastic and showed little interest in the South-West Pacific.

Chifley's aim of closer relations with the US had not been assisted by the personality of his Minister for Foreign Affairs, Dr Evatt. His blunt, aggressive and very nationalistic approach, coupled with his abrasive personality, caused concern and exasperation within the US State Department. By late 1949 relations (between the Departments) had deteriorated to the point of hostility, with State 'not merely indifferent to the wishes of the Australian Labor government ... but wanting Labor out of office as apparently the only way of getting rid of Evatt'.<sup>3</sup>

A US State Department policy statement confirms this view, and in summarising US-Australian relations, noted that they were strained by the 'dissimilar views on the Japanese peace policy ... and the difficult personality of the Australian Minister for External Affairs, Dr Evatt. Since the advent of the coalition government there has been a marked change in the orientation and direction of Australian foreign policy'.<sup>4</sup> There had not been an environment conducive to establishing a Pacific Security Pact despite Evatt's efforts in this regard.

Spender, on the other hand, was equally intellectual but with a more attractive personality. From the outset of his tenure at External Affairs he had emphasised Australia's security and the need for close relations with the US. The change in strategic circumstances, which saw Australia committing forces to Korea, assisted his stated objectives, although Menzies was less than supportive of his plan for an alliance. As Spender notes, [the Prime Minister] 'did not display much enthusiasm for a Pacific security mutual defence arrangement, rather the contrary'.<sup>5</sup>

---

<sup>2</sup> CPD, Vol. 206, 9 March 1950, p. 623.

<sup>3</sup> G. Barclay, *Friends in High Places*, Oxford University Press, Melbourne 1985, pp. 13-31.

<sup>4</sup> Department of State, FRUS 1952-54, Vol. XII, East Asia and the Pacific, Part 1, USGPO, Washington 1984, p. 189.

<sup>5</sup> Sir Percy Spender, *Exercises in Diplomacy*, Sydney University Press 1969, p. 39.

The New Minister for Defence, Mr Harrison, met with the Defence Committee on 5 January 1950 to discuss the progress of the five year defence program.<sup>6</sup> The major problems raised by the Committee included:

- . deficiencies in the strength of the forces,
- . delay in the naval construction program,
- . delays in vital stores deliveries,
- . delays in construction of facilities, and
- . delay in the development of the Joint Intelligence Organisation.

The actual numbers of full time personnel as at 30 November 1949 were well below the program targets, and in Navy's and Army's case had reduced rather than increased since June 1949. The Navy, with 10 093 personnel was some 46 per cent below the planned strength, Army with 14 827 was some 8 per cent below and Air Force with 9100 was some 44 per cent below target.

The delays in the destroyer construction program were attributed to 'the introduction of the 5-day week, lower output of work per man-hour, lack of sufficient tradesmen, difficulty in obtaining supplies from the UK, difficulty in obtaining forgings, and delay in the receipt of plans' (construction drawings).<sup>7</sup> This seemingly disastrous situation caused little concern to both the Minister and the Defence Committee.

The generally poor state of stores and construction of facilities appears to have been found acceptable. This attitude can only have exacerbated the overall problem, which would indicate that the three Service's organisation and administration was not well equipped to cope with the rather ambitious force development program embarked on only two and a half years earlier.

The three Chiefs outlined the difficulties they saw in introducing universal training or national service as it was ultimately called. The CNS (Rear Admiral Collins) stated that it would not be practicable for the RAN to train an appreciable number of trainees unless ships were paid off to obtain the necessary number of instructors. He noted that the Navy would need 4000 trained men in reserve to man all ships in an emergency. It is interesting that in the post-war plans developed in 1946, all Services considered that a national service scheme was essential.

The Minister's reaction was to point out that the Government had sought a mandate from the people on the principle of the introduction of universal training and it was committed to the introduction of a selective form of training to be working within three years. The national service scheme was introduced to add to Australia's defence preparedness and to

---

<sup>6</sup> Notes of Meeting of the Minister for Defence with the Defence Committee, 5 January 1950, CRS A5954, Box 2324, AA.

<sup>7</sup> *ibid.*

improve the physical fitness of 'our young manhood'.<sup>8</sup> The need for a reserve of partly trained men was not well thought through before its introduction, particularly as the trainees, although included in planned mobilisation numbers, were restricted to service in Australia. As Australia's strategy began to commit forces overseas, the national service scheme did little to add to defence preparedness and in the Navy's case, contributed to a reduction because of the training load.

It was agreed that the return of BCOF personnel from Japan would help in the introduction of universal training. (Navy had 40, Army 2200, and Air Force 300 personnel in the BCOF at that time).<sup>9</sup> This meeting precipitated action to begin Australia's withdrawal from Japan.

Australia first sought the views of the US and the UK in April. They were both informed that Australia could make a greater contribution to the defence of the British Commonwealth if the occupation force returned to Australia and began a scheme for national service. After US agreement, Cabinet agreed in May to the proposal but withheld an announcement to minimise the possibility of the withdrawal of forces in Japan being linked to discussions on Malaya.<sup>10</sup>

On 21 April 1950 the UK requested Australian assistance in the Malayan Emergency by providing reinforcements to include: a transport squadron (Dakota) for supply dropping and general transport; a squadron or flight of Lincoln bombers; and assistance in servicing aircraft. The Defence Committee considered the request on 27 April and advised that a Dakota squadron and a small squadron of four Lincolns could be sent almost immediately, with possibly two further Lincolns later.<sup>11</sup> Cabinet examined the issue on three occasions, and finally agreed on 19 May that the Dakotas would be sent and servicing facilities made available in Australia, but the decision on the request for the bombers was deferred.<sup>12</sup>

In a statement in the Parliament announcing his decision to provide military assistance to the UK in Malaya, Menzies also noted that the Government was in 'complete agreement with a decision taken by the previous government in May 1948, to authorise strategic planning to be developed on the official level through the Australian defence machinery ... for the regional defence of the Southwest Pacific area, the boundaries of which include Malaya'.<sup>13</sup> From this statement it would appear the Government had accepted the notion of ANZAM planning, but had yet to be convinced of the need to support the UK in the Middle East.

Following Defence Committee endorsement in June 1950 of the two major strategic planning documents, the Basic Objectives of British Commonwealth Defence Policy and the Distribution of Strategic Responsibility and War Effort (discussed in Chapter One), they were

---

<sup>8</sup> CPD, Vol. 210, 21 November 1950, p. 2723-4.

<sup>9</sup> Notes of a Meeting of the Minister for Defence with the Defence Committee, 5 January 1950, CRS 5954, Box 2324, AA.

<sup>10</sup> Cabinet Agendum No. 78, 31 March 1950 and No. 78A, 19 May 1950, CRS A4639, Vol. 5, AA.

<sup>11</sup> DCM 59/1950, 27 April 1950, CRS A2031, AA.

<sup>12</sup> Cabinet Minute, 19 May 1950, CRS A4638, AA.

<sup>13</sup> Current Notes on International Affairs (CNIA), Vol. 21, No. 5, May 1950, p. 355.

submitted for consideration by government. The Chief of the Imperial General Staff (CIGS), Field Marshal Sir William Slim, who was in Australia for defence discussions, attended the Defence Committee deliberations. He was also present at the Council of Defence meeting on 21 June ('under summons' in accordance with Council of Defence Regulation 3(2)).

The meeting marked the first review of strategy by government since World War II. It began by reviewing previous decisions which had governed the development of Australian strategic planning. Shedden set the tone of the meeting and laid the foundations for the ultimate decision by noting that 'a political point which affected the Labor Party was that they laid emphasis on the Pacific. We want to extend the matter to the Middle East'. The Prime Minister observed that he had 'nothing to complain about in the matter of what has been done to date, it may have to be added to but that is for the Council'. Shedden in a rather ingratiating manner added 'we had to coax the previous government along the road'.<sup>14</sup> Shedden also confirmed for Menzies that the two planning papers had not been seen by the outgoing government.

An important point was made by Slim during this preliminary discussion, when he assured Spender that the UK was 'in close touch' with the US and there was no need for anxiety about the preparedness of the US Navy 'to take charge of the area north of the northern boundary of the ANZAM area'. The notion that the US Navy could be depended on to secure the Pacific was to set the direction of the coalition's naval policy and reduce its overall priority within the totality of Australia's defence.

After a general discussion on the question of war aims, including the probable scale of enemy submarine operations in the ANZAM region, during which the CNS observed that at most 'a small number' of submarines might operate in the area, Menzies opened discussion on the main issues before the Council. In questioning the assumptions behind the planning, Menzies started to lead the discussion towards Australia's interests by querying what assumptions had been made about Indonesia. Shedden suggested that this would be considered in the context of later papers (which it was not) and this line of thought was put to rest.

After noting it could be a 'matter for argument whether ANZAM or the Middle East is our real theatre', Menzies invited Slim to explain how the Middle East fitted into Australia's policy. Slim, in arguing the case for Australia to contribute to the Middle East, noted that 'a war could only be won in two areas, Europe and the Middle East'. When asked by Spender about the Pacific, Slim replied that nothing terrible could happen there, to which Holt remarked: 'Except to us'. Slim insisted there was little threat to Australia apart from submarines. He noted that Britain could not rely on American help in the Middle East and was therefore obliged to seek it from Commonwealth countries. He summed up that in the cold war, Malaya was the UK's number one priority, but in a hot war, Europe and the Middle East were highest priority.

Given these classifications, and after some opposition principally from Spender, but with strong support from Menzies and the CGS (Lieutenant General Rowell), the Council supported Slim's view and approved the Defence Committee recommendations as a basis for planning, ie, contingency planning for alternative deployments to both the Middle East and

---

<sup>14</sup> Council of Defence original draft Minutes, 21 June 1950, CRS A7535, Item 9, AA.



Malaya. Menzies concluded that 'we are committing ourselves to planning, but the actual commitment as to what we will do will be for discussion at the time'.<sup>15</sup>

The logic behind the strong support by Menzies and Rowell for Slim's assessment was the successful historical precedent regarding Australia's military commitment in the Middle East. Given Rowell's extensive personal war experience in the Middle East and his close professional association with the UK as outlined in his memoirs, his position could hardly be assessed as dispassionate.<sup>16</sup>

Apart from Spender, and to a lesser extent Mr Holt (Minister for Labour and National Service), the Council members were happy to accept the premise implicit in the papers, which had been developed with a strong British influence and were vigorously supported at this meeting by the CIGS. Shedden's influence and his disparaging comments on the Chifley government's position would also have influenced the ultimate support for the Defence position. Despite Chifley's personal involvement in the general development of strategic policy, given the strong nationalistic views of key personalities like Evatt, and Chifley's primary aim of Australia's security above all else, it is unlikely that the previous government would have been carried so easily.

Spender's view of the proceedings can be found in his memoirs:

Personally I was against Australia, with its limited resources, entering into firm commitments which could involve its military forces in Europe and the Middle East.... Menzies did not share my view that Asia was then the area of potential danger. His interests were focused principally on Europe...My pre-occupation with the possibility of the outbreak of armed conflicts in South East Asia was thought by him, early in 1950 as being rather an obsession on my part - my "hobby horse". I recall an occasion in Cabinet, when Field Marshal Slim...was discussing with us the question of Australia's responsibilities in the Middle East area in the event of the outbreak of world hostilities. After a general discussion Menzies said: "Come on Percy, let us have your book about South East Asia!" I expressed it but did not succeed in making much of a dent in the thinking of my colleagues.<sup>17</sup>

The Menzies government had now accepted the broad thrust of defence strategic planning which had been underway since early 1949. It decided to end one major commitment, the occupation of Japan, and to contemplate a new and possibly more demanding deployment in the Middle East, under the strategy of cooperation in British Commonwealth defence.

Although there was a concern in relation to Malaya, when assured that there was no real threat to Australia, the Government accepted the British view that Australia's ultimate security depended on the successful defence of the Middle East theatre, and moved towards a

---

<sup>15</sup> *ibid.*, and Council of Defence Minute No. 36, 37 and 38, Agendum 2/1950, 21 June 1950, CRS A7535, Item 15, AA. Formal notes of the meeting between the Defence Committee and Slim and papers relating to the meeting are contained in Shedden papers, CRS A5954, Box 1626, AA.

<sup>16</sup> S. F. Rowell, *Full Circle*, Melbourne University Press, 1974.

<sup>17</sup> Spender *op. cit.*, pp. 54-5.

strategic posture designed to contribute to Western security and support the implementation of the Anglo-American global strategy.

### The Korean War

The participation by Australia in the Korean War has been well documented in Dr O'Neill's official history *Australia in the Korean War 1950-53* and elsewhere.<sup>18</sup> The North Korean assault across the 38th parallel on 25 June 1950, just four days after the Government had endorsed the focus of strategic policies on the Middle East, was to precipitate activities which would have a major impact on Australian strategic and defence policies.

Cabinet considered the Korean situation on 27 June and Menzies announced the results of its deliberations in the Parliament. The government saw the invasion as one phase in communist inspired aggression in Asia and had decided that Australia would send a squadron of Lincoln bombers to Malaya as 'the preservation of British authority in Malaya was vital to Australia's security'.<sup>19</sup> It is of interest that Australia's first military response to the invasion in Korea was to send bombers to Malaya, a commitment which until then, it had been reluctant to accept.

Australia made one frigate (*Shoalhaven*, which was in Japanese waters), and the destroyer *Bataan* (already enroute to Japan to relieve *Shoalhaven*) available on 29 June, and an Air Force fighter squadron (stationed in Japan) on the 30th.<sup>20</sup> On 26 July Australia announced its decision to provide ground troops, and the 3rd Battalion, Royal Australian Regiment arrived in Korea from Japan on 28 September. Ultimately Australia committed a second battalion (1st Battalion, Royal Australian Regiment) in March 1952, resulting in a peak commitment of some 5500 personnel from all three Services.<sup>21</sup>

The RAN maintained at least two destroyers or frigates on station in Korean waters from mid-1950 until the armistice in July 1953. The carrier *Sydney* also replaced HMS *Glory* from September 1951 to January 1952. Keeping two ships on station in Korea posed significant problems for the RAN because of the limited numbers of ships and the overall manpower shortage. The planned deployment period was a 12 month cycle, with eight months in Korea and four months on passage. On return to Australia the ships were generally decommissioned and refitted. The shortage of ships and delays in build and refits meant that the planned deployment cycle was not met. The destroyers averaged some 10 months in the war zone, with *Warranunga* spending 13 months on one deployment as a relief was not available. The destroyers (*Bataan*, *Warramunga*, *Anzac* and *Tobruk*) were each deployed twice

---

<sup>18</sup> R. O'Neill, *Australia in the Korean War 1950-53*, Vol. 1, Strategy and Diplomacy, Australian War Memorial and Australian Government Printing Service, Canberra, 1981. See also Department of External Affairs, *Select Documents on International Affairs Korea, Part I, II and III*. Government Printer, Canberra, 1950, 1951, 1954; and Norman Bartlett (ed), *With the Australians in Korea*, Canberra, Australian War Memorial, 1954.

<sup>19</sup> CNIA, Vol. 21, No. 6, June 1950, p. 421.

<sup>20</sup> CPD, Vol. 208, 6 July 1950, p. 4837.

<sup>21</sup> CPD, Vol. 221, 3 March 1953, p. 1041.

to the war zone. The frigates each had one deployment, *Murchison* and *Condamine* both spending nine months, and *Shoalhaven* and *Culgoa* three and four months respectively.<sup>22</sup>



*On board HMAS Bataan off Korea, 1952. Vice Admiral Sir John Collins, Chief of Naval Staff, Commander W.S. Brucegirde (CO), Commander W.F. Cook. (J. Straczek)*

The 'Tribals' and 'Battles' armament were more suited to the operations in Korea than the 'Bay' class frigates. The latter's obsolete radar and communications fit also reduced their operational effectiveness. Their primary role at that stage was conducting ASW training in Australia. The RAN during this period was fully committed providing two ships in Korea (fully manned), conducting carrier operations with one escort (fully manned), anti-submarine training (part manned), and maintaining ships in reserve.

The US had tended to assume that Europe was the main arena for communist expansion, but the Korean War abruptly changed its assessments of the priority of communist goals, and focussed its attention on East Asia. This opened up new opportunities for Australia to improve its relationship with the US.

O'Neill suggests that the outbreak of conflict in Korea served to remind Australia and the UK that their basic security concerns were focussed on different sides of the world. 'The

---

<sup>22</sup> Destroyers RAN, Dof P papers 1948-57, MP 1587 Item 495, Box 115. AA.

cooperation with relation to ANZAM and the Middle East before the Korean War was relegated to second place as each government became increasingly concerned with its direct relationship with the US.<sup>23</sup> One of Australia's policy objectives for some time had been the development of closer ties with the US.

### **The Radford/Collins Agreement**

*A significant development in establishing closer ties with the US was the 1951 Radford/Collins Agreement. Its genesis was the April 1948 Council of Defence directive to open discussions with the US at the naval level (discussed in Chapter Three).*

This Council decision led to an initial visit to Pearl Harbor by the CNS in November 1948, to open discussions on coordination of naval planning with Admiral Ramsey, the then Commander in Chief, Pacific (CINCPAC). The boundaries of the regions (i.e. ANZAM and Pacific) were discussed, some adjustments made to fit in with the US position and the type of coordination required was agreed.<sup>24</sup>

In December 1950, the Deputy High Commissioner for the UK wrote to the Prime Minister advising him of discussions in October between the US and UK Chiefs of Staff on the global situation. The question of military planning in the ANZAM and Pacific Regions had been raised at that meeting and the Deputy High Commissioner noted that he had been asked to suggest that:

...if the Australian authorities agree with the conclusions of the United Kingdom and United States Chiefs of Staff that coordination of planning, between the ANZAM and the Pacific theatres was desirable, they should arrange that contact should be made with Admiral Radford, by their Chiefs of Staff with a view to holding discussions...<sup>25</sup>

In January 1951, the Defence Committee considered the implications of the October meeting between the UK and US Chiefs of Staff. The CNS advised the meeting that he had communicated informally with Admiral Radford, (CINPAC) who had made it clear that he was authorised to discuss coordination of planning for the defence of sea communications only. The Defence Committee recommended talks be held at Pearl Harbor at an early date.<sup>26</sup>

The attachments to the Agendum for this Defence Committee meeting include a letter containing information from the UK Chiefs of Staff regarding the ANZAM boundaries. The letter noted that during the October discussions when the question of coordination of planning between ANZAM and the Pacific regions was raised, the UK Chiefs of Staff were informed that the 'Ramsey/Collins 1948 ANZAM/CINCPAC boundary' would form the most suitable basis for discussions between the ANZAM authorities and Admiral Radford. The UK thought that a reference to the Ramsey/Collins boundary might have been 'inadvertent' but found that

---

<sup>23</sup> O'Neill, *op. cit.*, p. 95.

<sup>24</sup> Minute, CNS to Minister, 19 January 1954, CRS A5954, Box 1446, AA.

<sup>25</sup> DCM 16/1951, 25 January 1951, CRS A2031, AA.

<sup>26</sup> *ibid.*

this was not so. The UK Chiefs suggested to Australia that the agreed boundaries used in all the ANZAM reports and planning papers to date should be used in any discussions with CINCPAC.<sup>27</sup>

The UK Chiefs were obviously put out by the revelation that a 'Ramsey/Collins' boundary existed. This is not surprising given the considerable number of discussions and correspondence between the three ANZAM nations on the general question of coordinated planning and, more specifically, the ANZAM Region boundaries. It is curious that the relationship obviously established between the Australian CNS and CINCPAC since 1948 was not raised in the 1949 ANZAM planning discussions and subsequent correspondence. In the papers produced by the JPC prior to the Radford/Collins meeting it would appear that the Committee was unaware of the agreement reached in 1948 on regional boundaries.

Discussions between the ANZAM delegation and CINCPAC were held in Hawaii from 26 February to 2 March 1951. Admiral Collins led the ANZAM delegation, which included representatives from the British Commander-in-Chief, Far East representing the British Chiefs of Staff, as well as the New Zealand CNS. The conference discussed a number of issues relating to naval cooperation and coordination of activities in global war. Admiral Radford made it clear that he was not authorised to discuss the ANZAM Region as a theatre of war; he was prepared only for coordination of naval operational matters.

The ANZAM Region was accepted for the allocation of responsibility for the following naval operational matters:

- . escort, convoy routing and diversion of traffic,
- . reconnaissance,
- . local defence anti-submarine warfare, and
- . search and rescue.<sup>28</sup>

The meeting also set in train the resolution of what coordination was practical in relation to these four functions. The coordination of routine naval operational matters between CINCPAC and CNS Australia, including the exchange of naval liaison officers, was agreed.

In relation to escort, convoy routing and diversion of traffic i.e. naval control of shipping, the establishment of a common system of routes was set in train and the US agreed to exchange basic publications and doctrine. The coordination of reconnaissance, ASW and search and rescue procedures was arranged, to include the exchange of appropriate publications.

With respect to communications, it was agreed to improve the radio links between Pearl Harbor and Canberra, exchange appropriate publications, and to coordinate technical aspects. Some adjustments were also made to the ANZAM Region boundaries to meet US requirements. The conference also agreed that when all participating authorities had approved

---

<sup>27</sup> Attachment to DCA 2/1951, 22 January 1951, CRS A5799, AA.

<sup>28</sup> DCM 53/1951, 8 March 1951, CRS A2031, AA.

the conference report, it would be considered an agreed document, and the necessary action taken at the Service level to implement the recommendations.

The new boundaries differed slightly from those agreed to previously by the ANZAM nations, the basic difference being the inclusion of the Gulf of Siam and a slight western shift of the eastern boundary which excluded a number of islands for which the UK and New Zealand were responsible.<sup>29</sup> By late 1951, the ANZAM countries had agreed to the revised boundaries.

The UK, however, was concerned that there was no US recognition of the ANZAM Region as a possible war theatre. Such recognition would give US agreement to planning to be conducted in peace, but more importantly recognise that in war, operations would be directed by the ANZAM Chiefs of Staff, equal in status to the US or UK Chiefs of Staff, and responsible to the allied authority for the higher military direction of the war.

The US position was put clearly by Admiral Radford that the ANZAM Region had no significance other than for the purposes specifically stated i.e. coordination of specific naval activities relating to control and protection of shipping. The US Chief of Naval Operations approved the conference recommendations and authorised CINCPAC to implement them.

In October 1951, the Defence Committee, discussed the issue and agreed that, as the other parties had concurred with the conference recommendations, the endorsement of the Minister for Defence and the Prime Minister be sought to adopting the revised area as the ANZAM Region, and for coordination between ANZAM and the US as agreed. It was also agreed by the Defence Committee to pursue the UK Chiefs of Staff proposal to discuss the question of the status of the ANZAM Region with the US.<sup>30</sup>

This latter aspect was treated in a rather perfunctory manner by Collins who, in a letter to Radford in September 1951 informing him in general terms of the UK Chiefs of Staff views, and particularly their desire for a wider status to be given to the region, concluded:

I don't think you and I need worry at present about this aspect, the initiation of which must come, if at all, from higher authority .... I feel the way is now clear to go ahead, on the naval level, with our planning.<sup>31</sup>

In the event, the US never recognised ANZAM as a potential war theatre.

The Radford/Collins Agreement was subsequently endorsed by the Prime Minister and Minister for Defence in October 1951.<sup>32</sup> The Agreement is not a treaty, but provides for coordinated operations in relation to naval control and protection of shipping when mutually agreed by two or more of the parties. If invoked, Australia would assume responsibility for naval control and protection of shipping broadly within the Australian Maritime Surveillance Area (MARSAR).

---

<sup>29</sup> DCA 263/1951, 14 September 1951, CRS A5799, AA.

<sup>30</sup> DCM 352/1951, 11 October 1951, CRS A2031, AA.

<sup>31</sup> Letter, CNS to CINCPAC, 20 September 1951, Supplement to DCA 263/1951, op. cit.

<sup>32</sup> Supplement to DCA 263/1951, op. cit.

The primary value of the Agreement has been as a peacetime planning and liaison measure to exercise doctrine for the naval control and protection of shipping. Hence, independently of the ANZUS Treaty negotiations, a basis for allied maritime cooperation in the Pacific had been established.

### The ANZUS Treaty and its Impact

In addition to the Colombo Plan<sup>33</sup>, the other major strategic initiative achieved by Spender during his short term in office (some fifteen months) was the ANZUS Treaty. Although eclipsed by cooperation in British Commonwealth defence in its early years, ANZUS was to become the cornerstone of Australia's defence policy for the next forty years, and remains today as Australia's primary defence treaty. The development of the cold war and the US aim of containing communism, in concert with its allies, together with the US desire for a 'peace of reconciliation' with Japan, set the scene for the successful negotiation of the Treaty.

The ANZUS Treaty was negotiated in Canberra in February 1951; Spender being the major player from the Australian perspective. It was formally signed in San Francisco on 1 September 1951 and ratified in April 1952. ANZUS' origins and implications have been extensively analysed in the literature.<sup>34</sup> It is generally agreed that it was the US desire to secure a moderate peace treaty with Japan, made more urgent as a result of military setbacks in Korea in 1950, which enabled Australia and New Zealand to achieve such a defence pact. The prompt commitment of Australian and New Zealand forces to Korea also helped improve relations with the US and would have ensured a more conducive climate in Washington to the implementation of such a treaty. A more recent analysis by Philip Dorling suggests that in addition to these factors, 'the ability and willingness of Australia and New Zealand to contribute to the defence of the Middle East in the event of global war was a major, perhaps the most important element in the chain of diplomatic and strategic interaction which produced the ANZUS Treaty.'<sup>35</sup>

Australia's decision in mid-1950 to extend the scope of Australian strategic planning to provide for the possible dispatch of land and air forces to the Middle East in the event of global war was seen by UK and US strategic planners as a significant contribution to assist the possible implementation of Anglo-American global war plans. No major threat was likely to emerge in the South-West Pacific, and the provision of a public and formal security guarantee, unlikely to impose any significant new military burden on the US, was in large part intended to

---

<sup>33</sup> At the Commonwealth Foreign Ministers' Conference in Colombo in January 1950, Spender had proposed a scheme of bilateral technical and economic cooperation in Asia. This became known as the Colombo Plan (after initially being called the Spender Plan - presumably to avoid the ambiguity) which formed the basis for Australia's aid policy for many years. See Sir Percy Spender, *Exercises in Diplomacy*, Sydney University Press, 1969.

<sup>34</sup> See especially for a detailed treatment: Spender, *Exercises in Diplomacy* op. cit.; A. Watt, *The Evolution of Australian Foreign Policy 1938-1965*, Cambridge University Press, 1967; J. G. Starke, *The ANZUS Treaty Alliance*, Melbourne University Press, 1965; W. David McNyre, *Background to the ANZUS Pact*, Canterbury University Press, 1995.

<sup>35</sup> Philip Dorling, *The Origins of the ANZUS Treaty. A Reconsideration*, Flinders Politics Monograph No. 4, 1989, p. 2.

alleviate any potential political difficulties in Australia relating to the dispatch of troops to the Middle East. A State Department assessment prepared in late 1951 noted that the Treaty would 'free substantial Australian and New Zealand forces for the defence of the Middle East'.<sup>36</sup>

The Pact includes two main issues—action in the face of aggression and the provision for consultation in the face of aggression or threat of aggression. It also provided for the establishment of an ANZUS Council consisting of the respective Foreign Ministers, to meet as required.

The first major provision in the Treaty regarding action in the face of aggression is covered in Articles IV and V. Article IV (the heart of the Pact) says:

Each Party recognises that an armed attack in the Pacific area on any of the Parties would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes.

Article V then defines 'an armed attack' as including an attack on the metropolitan territory of a Party or on the island territories under its jurisdiction in the Pacific, or on its armed forces, public vessels or aircraft in the Pacific. The other main provision is the preparation or planning to meet aggression (Articles III and VII). The former provides for consultation in the event of a threat to any of the Parties, the latter establishes a Council to deal with implementation of the Treaty.

It is of interest to note that the preamble recognises that Australia and New Zealand, as members of the British Commonwealth, have military obligations outside as well as within the Pacific area. This was an implicit acknowledgment of the Middle East commitment which created the need for an American security guarantee.

Another issue in the preamble notes that the Pact was an interim step 'pending the development of a more comprehensive system of regional security in the Pacific area' (this is also noted in Article VIII). This reference probably goes back to the US desire to have an arrangement including Asian countries. A wider system of security was eventually established under SEATO, which is discussed in Chapter Eight.

The exclusion of the UK from the ANZUS treaty was a decision by Australia and the US for different reasons. Australia was aware of the British objections, and acknowledged that the UK would not enter a pact which did not include all its conditions, and also recognised that these would not be acceptable to the US.

One major British reservation perceived by Spender was the apprehension that as a consequence, Australian and New Zealand commitments would be increased in the Pacific, leading to a diminishing capacity to contribute military assistance to the Middle East. The British reservations were also centred around its objection to a 'white man's pact' which could engender hostility among Asian countries and adversely affect the Colombo Plan.

---

<sup>36</sup> December 1951, Foreign Relations of/with the US (FRUS) 1952–54, Vol XII, East Asia and the Pacific, Part 1, USGPO, Washington, 1984, p. 2.



The UK also raised the propositions that: an 'offshore' arrangement (including Japan and the Philippines) was undesirable; any defensive pact which did not include the nations of South-East Asia (i.e. ex-British colonies) was inadvisable; it was unlikely these nations would join any such pact; and, unless they did, no pact should be entered into. It also considered that security in the Pacific was unreal unless there was security also in the Indian Ocean, and therefore nothing should be done to impede this being achieved.

The UK was opposed to any Pacific Pact of which it was not a party, yet was unwilling to enter into any at all. Spender noted that 'in substance the UK objections ...were to the creation at that time of any Pacific security pact'. The British view was unacceptable to Australia.<sup>37</sup> The US, on the other hand, a major critic of colonial empires, could not underwrite the UK's colonial territories in the Pacific, noting that significant British commitments in the Middle East reduced its ability to defend its territories in the Pacific.

David McIntyre, in a comprehensive analysis of the background to ANZUS, puts the British objections and the misunderstanding with Australia in focus. Because of UK interests in South-East Asia, an 'island chain' agreement (ie, 'offshore' arrangement) with Britain excluded had the potential to damage British prestige and cause insecurity in the ex-British colonies. In view of the British objections and the fact that British inclusion in any agreement would be likely to cause problems with France, the Netherlands and Portugal, the US reconsidered its options. The result was the decision to offer a tripartite agreement with Australia and New Zealand. Bureaucratic delays in Whitehall prevented this option being seriously considered by the British Cabinet whose objections, which upset Spender, really related to the discarded 'island chain' proposal.<sup>38</sup>

While Artlee welcomed ANZUS and recognised its relevance to the Middle East strategy, Churchill, after his re-election in 1951, stated that he regarded the pact as an affront to Britain, and sought a wider arrangement which he considered would be more satisfactory. Despite British attempts to be included at later ANZUS Council meetings, given the US position, Australia and New Zealand declined to argue strongly for British membership.<sup>39</sup>

The relationship between ANZUS and the ANZAM arrangements was not addressed when negotiating ANZUS and, in the event, was never resolved. Given Britain's responsibility for the defence of Malaya and its close strategic relationship with two of the ANZUS partners, who were also committed to planning in support of Britain in the Middle East, Britain's objections to its exclusion from the Treaty have some validity. Any planning for the Pacific area should sensibly involve Britain, and a more comprehensive Pacific Pact, including Britain, was ultimately seen as the way ahead.

The ANZUS Treaty was criticised during the debate in the Australian Parliament primarily because it was less definitive than the North Atlantic Treaty Organisation (NATO) Pact, with correspondingly less obligation on the US for assistance. Despite the vagueness of its wording, ANZUS set the scene for a close defence relationship with the US. The alliance

<sup>37</sup> Spender, *Exercises in Diplomacy*, op. cit. pp. 89-93.

<sup>38</sup> McIntyre, op. cit., pp. 307-309.

<sup>39</sup> N. Harper, *A Great and Powerful Friend*, University of Queensland Press, St Lucia, 1987, pp. 244-49.

was seen as giving grounds for confidence that in the event of a fundamental threat to Australia's security, US military support would be forthcoming.

Australian enthusiasm for the agreement was tempered during the early years by apathy towards ANZUS by the US. The US Government showed no desire to make ANZUS more than a means of exchanging views and information and fostering a common approach to problems, and suspicions grew that the Eisenhower administration was cool towards the alliance.<sup>40</sup>

The Treaty had a major by-product in that Australia (and New Zealand) attached themselves firmly to the US in the interests of what was regarded as a realistic policy. As a result, for over a decade Australian foreign and defence policy was closely identified with that of the US and little effort was made to establish close relationships with other countries in the region. Despite attempts by Casey, Menzies could not conceive of any but western nations as ever being seriously considered as dependable or as close allies. While identifying itself with US policies, Australia was neither able to influence them significantly, nor remain remote from them.

Although the benefits of ANZUS have often been praised, the existence of this alliance did cause the Menzies government to reduce defence expenditure and maintain it at minimal levels. The benefits of this low defence spending allowed the Government to avoid diverting fully committed labour from the civil sector to defence, to refrain from imposing extra taxation to fund increased defence spending, and to avoid fuelling the fires of inflation.<sup>41</sup>

A study of Australia's defence during the period states, in relation to Australia's defence responsibilities under ANZUS, 'Although military representatives of the signatories conferred on means of developing the capacity to resist attack, it is doubtful whether Australia or New Zealand fulfilled the pledge in Article 2 for at least a decade'.<sup>42</sup> Dr Millar was also critical of the Australian approach to defence funding and he states, 'And yet on the evidence it is difficult not to conclude that if the Australian government took seriously the communist military threat in South East Asia, it wanted other people to bear the costs of meeting that threat'.<sup>43</sup>

Reese contends that Australian and New Zealand expenditure on defence was, 'the minimum that their governments judged compatible with the retention of the good will of major allies, and this was widely acknowledged in the press and the universities as being less than it should be'.<sup>44</sup> The need to contribute to domestic economic and demographic development as a more important contribution to security evolved into a claim for Australia to contribute less than its proper share to western defence which, according to Millar, was 'neither credible nor honourable'.<sup>45</sup>

---

<sup>40</sup> T.R. Reese, *Australia, New Zealand and United States, A Survey of International Relations 1941-1962*, Oxford University Press, London, 1969, pp. 145-48.

<sup>41</sup> G. Balton, *The Oxford History of Australia*, Vol. 5, 1942-1988. South Melbourne, 1990, p. 80.

<sup>42</sup> Reese, op. cit., p. 140.

<sup>43</sup> T.B. Millar, *Australia in Peace and War*, Australia National University Press, Canberra, 1978, p. 259.

<sup>44</sup> Reese, op. cit., p. 278.

<sup>45</sup> Millar, op. cit., p. 165.

It was repeatedly argued by the Government that defence was essentially a matter of cooperation with the UK and the US in South East Asia, and that this protection had to be earned by supporting those countries in the area. 'At no time in the 1950s, however, was the Australian (or New Zealand) contribution commensurate with government statements of intent'.<sup>46</sup>

The issue is succinctly summarised by B. D. Beddie:

...officially we undertook a major defence effort in order to secure and carry influence in our alliances, in reality we relied upon our alliances to relax our defence effort. Instead of treating defence as complementary to diplomacy, we treated diplomacy as a substitute for defence. Again, it is an open question whether the government intentionally followed this course as a policy of 'getting away with it' at the expense of our allies or whether it genuinely failed to appreciate the divergence between its foreign and defence policies.<sup>47</sup>

While the weight of historic evidence favours the former, the absence of clear force structure plans and an overly complex defence machinery, meant that the Government consistently failed to come to grips with what its defence policy was achieving in real terms.

---

<sup>46</sup> Reese, *op. cit.*, p. 280.

<sup>47</sup> B.D. Beddie, 'Some internal Political Problems', 1964, in John Wilkes (ed.), *Australia's Defence and Foreign Policy*, Australian Institute of Political Science, (Proceedings of 30th Summer School), Angus & Robertson, Sydney, 1964, pp. 137-8.

## CHAPTER FIVE

### THE IMPACT OF MOBILISATION PLANNING ON FORCE STRUCTURE DEVELOPMENT

*The dangers of war have increased considerably. It is my belief that the state of the world is such that we cannot, and must not, give ourselves more than three years in which to get ready to defend ourselves. Indeed three years is a liberal estimate.*

R.G. Menzies, 1951

#### The Three Year Program

On 5 July 1950 the Council of Defence agreed to a proposal by the Prime Minister that a new defence program be instituted by the present government and that the period for its implementation be three years.<sup>1</sup> The Three Year Defence Program (1950–52) was based on completing the objectives of the Chifley government's Five Year Program (1947–51), with additional objectives.

These included the introduction of national service, the re-introduction of Women's Services in the three Services, the re-forming of a Citizen Air Force Reserve, the production in Australia of the latest high speed bomber (Canberra) and of the latest development in jet-propelled fighter aircraft (Hawker F1081—under development in the UK; in the event the Sabre jet fighter was procured), as well as an extension of the present contracts for a jet fighter in production in Australia (Vampire), the modernisation and conversion of existing destroyers and the commencement of a new naval construction program. Ultimately, provision was made for the Malayan and Korean commitments and a significant pay increase was approved.<sup>2</sup>

The naval construction and modernisation programs had been raised by the RAN late 1949, endorsed by the Defence Committee in early 1950, and were finally approved by the Government in August that year.<sup>3</sup>

The basis of the new Three Year Program was outlined in a Defence Committee Memorandum in September.<sup>4</sup> The memorandum referred to the Soviet cold war strategy and tactics and emphasised that Australia's cold war policy must be related to military strength. Increased strength was necessary for greater preparedness for a speedy transition to a war footing. The policy framework developed for the previous plan was assessed as still relevant.

---

<sup>1</sup> Council of Defence Minute No. 42, 5 July 1950, CRS A7535, Item 15, AA. This was the final meeting of the Council which was to be later reconstituted in 1976 and again in 1985. Its function was taken over by the Cabinet Committee on Defence Preparations.

<sup>2</sup> CPD Vol. 209, 12 October 1950, p. 767.

<sup>3</sup> Cabinet Minute No. 151, 4 August 1950, CRS A4639, Vol. 6, AA.

<sup>4</sup> DCM 155/1950, 8 September 1950, and attached Defence Committee Memorandum, CRS A2031, AA.

A major issue identified was the strength of the Services. The state of the Service personnel in 1950 is shown in Table 5.1:

**Table 5.1 Personnel Status - 1950**

SERVICE	PRESENT STRENGTH	PLANNED BY JULY 1952	REQUIRED INCREASE
<b>PERMANENT FORCES</b>			
Navy	10 407	15 173	4766
Army	15 064	19 000	3936
Air Force	10 144	14 356	4212
<b>TOTAL</b>	<b>35 615</b>	<b>48 529</b>	<b>12 914</b>
Land Force for Korea	818	1000	182
<b>CITIZEN FORCES</b>			
Navy	5111	7580	2469
Army	18 467	30 000	11 533
Air Force	1445	10 640	9195
<b>TOTAL</b>	<b>25 023</b>	<b>48 220</b>	<b>23 197</b>

The numbers required on mobilisation, and the planned expansion after the first year ( $M + 1$ ), are shown in Table 5.2.

**Table 5-2 Mobilisation Plan**

SERVICE	M DAY (on outbreak of war)	M + 1 YEAR
Navy	23 253	27 000
Army	167 000	240 000
Air Force	22 950	27 000
<b>TOTAL PERSONNEL</b>	<b>213 203</b>	<b>294 000</b>

The new program heralded a brief period of significantly increased defence spending which allowed a number of objectives, developed after the introduction of the 1947–51 Five Year Plan, to be funded. With the exception of national service, these were initiated by the Defence establishment. An initial amount of some £272.2m was estimated for the new three year program, based on the following factors:

	£m
. balance of the Five Year Program	164.3
. 1952–53 amount to maintain approved strength and organisation	56.9
. outstanding Navy capital for 1952–53	5.7
. additional objectives approved by government	45.3
<b>TOTAL</b>	<b>£272.2m</b>

This amounted to a planned annual defence expenditure of some £91m, or some 4.1 percent of national income, compared with £54.3m or 2.9 percent spent the year before.<sup>5</sup>

Cabinet considered the Defence Committee's advice on the state of Australia's defence preparedness in mid September. The planned strengths of the Services were endorsed except that the Army's Citizen Military Force (CMF) was to be increased from 30 000 to 50 000. It was agreed to limit national service to 21 000 and bring forward the commencement of the scheme to 1 May 1951.

The Field Force was to be expanded to complete a brigade group with a third battalion, and a second brigade group was to be recruited, when the first was at full strength. Conditions of service in the Army were to be amended to allow for service anywhere.<sup>6</sup> In the context of approving the national service scheme earlier that year, Cabinet had approved a major recruiting campaign and, to improve recruiting and retention, a significant service pay rise.<sup>7</sup>

The increased emphasis on Army personnel and the aircraft production program resulted in a change in the balance of funding between the Services, apart from the overall increase in Defence spending. The actual expenditure compared with the previous year (excluding £57.1m for strategic stores) is shown in Table 5.3:<sup>8</sup>

<sup>5</sup> *ibid.*

<sup>6</sup> Cabinet Minute No. 185, 11–13 September 1950, CRS A4639, Vol. 6, AA.

<sup>7</sup> Cabinet Minutes No. 144 (National Service), 14 July 1950; 154 (Recruiting), 31 July 1950; and 186 and 186A (Pay Rise), 25 September 1950; CRS A4639, Vol. 6, AA.

National service recruits were to undertake the following training:

- . Navy: 124 days continuous training, followed by 13 days in each of the next 4 years.
- . Army: 98 days continuous training, followed by a 14 day camp and 12 days of evening and weekend training for the next 3 years.
- . Air Force: 176 days continuous training.

<sup>8</sup> CPD Vol. 209, 12 October 1950, p. 782 and CPD Vol. 214, 26 September 1951, p. 71.

Table 5.3 Defence Expenditure 1949–50 and 1950–51

DEPARTMENT	EXPENDITURE (£m)		PERCENTAGE INCREASE
	1949–50	1950–51	
Navy	16.8	24.6	46.4%
Army	15.1	26.2	73.5%
Air Force	11.8	27.7	134.7%
Defence	0.3	0.4	33%
Supply	10.3	12.1	17.5%
<b>TOTAL</b>	<b>54.3</b>	<b>91.0</b>	<b>67.6%</b>

The increase in defence spending which began in 1950–51 was not a result of the Korean War, as is the popularly held belief, but the result of an increase in defence preparedness in expectation of the imminence of war. In 1950–51, the additional costs of Korea, BCOF Japan, and Malaya were estimated to be some £3.9m or 7 per cent of the defence draft estimates for personnel and operating costs for that year.<sup>9</sup>

The change in defence thinking and the need for greater defence preparedness were outlined by Menzies in a series of three rather dramatic radio broadcasts, 'The Defence Call to the Nation' in late September 1950. During these broadcasts he raised the prospect of war and called for increased defence preparation, noting that:

we are, in truth, confronting a new technique of world aggression .... If the evil day dawns on which the last great world struggle begins, we must be prepared to fight wherever it is essential that the enemy be met and overcome. If there is to be a third world war, the safety of Australia will not be protected here in Australia, but in some other area ... and so the Services must be designed and equipped, not for the last war, but for the next.<sup>10</sup>

These speeches outlined the Government's recently agreed defence policy and it was against this political framework that the increase in defence expenditure was authorised.

With regard to the Navy, Menzies raised the need to counter the long-range submarine threat to Australia's trade as the RAN's primary role, emphasised the need for a capable force-in-being, and recognised that the previous government had put in hand 'a sound naval program'. With some extension, he stated, it would be a modern force with significant naval

<sup>9</sup> DCM 155/1950, 8 September 1950, op. cit.

<sup>10</sup> CNIA, Vol. 21, No. 9, September 1950, pp. 658–69.

aviation and ASW capabilities. He raised the serious personnel problems facing the RAN and called for 5500 recruits, emphasising the overall Defence recruiting campaign and the increased rates of pay for Service personnel.

In the case of the Army, he announced that the Government intended to raise a regular army of two brigade groups, one of which was to be ready for instant deployment. He also noted the strength of the Citizen Military Forces was to be expanded to 50 000 and that all new enlistments (both regular and reserve) would have to volunteer for overseas service. 'An Australian Army raised only for service in Australia would, in all probability, be raised for no service at all. It would be the equivalent of a wooden gun.'

He announced that the Air Force would continue its expansion to 16 squadrons (the planned target in the old five year program) and raised the requirement to introduce jet aircraft, both procured from overseas and manufactured in Australia. The later introduction of modern jet fighters (Meteor and Sabre) in response to the need to cope with the Chinese flown, Soviet built MiG-15, was the one force structure change which could be attributed to Australia's experience in Korea.

Although he did not spell it out in so many words, Menzies was committing Australia to providing an expeditionary force with a reduced emphasis on defence of Australia. The revised defence expenditure pattern reflected this change in emphasis, with the RAN's role of protection of shipping being of a secondary nature. This was to be undertaken in an area of assessed low threat, and one where the US Navy was dominant.

### State of the Navy - 1950

By December 1950 the RAN's active forces included one carrier, five destroyers and four frigates. Personnel strength of 10 860 was still well down on the 15 000 target for mid-1953. National service training was planned to commence in 1951 with an annual intake of 500. The first carrier, *Sydney*, had an embarked air group and a second air group was formed and stationed at the Naval Air Station, Nowra. *Melbourne*, the second carrier, was building in the UK. A second naval air station at Schofields (*Nirimba*) was planned for aircraft repair, maintenance training and to accommodate reserve aircraft.<sup>11</sup>

The first of the six destroyers approved for construction, *Tobruk*, finally commissioned in May 1950 some 15 months later than originally scheduled. The second, *Anzac*, was originally planned to commission in September 1949 and finally did, some 18 months late in March 1951. The four *Darings* were planned for delivery successively in 1953-55. The ongoing building program of six anti-submarine frigates had been authorised.<sup>12</sup>

The modernisation of the cruiser *Hobart* had begun at Garden Island Dockyard, with a planned completion date of 1952. The conversion of the five 'Q' Class destroyers to fast anti-submarine frigates had been authorised and work on three had begun. Modernisation of 12

---

<sup>11</sup> Letter, Secretary Department of the Navy to the Secretary Department of Defence, 28 December 1950 outlining progress on Five Year Defence Program, CRS A816, Item 14/301/424. AA.

<sup>12</sup> *ibid.*



of the 30 Australian minesweepers (currently in reserve) was planned. Modernisation of the three 'Tribal' class destroyers had been authorised, and work on *Arunta* had begun.<sup>13</sup>

The planned modernisation of the Australian minesweepers later termed 'ocean minesweepers', recognised the potential mine threat in the ANZAM region. The modernisation involved fitting out the *Bathurst* class with the latest British influence and mechanical minesweeping equipment. While this equipment was developed in the late 1940s, the Soviet mines used in the Korean War gave an emphasis to mine countermeasures which was to be reflected in RAN planning, if not force structure.

Maintaining ships in reserve was an accepted concept which, for a minimal expenditure in manpower and finance, ensured that ships that were unable to be manned in peace time were available to meet mobilisation plans. The relatively unsophisticated weapons systems of the ships of that era made the concept more viable, although without careful and expensive preservation work, the ships did deteriorate. With the large number of ships left over from World War II and the reduced manpower available, placing ships in reserve and rotating them in active service was preferable to scrapping them.

In early 1951, the Admiralty advised that *Melbourne* would not be completed until March 1954. This represented a delay of some 21 months to the agreed delivery date, on which the naval aviation plans were based.<sup>14</sup> The Naval Board was quite concerned at the effect which this delay would have on its plans and sought to acquire a carrier on loan from the Admiralty for a period of about four years from late 1952 to late 1956. This period was seen as covering the delay in the arrival of *Melbourne* and the modernisation of *Sydney*.

The Minister concurred with a Defence Committee recommendation in June 1951 to acquire a carrier on loan from the UK. The Navy anticipated it could finance the cost from within its allocation under the Three Year Program but, in view of the manning situation, could not commission *Hobart*, which was deleted from the order of battle.<sup>15</sup>

The British Government made no charge for the loan. The cost to the RAN was estimated at £382 000, including £62 000 for air fares for the RAN crew to fly to the UK, £200 000 for alterations to provide additional aircrew accommodation and £120 000 for the initial outfit of air stores.<sup>16</sup> The RAN took over *Vengeance* in November 1952. (It reverted to the RN in October 1955.)<sup>17</sup>

In May 1951 the CNS wrote to the Minister advising that he was 'gravely concerned ... at the delays in our dockyard which are resulting in a disastrous lag in the construction and conversion program'. The main cause for this situation was seen as a general shortage of manpower, the effect of material shortages being negligible compared to the labour problem.

---

<sup>13</sup> *ibid.*

<sup>14</sup> Letter from Department of Navy to Department of Defence, 21 March 1951, CRS A816, Item 52/301/285, AA.

<sup>15</sup> DCM 167/1951 and 168/1951, 8 June 1951, CRS 2031, AA.

<sup>16</sup> Letter, from Navy to Defence, 19 March 1953, CRS A 816, Item 52/301/285, AA

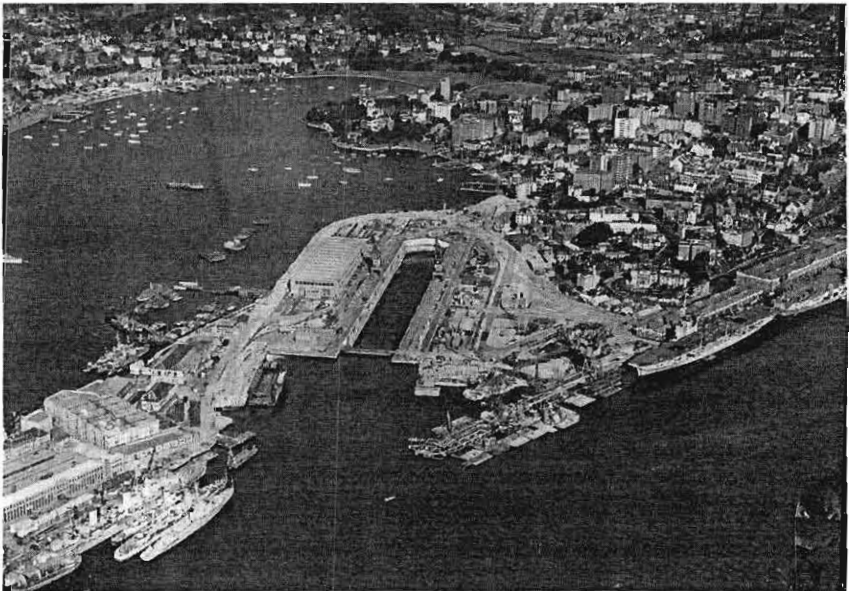
<sup>17</sup> Bastock, *op. cit.*, p. 308.

The naval dockyards at the time had some 5000 workers and the CNS estimated 10 000 more were necessary.<sup>18</sup>

The general situation at the three dockyards gives an insight into the problems at that time.<sup>19</sup>

#### **Garden Island Dockyard**

- Priority given to repair and refit of ships in commission.
- Maintenance of ships in reserve was well behind and consequently their condition was deteriorating badly.
- Modernisation of *Hobart* was two years behind schedule.
- No work had been possible on the modernisation of minesweepers or frigates (it had been planned to convert a 'Q' class).



*Garden Island Dockyard, June 1946. (J. Straczek)*

<sup>18</sup> Letter, First Naval Member to Minister, 25 May 1951, DCA 162/1951, 15 June 1951, CRS A5799, AA.

<sup>19</sup> *ibid.*

### Cockatoo Docks and Engineering Works

- New construction *Darings* had slipped two years.
- Anti-submarine frigates were not yet started.
- *Arunta* was in hand but delayed six months to June 1952.
- *Queenborough* and *Quiberon* were in hand but had slipped six months to December 1952 and 1953 respectively.
- *Quality* had not yet started and was delayed to at least 1953.

### Williamstown Naval Dockyard

- New construction *Darings* delayed at least two years.
- Plan to build three anti-submarine frigates was not possible.
- *Quadrant* and *Quickmatch* were in hand but had slipped indefinitely.
- Conversion of two ocean minesweepers was in hand on a low priority basis.

Action had been taken to attract more labour by increased pay rates, but this had only prevented further reductions. The CNS proposed a number of measures to improve the situation including: dockyard training, structural changes, improved work practices and extra allowances.<sup>20</sup> These, however, failed to improve the very slow rate of progress.

In a further submission taken by the Defence Committee in December 1951, the situation regarding the new construction delays was starkly laid out. The delay was now assessed as being two to three years with delivery estimated in the period 1954 to 1956. Again the cause was given as the very slow work in both yards.<sup>21</sup>

Because of these delays and the inability to build any minesweepers in Australia before 1954, and following investigations in late 1951, the Navy proposed that orders for four anti-submarine frigates and five coastal minesweepers be placed in Canada at a cost of £15m.<sup>22</sup> The need to maintain continuity of the construction programs in Australia would be accommodated by maintaining the order for two frigates to be built in Australia, as approved, and building the other two in Australia as a later, follow-up program. In addition to the three minesweepers already approved, four more would be built in Australia which, with the five Canadian vessels, would complete the total of 12 considered necessary.

While the Navy appreciated that Australia's falling international reserves made the proposals unlikely to be practical, it was considered necessary to put on record to the Government the shortage of these vessels and to emphasise that every source of supply had

---

<sup>20</sup> *ibid.*

<sup>21</sup> DCA 347/1951, 4 December 1951, CRS A5799, AA.

<sup>22</sup> DPC 52/36, 20 March 1952, CRS A4933, Vol. 7, AA.

been investigated. The Cabinet Committee on Defence Preparations decided in March 1952 that in view of the foreign currency involved the proposal could not be approved.<sup>23</sup>

### **Mobilisation Planning**

In early 1951, while the ANZUS Treaty and the Radford/Collins Agreement were being negotiated, Menzies was overseas attending the Commonwealth Prime Ministers' Conference in the UK. Shortly after his return, in March 1951, in a speech reporting on the conference he raised the increased probability of a third world war. After a wide ranging review of the state of the global situation and particularly the Commonwealth, he stated:

The dangers of war have increased considerably. It is my belief that the state of the world is such that we cannot, and must not, give ourselves more than three years in which to get ready to defend ourselves. Indeed, three years is a liberal estimate. Nobody can guarantee that it may not be two years or one year. But certainly nobody could say with any authority that we have a day more than three years ... against that imminent danger we must be prepared, and in time.<sup>24</sup>

In assessing Australia's strategic environment he stated that: 'Australian shipping might well be harried by long range submarines, and there might conceivably be some sporadic or isolated air attack. But invasion ... can be conducted only by oceanic powers. We have no present or potential enemy that could become an oceanic power within the time, or anything like the time, that I have stated'.<sup>25</sup> His concerns were principally related to the communist threat to the Western alliance in the Middle East, East and South-East Asia.

As proposed in his broadcast 'The Defence Call to the Nation', Menzies established a National Security Resources Board in late 1950 to examine the civil and military resources and needs to ensure effective planning and priorities for the best use of Australian resources in the interests of national security. This Board was created to advise government on distributing national resources between defence and civilian needs. It was chaired by the Prime Minister and consisted of senior public servants and prominent leaders in industry and trade unions, with a full-time executive member.<sup>26</sup>

The Prime Minister had written to the Minister for Defence in February noting that the Government should give consideration 'to the revision of some parts of our defence plans to meet the present international situation and ... the size of the direct military effort which should be contemplated in the event of war'. In preparing for detailed discussions with the National Security Resources Board on guidance on the size of the direct military effort, Menzies asked for a synopsis of the present stage of defence approvals and planning<sup>27</sup>.

---

<sup>23</sup> Cabinet Committee on Defence Preparations: Decision No. 93, DPC 52/41, 1 April 1952, CRS A4933, Vol. 7, AA.

<sup>24</sup> CPD Vol. 212, 7 March 1951, p. 78.

<sup>25</sup> *ibid.*

<sup>26</sup> *Beddie, op. cit.*, p. 130.

<sup>27</sup> Letter, Prime Minister to Minister for Defence, 26 February 1951, DCA 50/1951, 9 March 1951, CRS A5799, AA.

In his response, the Minister included a detailed statement of the material requirements, the strengths of the Services, the forces planned to be raised on mobilisation and the rate of expansion after mobilisation. The total material requirements were estimated by the Defence Committee to be some £397m including £84m already in the Three Year Defence Plan, £113m to be provided by June 1953 and £200m to meet the remaining deficiencies as soon as possible after June 1953. The breakdown by Service is shown in Table 5.4:<sup>28</sup>

**Table 5.4 Mobilisation Total Material Requirements - 1951**

Service	3 Year Plan £m	Addnl by Jun 53 £m	After Jun 53 £m	Total £m
Navy	24.0	23.5	58.0	105.5
Army	10.0	44.0	111.0	165.0
Air Force	50.0	45.5	31.0	126.5
<b>TOTAL</b>	<b>84.0</b>	<b>113.0</b>	<b>200.0</b>	<b>397.0</b>

The personnel requirements including reserves and national servicemen are shown in Table 5.5:

**Table 5.5 Mobilisation - Personnel Requirements - 1951**

Service	Actual Feb 51	On Mobilisation	M+1 Year	M+3 Years
Navy	17 700	24 163	30 000	44 000
Army	36 641	124 500	240 000	366 000
Air Force	12 111	34 725	78 000	200 000
<b>TOTAL</b>	<b>66 452</b>	<b>183 388</b>	<b>348 000</b>	<b>610 000</b>

Reserves comprised 37 per cent of the actual personnel and, including national servicemen estimated to be under training at the end of 1953, some 70 per cent of the mobilisation plan.<sup>29</sup>

The Navy's planned forces to be raised on mobilisation are shown in Table 5.6:<sup>30</sup>

<sup>28</sup> DCA 50/1951, 9 March 1951, *ibid.*

<sup>29</sup> *ibid.*

<sup>30</sup> *ibid.*

Table 5.6 Navy Personnel - Planned Employment on Mobilisation

<b>Activity</b>	<b>Personnel</b>
<b>Major War Vessels</b>	
2 carriers	2 cruisers
7 destroyers	11 frigates
12 ocean minesweepers	9180
<b>Minor War Vessels</b>	
1 landing ship tank	6 boom defence vessels
3 coastal minesweepers	1 coastal minehunter
others including 2 salvage tugs	650
<b>Fleet Train</b>	
1 armament stores issuing ship stores carriers	1 fleet tanker
	800
<b>Reserve Fleet</b>	800
<b>Harbour Defence including 4 seaward defence launches</b>	1800
<b>Shore Establishments, pools and under training</b>	10 933
<b>TOTAL PERSONNEL</b>	<b>24 163</b>

The planned expansion of the Navy after mobilisation included building up the frigates to 22 (M+2), the fleet minesweepers to 32 (M+2), the coastal minesweepers to 12 (M+2), a slight increase in the fleet train (1000 personnel at M+1), harbour defence (4,000 personnel at M+2), and an increase in the shore establishments, and training (1600 personnel at M+2). The build up of ships was not consistent with the number of ships in reserve and must have anticipated overseas assistance.

The strengths to be raised on mobilisation were approved by Cabinet on 1 March, which also 'noted' the material requirements. The National Security Resources Board examined the proposal in March and April but made no decision. The Minister for Defence, Senator McBride, complained to the Prime Minister in late March expressing his concerns about the 'further action necessary to obtain authority for placing orders in view of the time factor in preparedness'. In early May, the Prime Minister approved £50m for orders to be placed locally, with the object of converting available capacity in government factories to defence production.<sup>31</sup>

The Prime Minister was less than enthusiastic about the Services' proposals partly because the data was substantially that approved by the then Minister for Defence in May 1949 merely as a 'basis of enquiry'. He indicated that he was very conscious of the total demands to be made on the Australian economy during a period of preparation as well as in the event of

<sup>31</sup> Material Requirements of the Services on Mobilisation, attached to letter from Minister for Defence to Prime Minister, 17 August 1951, enclosed DCA 244/1951, 23 August 1951, CRS A5799, AA.

war. He also stated that he had considerable doubts as to whether so large a war-time expansion as that proposed by the Services would be justified, having regard to the probable nature of the war and Australia's role in it.<sup>32</sup>

In a letter to the Minister for Defence in early May Menzies outlined his preferred procedure. This would involve the National Security Resources Board conferring with the Defence Committee 'on the size of the Armed Forces that would be consistent with the maintenance of the other sectors of the economy in war-time'. The Defence Committee's proposals were to be examined by the Board and a report made to the Government on 'their feasibility, having regard to the resources available and the need for a balanced allocation of resources among the four sectors of the war effort and for preparing the economy for war'.<sup>33</sup>

The Defence Committee produced a revised statement in late May giving the strengths of the Services, the forces planned to be raised on mobilisation, and the rate of expansion after mobilisation. These plans, although prepared in the light of the Prime Minister's comments, were no doubt influenced by the revised government position on the imminence of war. The mobilisation strength of the Services after the outbreak of war remained as previously submitted i.e. a total of 610 000 after three years.<sup>34</sup> This total may be compared with the peak strength in World War II of 643 000 men and 48 500 women.<sup>35</sup>

In the Navy's case, the personnel were to man 'the minimum forces assessed as necessary to meet the form and scale of attack in the ANZAM region and Australian home waters'. The Navy noted that these forces would eventually comprise: '2 aircraft carriers; 2 cruisers; 7 groups of destroyers, fast escort, or escort vessels; a small fleet train; 20 ocean minesweepers and 20 coastal minesweepers; besides harbour defence and auxiliary vessels'.<sup>36</sup> This was consistent with the early plan and hardly considered Australia's economic situation.

The Navy further covered itself in the rather ambitious plan by noting that if the form and scale of attack in the ANZAM Region were less than estimated, some of the forces 'will be available to meet the grave deficiencies in the naval forces required for other theatres where they will constitute a reasonable Australian contribution to the overall naval requirements of the British Commonwealth'.<sup>37</sup>

---

<sup>32</sup> Summary of Prime Minister's remarks at Sixth Meeting of National Security Resources Board, 12 March 1951, CRS A816, Item 14/301/451, AA.

<sup>33</sup> Letter, Prime Minister to Minister for Defence, 9 May 1951, CRS A816, Item 14/301/451, AA. The four sectors of the economy were:

- . Armed Forces.
- . Munitions and supply production.
- . Food and raw materials production for export.
- . Maintenance of the civilian population on war standards.

<sup>34</sup> Attachment to DCM 149/1951, 31 May 1951, CRS A2031, AA.

<sup>35</sup> National Security Resources Board Paper No. B30, 9 March 1951, CRS A816, Item 14/301/451, AA.

<sup>36</sup> Appendix B to attachment to DCM 149/1951, 31 May 1951, CRS 2031, AA.

<sup>37</sup> *ibid.*

In line with the other two Services, these plans drew very much on World War II experience and were, in accordance with government policy, oriented to the overall plans for the defence of the Middle East and Malaya. In this regard, the Australian defence planners used UK planning documents extensively to outline existing deficiencies.

There would also appear to have been little consideration of the likelihood of the units to be manned actually being available within the postulated three years, and little recognition of Menzies' doubts as to whether the defence planners were considering the probable nature of the war and Australia's role. It was assessed that the UK and US would be unlikely to provide equipment to Australia for local defence, however, they would probably assist if an expeditionary force was being provided to a critical operational theatre. Although these plans were developed on the basis that there might be no more than three years in which to prepare for war, the Navy's plans in particular would appear to have been very ambitious.

In June 1951, McBride wrote to the Prime Minister recommending that the material requirements of the forces on mobilisation be approved as an objective and that the anticipated requirements which could be provided by 30 June 1953 be approved. He emphasised that these requirements applied only on mobilisation and not the subsequent expansion. The National Security Resources Board considered the problem in June and July and decided more consultation was necessary.<sup>38</sup>

In August, Menzies proposed to Cabinet that it adopt the objectives already implicit in previous approvals of the mobilisation strengths of the Services. To provide the material requirements of the forces on mobilisation a planning figure of £400m, of which £156m had already been approved (£84m in the context of the Three Year Plan, £50m for local orders and £22m for individual items—mainly ship building), was established. He further proposed that the previously approved strengths of the Services on mobilisation be agreed,<sup>39</sup> as shown in table 5.7:

**Table 5.7 Approved Mobilisation Numbers**

<b>Service</b>	<b>Personnel</b>
Navy	30 000
Army	124 500
Air Force	34 725
<b>Total</b>	<b>189 225</b>

Cabinet endorsed (again) the strengths on mobilisation, noted the additional financial approvals required over the period (£244m), and decided the material proposals required

<sup>38</sup> Attachment to DCA 244/1951, 23 August 1951, CRS A5799, AA.

<sup>39</sup> Letter, Prime Minister to Cabinet, 15 August 1951, attached to DCA 244/1951, *ibid.*



further analysis and re-categorisation into those needed in Australia and overseas.<sup>40</sup> The Navy personnel figure was that planned for M+1, but was accepted by Cabinet.

Menzies attitude to the mobilisation plan can be assessed in his submission to Cabinet on 15 August, where he noted 'that a determined effort be made to restrict the total program to levels that, while affording the necessary degree of preparedness, will keep the additional strain on our domestic resources and our overseas funds within reasonable limits'.<sup>41</sup> Menzies wanted to concentrate attention on what could be done up to mobilisation and how this could be achieved within three years.

McBride again represented to Menzies that it was clear Defence would not meet the mobilisation requirements by mid-1953, and no orders could be placed in the short term as he would have to divert all available staff for one month to reformat the needs as required by Cabinet. He suggested the expression 'in time for mobilisation' be defined more accurately to give a more definite idea as to the period within which the approved objective should be achieved.<sup>42</sup>

Menzies agreed that the preparation of orders should not be prejudiced by a reclassification of the statement of requirements and that:

... plans should be directed towards being in a position to mobilise our Forces by the end of 1953, although the danger point may come earlier. My view is that as regards mobilisation requirements that cannot be readily obtained in Australia by the end of 1953 or shortly afterwards, we must explore every possibility of obtaining our relatively small requirements from the United Kingdom or the United States by that date. In exploring these matters we should of course also have information available regarding any items that could be supplied in Australia somewhat later even though they would not be to hand in time for mobilisation at the end of 1953.<sup>43</sup>

After much deliberation, the National Security Resources Board decided in November 1951 that 'in view of the many variable and contingent factors involved in attaining the strengths proposed by the Defence Committee for expansion of the forces in the course of war, a substantially lower figure should be taken for planning at present'. The Prime Minister stated that 'Cabinet would consider, at an appropriate moment, what specific guidance should be given to the Services ... and the views of the Board and the considerations on which they were based would be brought to the attention of Cabinet'.<sup>44</sup>

---

<sup>40</sup> Cabinet Decision No. 123, 20 August 1951, Supplement No. 2, 12 September 1951, attached to DCA 248/1951, 30 August 1951, *ibid*.

<sup>41</sup> Letter, Prime Minister to Cabinet, 15 August 1951, attached to DCA 244/1951, *op. cit*.

<sup>42</sup> Letter, Minister for Defence to Prime Minister, 5 September 1951, Supplement No. 1, 7 September 1951, attached to DCA 248/1951, *op. cit*.

<sup>43</sup> Letter, Prime Minister to Minister for Defence, 18 September 1951, Supplement No. 4, 9 October 1951, *ibid*.

<sup>44</sup> National Security Resources Board, Minute No. 194, 12 November 1951, CRS 816, Item 14/301/451, AA.

Despite the announcement in March of the prospect of war within three years, Menzies and his administration had effectively dithered for some nine months on the allocation of resources for mobilisation, with a planning figure of 'substantially less'. Cabinet further delayed a decision when it determined in November, in the context of endorsing the Three Year Program, that Defence should consolidate that program with the Mobilisation Program and submit a single one to the Defence Preparations Committee as soon as possible.<sup>45</sup>

This is an example of how Menzies' government failed to fulfil its function through its use of an overly complex administrative structure. The National Security Resources Board never achieved the stated aim of supporting the committee structure as a central advisory body, able to review the plan for economic mobilisation from the impact on the national economy, and to determine the relative priorities between defence and the civil sector. A study which examines why this Board failed, noted that the Board 'struck great internal opposition and lasted ... for no more than three years, though it has never formally been abolished. Nor did it succeed in producing a full manpower and materials budget; this proved too hard for technical reasons...'<sup>46</sup>

### **Impact of Mobilisation Planning on the Navy**

The RAN's final mobilisation planning recognised the reality of the likely resources to be allocated to the fleet, and moved away from the '7 groups of destroyers, fast escorts or escort vessels' given in the May paper. With one cruiser, a destroyer, four frigates and 12 ocean minesweepers in or planned for modernisation, the June 1951 proposal for the planned active fleet by mid-1953 is shown in Table 5.8:<sup>47</sup>

*The majority of these ships were left over from World War II and would have been of limited use given the advances in submarine technology, the primary threat postulated for the ANZAM Region. The large number of ships remaining in reserve would indicate the severe manpower problems the RAN was experiencing.*

The emphasis on local defence was maintained in the list of 'additional requirements to be provided for the strengths of the Services on mobilisation prior to June 1953' as shown in Table 5.9.<sup>48</sup> With the exception of the fleet tanker, the RAN decided to build all the ships in Australia. By the time the proposals were submitted to Cabinet, the numbers had been further reduced, no doubt reflecting the Government's financial guidance.<sup>49</sup>

---

<sup>45</sup> Cabinet Decision No. 34, 22 November 1951, Supplement No. 2, 13 December 1951, attached to DCA 256/1951, 4 September 1951, CRS A5799, AA.

<sup>46</sup> R. Mendelsohn, *The Allocation of Resources as an Administrative Problem*, Public Administration, September 1958, p. 184.

<sup>47</sup> Attachment to DCM 160/1951, 8 June 1951, CRS A2031, AA.

<sup>48</sup> *ibid.*

<sup>49</sup> Cabinet Committee on Shipping and Shipbuilding, 30 November 1951, CRS A816, Item 40/301/630, AA.

Table 5.8 Planned Active Fleet for 1953, After Mobilisation

In Commission	In Reserve
2 aircraft carriers	
1 x 8-in., cruiser (obsolete)	1 x 8-in., cruiser (obsolete)
1 x 6-in., cruiser	
5 destroyers	
3 frigates	5 'Q' class frigates
1 training frigate	7 frigates
2 ocean minesweepers	27 ocean minesweepers
14 auxiliaries	19 auxiliaries

The initial proposal and the proposal submitted to cabinet, together with estimated costs, are shown in Table 5.9. The fleet tanker proposal went to Cabinet in August and the remainder in October 1951.

Apart from the fleet tanker and the minesweepers, the planned construction program was hardly a mobilisation issue and could be classed more in the category of desirable additions to Navy's auxiliary vessels.

The one fleet tanker was the first realisation of the need for afloat support, although a fleet train was also to be developed by requisitioning merchant ships to include:<sup>50</sup>

- 2 naval stores issue ships,
- 4 stores carriers,
- 1 victualling stores issue ship,
- 2 armament stores issue ships,
- 1 armament stores carrier,
- 1 repair ship, and
- 1 mobile workshop.

<sup>50</sup> Attachment to DCM 160/1951, 8 June 1951, CRS A2031, AA.

Table 5.9 Navy Mobilisation Ship Construction Plan

Initial Proposal		Proposal Submitted		£m
10	boom defence vessels	3	boom defence vessels	0.8
12	coastal minesweepers	3	coastal minesweepers Type I (the 'Ton' class minesweeper developed in the UK in 1949)	0.6
2	mine destruction ships (minehunters)	3	coastal minesweeper Type II <sup>51</sup>	0.2
30	seaward defence motor launches	4	seaward defence motor launches	0.6
1	fleet tanker	1	fleet tanker	2.6
1	self propelled oil fuel lighter	1	self propelled oil fuel lighter	0.3
3	de-perming lighters	2	de-perming lighters	0.1
			<b>Total</b>	<b>£5.2m</b>

Cabinet approved the construction program in October, but in line with the method of operation of that government, decided 'that the problem of carrying out this program be referred to the Cabinet Committee to be set up to deal with the placing of orders for shipping generally'.<sup>52</sup> In the event, the matter was ultimately dealt with in December by the Cabinet Committee on Defence Preparations, which agreed to the construction program.<sup>53</sup>

The Navy's ability to estimate the cost of ship building was again thrown into doubt, as by June 1957 the cost of the three boom defence vessels had risen some 120 per cent to £1.8m. Ten of the vessels were stated as required to work and maintain boom defences (one ship per mile of net), but only three were approved, limiting Australia's boom defences to three miles (Sydney, Darwin and Fremantle). The Defence Preparations Committee agreed the increased costs.<sup>54</sup> In the event, only *Kimbla* was built, being laid down in 1953 and completing in 1956.<sup>55</sup>

<sup>51</sup> This was the planned minehunting version of the 'Ton' class which was not built as minehunting sonar development was not mature enough at that stage. N. Friedman, *The Postwar Naval Revolution*, Conway Maritime Press, London 1986, p. 178.

<sup>52</sup> DPC Decision No. 9, 4 October 1951, CRS A816, Item 40/301/630, AA.

<sup>53</sup> Cabinet Committee on Defence Preparations, Decision No. 52, 11 December 1951, *ibid*.

<sup>54</sup> DPCA No. 52/60, 18 June 1952, *ibid*.

<sup>55</sup> R.V.B. Blackman (ed.), *Janes Fighting Ships 1972-73*, Sampson Low, Marston & Company Ltd, London, p. 24.

As the expansion of the Army and Air Force gained ascendancy in defence planning, the priority for the naval program gradually reduced. The Navy faced severe manpower shortages both in the Service and in the supporting infrastructure, particularly in the dockyards. This led to substantial delays to the planned construction program, making the timescales given in the 1947 plan almost irrelevant.

The Defence Committee considered the procurement of a fleet tanker in August 1951 and endorsed the proposal to purchase one from the UK at a cost of £2.6m. The British design was based on HMS *Olna* (used by the RN in the Pacific) and modified as a result of experience gained in World War II. The Admiralty tankers, to be operated as Royal Fleet Auxiliaries, were to be laid down in 1953 and completed in 1954. An overseas buy was proposed as construction in Australia was assessed as taking longer.<sup>56</sup>

Development of the proposal was delayed by Cabinet's decision not to consider individual items in anticipation of a general approval to the mobilisation plan. The CNS circumvented this delay with a letter explaining that the opportunity to buy would be lost if a decision were not made immediately, and this was the only way to obtain such a capability before 1957.

Collins proposed to man the tanker with a merchant navy crew in peacetime, avoiding any requirement for additional service manpower. He also offered the advantage of using the ship for freighting oil from the Persian Gulf, with the potential to reduce the costs paid to Admiralty tankers.<sup>57</sup> After further consideration in August 1951, the Defence Committee recommended the procurement of the tanker, which was approved by Cabinet that month.<sup>58</sup>

The fleet tanker *Tide Austral* was ordered that year and completed in 1955. The cost over run was some 20 per cent, with the final cost being £3.13m. By 1955, with no requirements for mobilisation, the RAN attempted without success to sell the ship. The Parliamentary Public Accounts Committee raised the question of the ship's employment because it seemed unlikely that it could be put to economic use, and might have to be laid up.

In March 1955, the Admiralty offered to man and manage the vessel, integrating it into the Royal Fleet Auxiliary service. This offer was accepted with a surplus of up to £75 000 per annum over running costs anticipated.<sup>59</sup> The ship remained on loan to the RN until 1962, when it was re-named *Supply* and commissioned into the RAN arriving in Australia in November that year<sup>60</sup>.

Despite Korea and more particularly mobilisation planning, the character of the Navy's planned force structure remained that conceived in 1947. There were no force structure changes proposed as a result of the RAN's operational experience in Korea. The end result of

---

<sup>56</sup> DCA 217/1951, 7 August 1951, CRS A816, Item 40/301/616, AA.

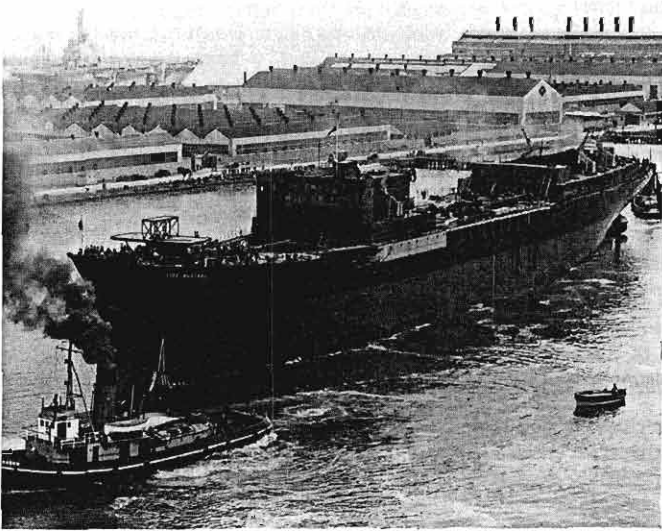
<sup>57</sup> Letter CNS to Minister, 10 August 1951, *ibid*.

<sup>58</sup> DCM 252/1951, 9 August 1951, CRS A2031, AA, and Cabinet Decision No. 112, 22 August 1951, CRS A816, Item 40/301/616, AA.

<sup>59</sup> Cabinet Agendum No. 419, 28 June 1955, CRS A816, Item 40/301/616, AA.

<sup>60</sup> Blackman. *op. cit.*, p. 25.

the considerable planning effort in relation to mobilisation was the fleet tanker, *Supply*, and one boom defence vessel, *Kimbla*.



*The launching of RAFA Tide Austral, (later HMAS Supply), September 1954. (J. Straczek)*

### **Mobilisation - the Political Reality**

Menzies' warning of the imminence of war in March 1951 and his decision to commit Australia to mobilise seem to lack any credible foundation. Despite the general assessment at the January 1951 Commonwealth Prime Ministers' Conference that the world situation was grave (see Chapter Six), no other Western leader took such drastic action. The UK view had changed from 1950 when the intervention of Chinese forces in Korea had made world war seem much more imminent, and the recent Prime Ministers' Conference had concluded that war was not inevitable.

In explaining the warning, Menzies drew on the 'deplorable weakness of Western European defences' and the need to support the UK in the Middle East. He raised the spectre of increased communist activity in Asia, 'intense and renewed activity' by communists in Australia, and finally referred to increased defence expenditure in Britain and the US. None of these reasons adequately justified such a serious warning, which was to cause such a significant administrative load on an already stretched organisation, and the unnecessary expenditure of scarce defence funding.

Chifley disputed Menzies' assessment and cautioned that it was easy to make false prophecies about the likelihood of war. He also pointed out that rationalism and a desire for independence were also causes of radical and revolutionary movements and that it was fallacious to claim that communism was the cause of every trouble in the world.<sup>61</sup>

In the following election campaign, the Government emphasised the imminent dangers of war and communist expansion, while the opposition stressed the need to remove the root cause of international friction, arguing the policies of humanity would prevent war. The outcome of the election held on 28 April 1951 was a decisive Liberal-Country Party majority. Sadly, Chifley died of a heart attack some six weeks later.

Menzies' motives behind the mobilisation planning he had set underway need to be questioned. He had caused a frenzy of activity within the defence arena, but was reticent in approving expenditure, cautioning that the program could not put undue strain on domestic resources and overseas funds. The National Security Resources Board (chaired by Menzies) also served as a brake to any rapid progress in approving Defence mobilisation plans.

The lack of urgency at government level to approve expenditure ensured that mobilisation plans were never implemented in the 'critical three years available'. Despite the rhetoric, the Government made no serious attempt to improve Australia's defence preparedness and, while the rhetoric continued, the defence program drifted.

Menzies never explained why war did not come as predicted and it is interesting that none of the literature on his period in power mentions that he caused his country to mobilise for war.<sup>62</sup> Given the imminence of the 1951 election when he announced the decision to mobilise, it would appear that Menzies' primary motive was political and that he successfully exploited an electorate's cultivated fear of communism and used the threat of war to discredit his political opponents.

---

<sup>61</sup> CPD Vol. 212, 7 March 1951, p. 78.

<sup>62</sup> See for example: Sir Robert Menzies, *Afternoon Light*, Cassell Australia Company, Melbourne, 1967; Sir Robert Menzies, *The Measure of the Years*, Cassell Australia Company, Melbourne, 1970; C. Hazelhurst, *Menzies Observed*, Allen & Unwin, Sydney, 1979.

## CHAPTER SIX

### THE COLD WAR AND PLANNING PRIORITIES

*Whilst the immediate threat of global war has receded the cold war has been intensified ... defence measures must be in balance with the national economy.*

*Strategic Basis Paper, 1952*

#### Strategic Vacillation

As plans for mobilisation proceeded during 1951, Australian strategic policy remained unclear regarding the relative priority between the Middle East and Malaya. The strategic importance of the Middle East was recognised, but fears remained over what was seen as the deteriorating situation in South-East Asia, particularly the possibility of Chinese intervention in Indo-China and subsequent attack on Malaya. Consequently, Australia remained reluctant to commit troops to the Middle East.

At the Prime Ministers' Conference held in London in January 1951, the UK Prime Minister, Mr Attlee, expressed concern at the very grave world situation. He saw the Far East as being the main current danger point. Attention was focused on Korea, but there was also danger in Indo-China and the potential for trouble to spread to Burma, Malaya and Indonesia. There was a great danger of being drawn into a major war with China which would result only in disaster, since it would inevitably be a long-drawn struggle and would immobilise US and allied forces in Asia, leaving Russia with a free hand in Europe.<sup>1</sup>

Attlee noted that negotiations with China might be necessary to avoid a major war in the Far East and, to be successful, there was a need to approach such negotiations from a position of strength. He concluded that 'in spite of the present dangers and difficulties ... we should not drift into believing ... that the only way of dealing with communism was by war'.<sup>2</sup> The Conference concluded that war was not inevitable and that it was important to keep in mind the distinction between being prepared for war and preparing to prevent war.

Subsequently at a meeting held at 10 Downing Street attended by the Prime Ministers of the UK, Canada, Australia, New Zealand, South Africa and Southern Rhodesia, to discuss Middle East defence, Menzies pointed out that from an Australian viewpoint any contribution to the defence of the Middle East was linked with the position in South-East Asia and the Pacific. He noted that the military position in Indo-China and Malaya and the outcome of events in Dutch New Guinea would exercise a powerful influence on Australian public opinion regarding the strength of forces that could be despatched to the Middle East. Of supreme importance and effect in this respect was the stipulation laid down by the Australian Government that the strategic planning authorised for the deployment of forces to the Middle

---

<sup>1</sup> Commonwealth Prime Ministers' Conference London 1951, Minutes of Memorandum PMM(51) 1st meeting 4 January 1951, p. 5, CRS A 1209/25, Item 57/5227. AA.

<sup>2</sup> *ibid.*



East and Malaya should be linked to US plans for the Pacific. The reassuring effect of this on public opinion would be a vital factor in determining the extent of Australia's Middle East contribution.<sup>3</sup>

The UK Defence Minister, Mr Shinwell, suggested at this meeting that further detailed discussions on the military aspects of the defence of the Middle East should be held with the Commonwealth Defence Ministers and Chiefs of Staff in a month or two. This proposal was welcomed by Menzies and endorsed by the Prime Ministers.<sup>4</sup>

A series of Tripartite military staff meetings began in May 1951 which led to the establishment in 1953 of the Five Power Staff Agency. These meetings influenced Australia's position in relation to the relative importance of South-East Asia and the Middle East. Following French representations to the US and UK, military staff talks were held in Singapore to discuss the defence of South-East Asia. Australia and New Zealand were invited to send observers. Australia hoped to use the forum to coordinate planning in South-East Asia with ANZAM, but the US focused discussions on the French problems in Indo-China.<sup>5</sup>

The conference agreed that the US aid program in Thailand should continue and that Indo-China and Burma were keystones to the defence of South-East Asia. There was no mention of any coordinated defence in the region, but the conference served to focus Australia's attention on defence problems in South-East Asia.

At the Defence Ministers' Conference held in London in June 1951 to develop plans for Middle East defence, the UK Chiefs of Staff were of the opinion that although the world situation remained acute, the allied measures to meet this had improved and the likelihood of war was assessed as more remote. The vital importance of the defence of the Middle East to the security of the Commonwealth nations and the need to dispatch adequate forces in a timely manner was emphasised. Specifically the UK wanted Australia to be able to provide three and one third divisions and 166 aircraft within nine months of the outbreak of war.<sup>6</sup>

McBride stated that events in Asia and the Pacific exerted a powerful influence on Australia's strategy. The outcome of the struggle in Korea was still in doubt, he asserted, and a direct attack by Communist China on Indo-China would tip the balance against the French and bring communism closer to Malaya. Moreover, he was concerned that, in the event of a global war, the British might allow Malaya to fall to the communists in the interest of beating the Soviet Union first. He concluded that Australia would plan on the basis of sending two divisions to the Middle East. The CIGS assured McBride that if Malaya was attacked by China in a global war, the UK would endeavour to hold it.<sup>7</sup>

---

<sup>3</sup> Notes on discussions on Middle East defence, 6 January 1951, CRS A5954, Item 1798/3, AA.

<sup>4</sup> 9/85/8, 1st meeting, the Middle East and the Defence of Africa, Minutes of a meeting held at 10 Downing Street, London, 6 January 1951, CRS A5954, Item 1798/3, AA.

<sup>5</sup> Notes on origins of Five Power Staff Agency, CRS A5954, Box 2306, AA.

<sup>6</sup> Commonwealth Defence Ministers' Conference, June 1951, Minutes and Memoranda, CRS A1209/23, Item 1957/5858, AA.

<sup>7</sup> *ibid.*

After the Conference, McBride sought further information from Shinwell on the Chinese threat to Malaya. He pointed out that the general deficiencies in available forces and the low priority awarded by the UK to South-East Asia was not reassuring to Australia. Any Australian consideration of forces for the Middle East would have to be governed by more detailed assessment of threats to South-East Asia and appropriate responses.<sup>8</sup>

Shinwell responded in September to McBride's request by giving a detailed Malayan threat assessment. It was argued that Malaya was not under any acute threat and even if China launched an attack, it would take D + 285 days or some nine and a half months for Chinese forces to reach Malaya. Further, if Malaya was lost, there would be no land threat to Australia as China lacked the naval and air force assets to launch a seaborne invasion. The only threat might be from sporadic air and submarine attack.<sup>9</sup>

Shinwell stressed the importance of an early and firm guarantee of a maximum Australian contribution to allied global strategy in the Middle East. He also pointed out that should local war occur in South-East Asia, with the rest of the world at peace, 'the UK shall certainly fight to hold Malaya with all available resources'.<sup>10</sup>

*The Defence Committee, in a detailed paper for Cabinet on the Middle East question, accepted the UK advice that the Soviet Union could threaten the Middle East much more quickly and seriously than the Chinese could threaten Malaya. It was concluded that the Middle East was of greater strategic importance than Malaya. The Committee recommended that plans be developed to deploy the first army and air force contingents raised to the Middle East. Later forces could be deployed to the Middle East, Malaya or the island chain to Australia's north, depending on the government's assessment of the strategic situation at the time.*<sup>11</sup>

In December 1951, Cabinet accepted a commitment to have one division available in the Middle East within six months of the outbreak of war, and an additional two and a third divisions ready to be sent there within nine months of the outbreak of war. It also committed five out of nine air force squadrons available for Middle East service on the outbreak of war.<sup>12</sup>

With respect to the Navy, Cabinet noted that draft regional planning arrangements gave the RAN responsibility for a large share of the ANZAM region and that the task of convoying Australian land and air forces to the Middle East might last for several months. Should the scale of attack prove less than estimated, forces such as a carrier task group and ocean minesweepers could be available for service elsewhere. Defence was directed to draft a letter to advise the UK of the Government's decision.<sup>13</sup>

---

<sup>8</sup> Letter, McBride to Shinwell, 28 June 1951, quoted in Cabinet submission No. 175, 29 November 1951, Appendix A, paragraph 5, CRS A462/2, Item 439/1/17, AA.

<sup>9</sup> Letter, Shinwell to McBride, 27 September 1951, *ibid.*

<sup>10</sup> *ibid.*

<sup>11</sup> Cabinet submission No. 175, Report by the Defence Committee, 29 November 1951, *ibid.*

<sup>12</sup> Cabinet Decision No. 251, 4 December 1951, *ibid.*

<sup>13</sup> *ibid.*

The Australian Government's decision on the Middle East was never formally communicated to the UK. The reasons were both strategic and economic. During the course of 1952 Australia became worried about the trend of events in South-East Asia. Also in early 1952 Australia's economy experienced high inflation, and the government was forced to place drastic restrictions on imports, and to review the defence program. The result was the beginning of reductions to the Menzies government's planned increased spending on defence.

At further tripartite military talks in Washington between the US, UK and France in January 1952 (with Australia and New Zealand as observers) it was agreed to set up an *ad hoc* committee involving all countries present to determine the collective capabilities of the nations represented and recommend specific military measures to be taken against China.<sup>14</sup>

The Defence Committee concluded in April from the *ad hoc* committee's report that there were insufficient conventional forces available to deter China. The Committee agreed the importance of South-East Asia, and that all practicable political and economic support should be given to the French and Vietnamese governments. Military support however, was to be decided by the major powers concerned, as with its present commitments in Korea, Japan, Malaya and the Middle East, Australia could not provide any military aid to Indo-China.<sup>15</sup>

The Committee also noted from the *ad hoc* report that neither the US nor the UK were prepared to commit further forces in South-East Asia. This was not consistent with previous assurances given by both countries in relation to Australia's planned commitment to the Middle East.

Within the Prime Minister's Department there was concern that the Middle East strategy was being developed as in a vacuum so far as any views were expressed by the UK or US which showed that the proposals for the Middle East were correlated to similar and adequate proposals for South-East Asia. The UK, with a major responsibility in the Middle East, could not undertake a similar role in South-East Asia. This would rest with the US, which was likely to look to Australia for support. Consequently it was considered unwise to give a firm commitment to the UK Government without first understanding the US position.<sup>16</sup>

At the Prime Ministers' Conference in June 1952, the UK assessed that the threat of war was now less. Slim advised that the Soviets had their best chance if they had wanted war during the Berlin air lift (1948-49), and they were now beginning to think in terms of a long period (20 years) of cold war activities.<sup>17</sup>

The Prime Minister was advised in July 1952 by the Secretary of the Prime Minister's Department, Mr Brown, that 'since the decision to commit forces to the Middle East, there has been an increased interest in South-East Asia by the US and the UK. Views expressed at the highest authority indicate that South-East Asia is now top priority and also the prospects of

---

<sup>14</sup> DCM No. 91/1952, 10 April 1953, CRS A2031, AA.

<sup>15</sup> *ibid.*

<sup>16</sup> Minute to Secretary PM Department, 21 February 1952, CRS A462/2, Item 439/1/17, AA.

<sup>17</sup> Letter, Brigadier F D Chilton DSO to Shedden, 3 June 1952, reporting on the London Prime Ministers' Conference, CRS A816/53, Item 58/301/452, AA.

war in the Middle East in the near future are somewhat more remote than they were'.<sup>18</sup> The Prime Minister agreed, noting that during his recent overseas visit it was apparent that strategic thinking in both the US and UK was placing much more importance on South-East Asia. He therefore requested defence planning consider an initial deployment in South-East Asia as well as the Middle East.<sup>19</sup>

In August 1952, the Government authorised the basis of planning for the deployment of Australian Forces overseas to provide for the possible deployments to the Middle East or Malaya, depending on the strategic situation.<sup>20</sup> Later, the Defence Committee observed that it was necessary to determine priorities for planning, and decided to defer consideration of the matter until a copy of the latest paper by the UK Chiefs of Staff on Defence Policy and Global Strategy was available.<sup>21</sup> When subsequently tasked to prepare Australia's Strategic Basis Paper, it again deferred consideration of the matter pending that review.<sup>22</sup>

After some two and a half years of deliberations, Australia's strategic thinking had advanced little despite significant changes in the strategic environment. Although Australia's political leaders expressed disquiet over the priority to be given to the Middle East, Australia's defence planners still appeared to rely on UK advice as to what their priorities should be. The real strategic importance of the Middle East to Australia was not questioned, and the UK's three pillars of British Commonwealth strategy outlined in 1948 (as discussed in Chapter Three) remained the basis of Australia's defence strategic policy. i.e.:

- . defence of the UK and its development as an offensive base,
- . control of vital sea communications (particularly the North Atlantic), and
- . maintain a firm hold in the Middle East and the development of Egypt as an offensive base.<sup>23</sup>

Even though trade to the UK via the Suez Canal and oil from the Middle East were important to Australia, the UK strategy was hardly a suitable basis from which to develop Australia's force structure.

Although the Defence Committee report on the deployment of Australian forces to either theatre was accepted by Cabinet, it was not really in accord with the government's changing attitude. Mr Casey, the External Affairs Minister, advised Cabinet that, because of events in South-East Asia and particularly the possibility of a Chinese invasion of Indo-China,

<sup>18</sup> Letter, Secretary Prime Minister's Department to the Prime Minister, 15 July 1952, CRS A462, Item 439/1/17, AA.

<sup>19</sup> Letter, Prime Minister to Secretary of Defence, 23 July 1952, *ibid*.

<sup>20</sup> JPC Paper No. 3, Review of ANZAM Arrangements and Planning, Section C, August 1953, CRS AS954/20, Item 1452/6, AA.

<sup>21</sup> DCM No. 235/1952, 28 August 1952, CRS A2031, AA.

<sup>22</sup> DCM No. 335/1952, 13 November 1952, *ibid*.

<sup>23</sup> Cabinet submission No. 175, Report by the Defence Committee, 29 November 1951, Appendix A, CRS A 462/2 Item, 439/1/17, AA.

'we should be hesitant in irrevocably committing ourselves to the Middle East'.<sup>24</sup> External intelligence advice and political direction ultimately caused Defence to adjust to the changing strategic environment.

### **The Program Environment - Indecision and Uncertainty**

The gap between the narrow thinking of Defence and the broader economic issues facing Australia is well illustrated by an examination of the development of the 1952-53 Program, which was finally endorsed by government in April 1953. Although the Defence Committee was supported by six other committees (the JPC primarily supporting Defence strategic policy) which in turn were assisted by some 20 sub-committees, there was no committee as such to deal with finance or advise on economic issues. However, the Assistant Secretary, Defence Division, Treasury, did attend the Defence Committee when financial matters were being discussed.

The next financial year, 1952-53, was the third year of the second of the Defence Programs to have been undertaken since the War. Through the combination of outstanding items from the Chifley Five Year Program, the first Three Years' Program and the Mobilisation Program, the Government was becoming concerned at how to monitor and keep defence expenditure within the bounds of economic reality.

In January 1952, the Minister approved an Inter-Departmental Committee's recommendations that the Three Years' Program and the approved element of the Mobilisation Program be consolidated. Outstanding mobilisation requirements would be incorporated into the Consolidated Program when approved. Until then, they would be classed as 'Statement of Additional Material Requirements of the Services on Mobilisation'.<sup>25</sup>

In its deliberations on mobilisation in August 1951, Cabinet had decided that the scales of provisioning for the three Services in the mobilisation program should be examined with a view to achieving potential economies. A Committee was established under Mr Richardson (appointed by the Prime Minister) consisting of the Permanent Heads of the Service Departments, the Service heads of Supply and Engineering (third Naval member in the case of the Navy), the Deputy Chairman of the War Production Committee and the Assistant Secretary, Defence Division, Treasury. Pending the Committee's report to a Cabinet Committee (Treasurer, Minister for Defence and the three Service Ministers) orders for equipment for mobilisation were restricted to less than 50 per cent of the current estimate.<sup>26</sup>

The Committee on Scales of Provisioning or the Richardson Committee produced its first report in May 1952. This covered mainly naval ship building and repair. It concluded that the figures (some £74m) covered the Navy's material requirements, and as the RAN was standardised to the RN, it recognised an inherent cost to ensure interoperability. It could not

---

<sup>24</sup> Entry 7 May, 1952, Series 4, Box 26, Volume 12, Lord Casey Papers, MS6150, National Library of Australia.

<sup>25</sup> Consolidation of the Three Years' Defence Program and the Program of Additional Material Requirements on Mobilisation, Report to the Minister, 11 January 1952, CRS A816, Item 14/301/478, AA.

<sup>26</sup> Cabinet Decision No. 123, 20 August 1951, CRS A4933, Vol. 8, AA.

identify any area of overlap or over provision, or items to be omitted. It was concerned at the cost estimates, which it considered could be no more than a guess, as there was no provision for escalation. The Committee observed that this category had the potential to rise some 35 per cent, to £100m.<sup>27</sup>

Of lesser import, but an indication of the Committee's inability to undertake its allotted task, was its deliberation in relation to naval vehicles (some £221 000). The Navy differed from the Army and Air Force in that RN practice was followed, and the Committee determined that 'it was difficult to say whether Navy quantities are too high or too low, but it is what they want and appears modest'.<sup>28</sup>

The fourteenth and final report was presented on 31 July 1952 and taken by Cabinet in September. The estimated cost of mobilisation material had risen from £397m to £516.9m during the course of the review. The Richardson Committee added some £115.5m to this total but also found savings of some £54m. The overall increase to £578.4m, was due primarily to price increases in the costs of ships, aircraft, weapons and ammunition; the reductions were as a result of over provisioning within the Services found by the Committee.<sup>29</sup>

The Committee also pointed out that considerable quantities of stores and equipment in the Army and Air Force programs were required for overseas operations. It was suggested only those items needed in Australia should be procured. Storage was not available for the quantities under consideration and if the full plan were to proceed, construction of significant storage areas would be a priority. The final report was agreed by the Cabinet Committee, but merely forwarded to the Services for information and guidance.<sup>30</sup>

After almost a year of activity, the scrutiny of the mobilisation plans had achieved little of note except perhaps to point to the high cost and potential excess of equipment under consideration. The basis for the plans was not questioned nor linked to any force development issue.

An examination of the total estimated cost of the Program (some £1,013m), and the expenditure for the three years 1950–51 to 1952–53 in the context of preparing the 1952–53 program, showed an excess of some £500m to be spread over subsequent years. In addition, annual maintenance expenditure (i.e. personnel and operating costs) would have to be added to the carry over, estimated at some £115m in 1953–54.<sup>31</sup>

A Cabinet Submission prepared in April 1952, noted a March statement to the House of Commons by Churchill, who outlined the reasons why he did not believe war was imminent or inevitable. The submission also noted that at the Defence Ministers' Conference in June 1951, the British Chiefs of Staff did not recognise total war as inevitable, and considered the

---

<sup>27</sup> First Progress Report by the Committee on Scales of Provisioning, 31 March 1952, CRS A4933, Vol. 8, AA.

<sup>28</sup> Fourth Progress Report by the Committee on Scales of Provisioning, Agendum No. 5, 11 June 1952, *ibid.*

<sup>29</sup> Fourteenth and final Report by the Committee on Scales of Provisioning, 31 July 1952, *ibid.*

<sup>30</sup> *ibid.*

<sup>31</sup> Cabinet submission No. 256, April 1952, CRS A4905, Vol. 10, AA.

Soviet Union was unlikely to start war deliberately. Apart from not being in a position to commence hostilities, the Soviet Union, they believed, feared the US superiority with its atomic bomb.<sup>32</sup>

The conclusion of the April Cabinet Submission was that there were reasonable grounds for spreading the Defence Program over a longer period. The submission was taken at a meeting for the Prime Minister's visit abroad, held on 7 May 1952 with the Prime Minister, the Treasurer, the Minister for Defence and the Minister for Defence Production present. It was agreed that it was beyond Australia's capacity to carry out the Defence Program in three years, and the term should be extended. The period required was to be governed by the annual Defence Vote, i.e. determined annually. It was also decided that the Government—through the Defence Preparations Committee—would examine the annual program for size and balance, the financial capacity to provide the Vote, and economic ability to fulfil the program during the financial year.<sup>33</sup>

The initial Defence draft estimates submitted to Treasury in March 1952 for 1952–53 were £236m, but subsequent proposals in the program submitted in mid-year for consideration by the Defence Committee totalled some £308m. The proposals contained even greater outstanding commitments at the end of the financial year, when the Three Year Program would have normally terminated.

In July, Cabinet decided in its Budget discussions that the Defence allocation for 1952–53 should be £200m and that 'the Defence Committee should advise on the allocation of the vote and a program that would ensure a balanced development of the objectives of policy'.<sup>34</sup> The Defence Committee met in July and August to consider the significant reduction to its planned outlays.

To determine the allocation between Departments, the Committee noted that the total of £200m represented a 25 per cent increase in the Defence vote for 1951–52 (£159m). The Committee decided that a 25 per cent increase on the previous year gave a reasonably balanced apportionment between the Service and non-Service Departments. This gave a total of £22m to the departments of Defence Production, Supply and Defence. The Committee then examined how to allocate the remaining £178m between the Services.<sup>35</sup>

In the 1947 Five Year Program, the Navy had received the major proportion (38 per cent), Air Force some 33 per cent, and Army 29 per cent. Since mobilisation planning, that trend had reversed, with the Army planning for larger levels of projected expenditure. However, as both the Navy and Air Force had ongoing capital commitments, it was not feasible to adjust drastically the relativity of the allocation between the Services. The compromise reached, after the Committee's rather convoluted deliberations, was almost the

---

<sup>32</sup> *ibid.*

<sup>33</sup> *ibid.* The DPC was chaired by the Prime Minister and included the Treasurer and Ministers for Defence, National Development, Interior and Works, Defence Production, Navy, Army, Air Force and Supply.

<sup>34</sup> DCM 211/1952. 4 August 1952. CRS A2031, AA.

<sup>35</sup> *ibid.*

initial simplistic approach of a 25 per cent increase on the previous year's expenditure. This is outlined in Table 6.1.

**Table 6.1 Allocation of Reduced Vote - August 1952**

Service	Draft Estimates £m	Program Statement £m	Expended 1951-52 £m	25% Increase £m	Allocation £m
Navy	54	54	38	47	47
Army	84	133	56	70	75
Air Force	70	91	48	61	56
<b>Total</b>	<b>208</b>	<b>278</b>	<b>142</b>	<b>178</b>	<b>178</b>

The impact on the Navy was to postpone indefinitely the construction of the following:

- . 6 boom defence vessels,
- . 4 coastal minesweepers,
- . 1 self propelled oil fuel lighter, and
- . 4 seaward defence vessels.

In addition, the Navy cancelled the proposal to put defensive equipment on merchant ships, postponed the conversion of one of the five 'Q' class frigates, deferred modernisation of the second 12 of the 24 ocean minesweepers and cancelled existing orders for Firefly and Sea Fury aircraft.<sup>36</sup>

In reporting to the Defence Preparations Committee, the Defence Committee observed that the reduced vote meant that the mobilisation plans would need to be substantially modified and that the spread and balance of the program would need to be reviewed.<sup>37</sup> At the Defence Preparations Committee meeting on 21 August, the Committee rejected the Navy and Army proposals to reduce national service intakes, and decided to increase orders in respect of Australian production by £3m. It noted that these decisions imposed obligations additional to those already considered, but that the Defence Vote could not be increased above £200m. In looking at adjustments, it directed that the value of the recently re-introduced Women's Services should be examined critically. Further, it could not be assumed that the Defence Vote for 1953-54 would be greater than £200m.<sup>38</sup>

<sup>36</sup> *ibid.*, Attachment A.

<sup>37</sup> DPC 52/98, 11 November 1952, CRS A4933, Vol. 9, AA.

<sup>38</sup> DPC 57/77, 21 August 1952, CRS A4933, Vol. 8, AA.



In October 1952, following a report by a special committee comprising the Secretaries of Defence and the Service Departments, the Defence Preparations Committee decided to re-establish the Board of Business Administration. Such a Board had been constituted during the war to 'advise on defence expenditure and report on the possibility of effecting economies, progress of defence preparations and the effectiveness of the organisation and methods employed, and the business organisation and administration of the Service Departments in relation to the supply of defence requirements'.<sup>39</sup> It was disbanded in 1947 and the responsibilities transferred to the Treasury Defence Review Committee.<sup>40</sup>

The Board was to have similar responsibilities as during the war, and would look to ways of achieving standardisation within the Services. Members of the Board would also be available to provide business advice to each Service.<sup>41</sup> This was an attempt by the Defence Preparations Committee to improve the standard of financial management, particularly in relation to capital expenditure. However, in the absence of the imperative of total war, and being part time, the Board was unable to achieve all that was expected.

Following further revision of the Program, the Minister for Defence submitted the revised Defence Committee Report to the Defence Preparations Committee on 11 November 1952. The Minister said that the Defence Committee report gave an immediate program for 1952-53, but it was separate from the longer term task of reviewing the objectives for defence policy and the balance between them in the light of present and prospective conditions.

He considered the proposed new authorisations of £227m for 1952-53 were too high in relation to the total Vote and in particular the naval outstanding commitments were too high. The new commitments would result in outstanding commitments in June 1953 of £214m as against £187m in June 1952. He also noted that the increasing capital commitment would progressively decrease the annual provision for operating and personnel costs, and it appeared that Defence was assuming the Vote would increase.<sup>42</sup>

In general discussion it was considered that a review of objectives of defence policy was necessary in light of the changes in the international scene. The proposed program did not fit within the tentative ceiling of £200m for 1953-54 advised in August. It was observed that in relation to local defence, the Navy and Air Force had a more important function than Army, and it appeared that Australia could not afford to procure equipment for expeditionary forces.<sup>43</sup>

### Strategic Basis - 1952

Menzies noted that there had to be a balance between Defence preparedness and internal economic stability, and stated that a basic review of the program was required, rather than a

---

<sup>39</sup> Brief History of the Board of Business Advisers, Sir George Pearce's original draft, A1308/2, Item 704/1/273, AA.

<sup>40</sup> Board of Business Administration, Terms of Reference, CRS A5954/1, Item 1334/9, AA.

<sup>41</sup> DPC 52/85, 8 October 1952, CRS A5954/1, Item 1569/13, AA.

<sup>42</sup> DPC 52/98, 11 November 1952, CRS A4933, Vol. 9, AA.

<sup>43</sup> *ibid.*

rearrangement of the present program. He called for a report on the kind of war Australia might have to face, and the weapons required. In the light of this, Defence should resubmit its program suitably adjusted. The Defence Preparations Committee agreed that as a matter of urgency the Defence Committee should review the program along the lines of the Prime Minister's remarks. Pending this strategic review, 20 per cent of the proposed new authorisations were to be deferred.<sup>44</sup>

The Defence Committee met in late November and directed the JPC, in conjunction with the Joint Intelligence Committee where necessary, to carry out a review of the basic objectives of Australian defence policy and general strategy and submit a report on 'A Strategic Basis of Policy' by mid-December. Pending this report, Departments were advised to examine their programs critically and as soon as the strategic report had been agreed, revised programs would be considered by the Committee.<sup>45</sup> On 18 December 1952, the Defence Committee endorsed the strategic basis paper and recommended the Services review their current organisation and strengths and 'planned rate of build up and preparedness for global war'.<sup>46</sup>

The strategic basis paper reviewed changes in the world situation since 1950, the major strategic problems confronting the Western alliance and the tasks confronting Australian defence policy makers. The likelihood of global war was assessed as more remote, although the cold war had intensified, and a prolonged period of defence preparedness and cold war activity was forecast.

The ultimate Soviet aim was still assessed as world domination, but it was considered that because of NATO, the Soviets had directed their main efforts towards East Asia, with the Chinese communist regime being the principal collaborator. The Korean War was seen as forming part of the Communist strategy designed to wreck the morale and economy of the democratic nations without directly affecting the Soviet Union. The successful atomic weapon tests by the US (in the Marshall Islands) and the UK (in the Monte Bello Islands) and hence the influence of these weapons was now seen as a major factor in deterring global war.

Defence preparations were based on a balance of deterrence and the build up of operational capability by participating in cold war activities. The focus on South-East Asia grew, and two main issues were identified which were to hold the attention of Australian strategic thinking for about the next 20 years:

*Indo China is the key to the defence of South East Asia; and while Indo China is held, defence in depth is provided for the Australian New Zealand main support area.*<sup>47</sup>

Influenced by the Prime Minister's views that excessive defence preparations could have a deleterious effect on the national economy, the paper observed that 'Defence measures

---

<sup>44</sup> *ibid.*

<sup>45</sup> DCM 344/1952, 27 November 1952, CRS 2031, AA.

<sup>46</sup> DCM 368/1952, 18 December 1952, *ibid.*

<sup>47</sup> Attachment to DCM, 368/1952, *ibid.*, p. 10.

must be in balance with the national economy'.<sup>48</sup> In relation to the vexed question of the relative strategic importance of the Middle East and South-East Asia, the Review concluded:

In a cold or limited war, the threat to South East Asia is greater than that to the Middle East. Therefore, during this period, South East Asia should be given priority of Allied effort. In global war, although the retention of the Middle East is of more importance to the Allies than South East Asia, the retention of Malaya is of great importance.<sup>49</sup>

With respect to the defence of Australia the 1952 paper urged that all possible action should be taken by the allies to bolster the security of Indo-China. However, Australia's limitations and the limits of external assistance in the defence of South-East Asia were recognised and this security, it judged, would be more effectively maintained by national and indigenous forces, rather than by the forces of allied nations.

Accordingly, the 1952 Strategic Basis determined Australia's defence priorities as:

- firstly, to defend Australia - 'sufficient forces must at all times be maintained to ensure the security of Australia';
- secondly, to make a major contribution to the defence of the ANZAM region; and
- thirdly, to make the maximum possible contribution to the vital theatres in accordance with global strategy.

For force structure planning purposes it was felt that 'whilst the immediate threat of global war has receded .... Defence preparations for a global war should therefore be reviewed' and that '... the rates of peacetime build-up for mobilisation should be capable of being spread over a longer period'.<sup>50</sup>

The paper included an Appendix which amended the Basic Objectives of British Commonwealth Defence Policy and General Strategy, as agreed with the UK in 1950. The principal change was to note 'In view of the effects on the defence of Australia of the fall of Malaya ... it is the Australian government's view that the aim of the Allies should be to ensure the retention of Malaya'.<sup>51</sup>

In the light of subsequent events, it is of interest that the then newly formed ANZUS was not mentioned. Defence strategic issues remained firmly with ANZAM and cooperation in British Commonwealth defence.

---

<sup>48</sup> *ibid.*, p.7.

<sup>49</sup> *ibid.*, p. 13.

<sup>50</sup> *ibid.*, p. 17.

<sup>51</sup> *ibid.*, Appendix p. 2.

## Funding Restrictions

In March 1953, the Defence Committee examined the revised program and considered that it conformed to the requirements of 'the Strategic Basis of Australian Defence Policy' and constituted a 'balanced program in respect of the proposed organisation and strengths of the Forces and the proposed financial allocation between the Services'. The Chiefs of Staff pointed out that the reductions effected would result in the Services being less ready for global war than under the provisions of their original programs and no further reductions could be suggested.<sup>52</sup>

The program was now prepared on the basis of an approximate vote of £200m over the next two years, and the new authorisations for 1952-53 were reduced to £165m. Planned allocations for each Service remained as decided in August 1952 with slight increases planned for the Navy and Air Force in the following years but a reduction in Army expenditure (by cancelling provision for mobilisation equipment).<sup>53</sup>

The policy decisions resulting were as follows:

. **Personnel** - approved ceiling of permanent forces pegged as follows:

	Approved Ceiling	Pegged Strength
Navy -	17 000	14 550
Army -	33 000	26 000
Air Force -	22 000	16 416

. **National Service Training:**

- Navy - Annual intake of 1200 maintained, training reduced from 175 to 154 days.
- Army - Annual intake of 29 250 reduced to 22 500; training reduced from 175 days to 140 days by reduction of period in Citizen Forces.
- Air Force - Annual reduced intake of 5000 retained, training of 176 days retained.

. **Organisation:**

- Navy - Reduce ships in commission, shore establishments, and naval aviation branch.
- Army - Delete one infantry brigade group.

<sup>52</sup> DCM 70/1953, 3 March 1953, CRS A2031, AA.

<sup>53</sup> DPC(D)1. Observations by the Minister for Defence, 8 April 1953, CRS A4933, Vol. 9, AA.

**Air Force** - Reduce mobile task force by a photographic reconnaissance squadron, reductions to the home defence force and general reconnaissance squadrons.

**Capital:**

**Navy** - New construction, conversion and modernisation program reduced, but £9.6m allowed for aircraft.

**Army** - No further mobilisation equipment.

**Air Force** - Additional 30 Sabres and 10 transport aircraft.

The Defence Preparations Committee examined the new program in conjunction with the strategic basis paper in April 1953. The Prime Minister considered that the Services were not acting consistently in their force structure aims in seeking to meet the conflicting claims of cold war vis-a-vis global war. The Army proposed cuts to the national service intake while maintaining the strength of its regulars to fight limited wars. The Navy, however, proposed to give priority to the purchase of Gannet anti-submarine aircraft which were unlikely to be used except in global war. Likewise the Air Force was ordering Sabres, but not to reinforce No. 77 Squadron in Korea, with the inference they were for global war. The Minister for both the Navy and Air Force claimed that both naval and air force capabilities needed in the event of global war also met the demands of cold war.<sup>54</sup>

This is a prime example of how force structure planning was out of step with the evolving strategic policy. The Services had not reacted to the Prime Minister's request to develop force structure plans from an Australian perspective to be appropriate to the type of conflict Australia might face in the future.

The strategic basis paper was treated in a cursory way, Menzies noting that the Service Chiefs were the experts and asked them if the forces proposed constituted those appropriate to meet the needs of the strategy. He received an unanimous 'yes'. The Defence Preparations Committee then approved for planning and programming purposes the strategic basis report, and the broad program for 1952–53.<sup>55</sup>

The naval program aimed at building up a balanced fleet to meet the threat of attack on shipping by submarines and mines in Australian waters, and to provide a contribution to the British Commonwealth naval forces. The aim was to build up a fleet of two light fleet carriers manned for anti-submarine operations and screened by destroyers, escort vessels for the protection of shipping, minesweepers, and survey vessels to continue hydrographic tasks in Australia and PNG waters.

The fleet at this stage had a number of primary roles. These included:

- Naval support of the UN forces in Korea. This involved two ships at full war complement in Korean waters. A total of three or four ships had to be allocated to this role to maintain the two on task.

---

<sup>54</sup> *ibid.*

<sup>55</sup> *ibid.*

- . Policing of Australian waters. Periodic cruises were taken around the Australian coast and the offshore islands to ensure international law was observed. Three small patrol vessels were stationed in PNG and northern waters.
- . Training for both permanent and reserve forces. This was a major role; national service training involved two frigates and four ocean minesweepers.
- . Surveying activities in Australian waters, particularly in the northern approaches.
- . Special operations such as the Monte Bello atomic bomb project. The RAN gave significant logistic support to this activity.

Following the April 1953 review of the program, the Navy's planned development was adjusted as follows:

- . **Carrier**
  - 1 reduced to training role.
- . **Cruiser**
  - Hobart* modernisation cancelled.
- . **Destroyer**
  - 1 *Daring* new construction cancelled.
  - 1 'Tribal' modernisation deferred indefinitely.
- . **Frigate**
  - 1 'Q' class conversion deferred indefinitely.
  - 2 Type 12 frigates cancelled.
- . **Minesweeper**
  - 12 ocean minesweeper conversions cancelled (leaving 12).
- . **Shore Establishment**
  - Nirimba* reduced from a full technical training and aircraft repair base to technical training only.
- . **Naval Aviation**
  - Front line aircraft establishment reduced from 72 aircraft to 48 and two reserve squadrons deleted.

Despite their endorsement of the revised strategic basis paper, which suggested the possibility of global war was receding, the Chiefs still insisted that the overall reductions would result in the Services being less ready for global war than under the original program. Additionally, the strategic basis paper clearly recognised that the financial, economic and personnel resources allotted to the defence sector had to be in balance with the essential needs of other sectors in the economy.

Within this overall framework, the Navy continued to press to maintain its two carrier policy. The loan of the *Vengeance* at this time really made little sense since the Government was already committed to the ASW conversion program which meant that the fleet's escort availability level would be significantly reduced for at least two years.

During 1953, only four destroyers were continuously available and consequently the Navy was unable to provide suitable escorts for two carriers, especially when some units were not immediately available for fleet operations; one destroyer and one frigate were committed to UN Forces in Korea, and one destroyer or frigate was constantly maintained in northern Australian waters on patrol duties.

The extensive modernisation for *Melbourne* (adding an angled flight deck, steam catapult, and mirror deck landing lights) confirmed *Sydney's* obsolescence. Within the financial limits now imposed by government, it must have become obvious that *Sydney's* planned modernisation would be in doubt. The Navy also failed to come to grips with the cost benefit of continuing the modernisations and conversions of the destroyers and frigates in the light of the changing submarine threat.

### **Process Inadequacies**

The onset of the cold war meant that the global strategic situation had changed significantly. Australia lacked its own intelligence information and relied on UK sources. A major input to strategic policy making was the annual Commonwealth Prime Ministers' meeting, where the British Prime Minister would expand on the world situation as seen from Whitehall. Australia's politicians, and the bureaucracy supporting the Prime Minister, could see the need for Australia to focus defence attention on South-East Asia, whereas Australia's defence planners continued to support the British view; a view that was rapidly becoming less relevant to Australia in the changing strategic environment.

Australia remained cautious in its approach to the possible deployment of forces in support of British Commonwealth defence objectives, with strategic indecision being evident at all levels. The revised strategic basis paper did move away from adherence to the British Commonwealth strategy of the late 1940s, and start the process of focussing on Australia's region. However, it failed to meet the Prime Minister's objective of setting guidelines for the force structure appropriate to the changed environment of cold war. Consequently, the rather futile attempts by Defence to come to grips with a limited prospective Defence Vote were inappropriate, as they still embraced the notion of preparation for global war, but with the build-up being spread over a longer period.

The ponderous Committee system did not help the process of reaching a decision on how best to spend the Defence allocation. The 1952-53 program was finally agreed by government in April 1953, less than three months before the end of the financial year.

In an agendum relating to the review of expenditure in 1953-54 which analysed an under expenditure at June 1954 of £22m, the deficiencies with the present system were enunciated. Defence concluded the agendum with the statement that:

Departments have emphasised that the achievement of the objectives in each year would be greatly facilitated if approval could be given to the annual

programs at the commencement of each financial year. This involved approval to the new authorisations to be placed during the year, the estimated expenditure for the year, and the outstanding commitments to be carried forward at the end of the year.<sup>56</sup>

The major problem facing Defence in this era was that there was no effective, central organisation able to direct policy away from the incremental approach by the Services to the basic programs developed in 1947 and expanded in 1951 as a result of the government decision to mobilise.

*The Defence Committee, as the one responsible for advising government on defence policy, was failing to produce suitable advice because of the parochialism of its Service members. However, the Minister for Defence, advised by the Department of Defence, was fast appreciating that the Defence organisation was not working satisfactorily. But first, Australia's strategic priorities needed resolution.*

---

<sup>56</sup> Defence Program, Review of Defence Expenditure in 1953/54, DPC Agendum No. 114, 6 September 1954, p. 7, CRS A4940/1, Item C750, AA.



## CHAPTER SEVEN

### STRATEGIC AND ECONOMIC REALITY - THE LONG HAUL

*The basis of defence policy has been transformed from preparedness by a critical date, to the capacity to maintain it at a level that can reasonably be sustained for a "Long Haul"*

Sir Philip McBride, April 1954

#### Five Power Staff Agency

Following the Chinese intervention in the Korean War, the spectre of a subsequent major intervention in South-East Asia was raised. As a result, informal consultation between the US, UK and France, with Australian and New Zealand participation as observers, began in May 1951.

The Australian government was very supportive of Australian military participation in the Tripartite Talks because of the possible access it offered to allied strategic planning in the Far East. However, all decisions taken were regarded merely as recommendations to government and, despite French calls for implementation of agreed measures, no definitive actions ever resulted.

The divergence of US and UK views, and the US non-committal approach to this forum, ensured its ultimate demise. However, it did prove useful for Australia to gain a better understanding of the strategic situation in its region and help resolve its strategic dilemma. Although Australia was keen to play a leading role in strategic planning in the region, its position was weakened by its lack of forces available to contribute and its total reliance on UK and US strategic intelligence.

A report produced in February 1952 by the *ad hoc* committee, examining measures to counter possible Chinese expansion, was considered at a tripartite meeting of foreign ministers in London in June 1952. Little positive progress was achieved because of the divergence of US and UK views in the studies. The UK and French members had drawn attention to the urgent need to consider setting up a theatre strategic reserve to implement the agreed military measures. The US held that the *ad hoc* committee was not competent to recommend actions such as these, being outside its terms of reference, nor were the suggested actions desirable.

At the London meeting, the French Foreign Minister pressed for the establishment of a formal planning organisation to examine the defence of Indo-China and further areas as might be agreed. While the UK supported this, the US Secretary for State reserved his position. It was agreed that the military representatives should re-examine the question with the object of reconciling divergences.<sup>1</sup>

---

<sup>1</sup> Notes on the Origins of the Five Power Staff Agency, CRS A5954/28, Item 2306/4, AA.

A meeting of the tripartite military planners, with Australia and New Zealand present, was held in Washington in October 1952. The terms of reference were 'to examine from the military point of view all military courses of action in the light of allied capabilities which would be militarily possible, effective and necessary in order to cause the Chinese Communists to cease aggression in South East Asia'. The UK proposed a Five Power Staff Agency, for coordination of planning be set up. Australia endorsed the UK position in principle.<sup>2</sup>

It was agreed at a tripartite meeting of foreign ministers in Paris in December 1952, that the Staff Agency be set up. An informal meeting of representatives of the Staff Agency was held in January 1953 in Washington. The US agreed the functions of the proposed agency, but noted it did not envisage a permanent body with associated staff and infrastructure. The meeting agreed to set up such a Staff Agency.

The first Five Power Staff Agency met at Pearl Harbor in April 1953 with the aim of providing coordination of approved national plans to increase the effectiveness of the overall strategic defence of South-East Asia. Planning studies to determine the possible courses of action to counter further Chinese Communist aggression in South-East Asia were put in train.<sup>3</sup>

The series of Five Power Staff Agency meetings in 1953 and 1954 became a planning and liaison arrangement to share intelligence and study possible courses of action. They served to increase Australia's awareness of the perceived Chinese Communist threat in South-East Asia, and to harden Australia's resolve to concentrate on this region from a defence perspective, rather than on the Middle East. The talks, however, never resulted in any real plan of action, mostly due to US reluctance to fully embrace the concept.

Australia was given an indication of the future of the group when Rowell reported to Sheddin at the end of the June 1954 Washington talks that:

the US Administration had been seriously embarrassed in the present conference by the exclusion of any representative of the Asiatic powers and that strong pressure had come from Thailand and the Philippines. The President and Dulles were doing their utmost to bring the non white people into the field of discussion and the US had decided to reserve its position as to future meetings of the Five Power Staff Agency.<sup>4</sup>

In July 1954, when invited to hold the next meeting in Australia, the US effectively ended the Agency when CINCPAC advised the US decision on its future in a signal to the other Five Power military representatives that:

in view of the thorough study of the present situation and foreseeable future contingencies in South East Asia recently conducted by Five Power military representatives in Washington, the US Defense Department has concluded that there is no requirement for a Five Power military conference in Australia in September. Further ...the US reserves its position with respect to holding further

---

<sup>2</sup> *ibid.*

<sup>3</sup> *ibid.*

<sup>4</sup> Cable, Rowell to Sheddin, 11 June 1954, CRS A5954/24, Item 2306/1, AA.

multilateral conferences regarding South East Asia pending developments in the situation.<sup>5</sup>

This effectively ended this consultative framework pending negotiations for a more comprehensive South-East Asian Defence Organisation. However, during its brief existence, the Five Power Staff Agency had a major impact on Australia's strategic thinking. The talks also provided the impetus for the formation of the Commonwealth strategic reserve.

### **Genesis of the Forward Defence Strategy**

The Commonwealth Prime Ministers' meeting in London in June 1953 set the scene for Australia ultimately to concentrate its defence endeavours in an area of more direct relevance to Australia's future security. At the first session, the Ministers were advised that the UK had detected a change in Soviet policy since Stalin's death in March, and there were grounds for hope of a more peaceful future. Churchill proposed talks with the Soviet Union to explore areas of potential agreement which would aim to improve relations with the Communist Powers.<sup>6</sup>

It was considered, however, that peace in Korea might lead to increased Communist pressure in South-East Asia and the Commonwealth members should concert their efforts in readiness to meet it. Mr Lloyd, the UK Minister of State for Foreign Affairs, emphasised the vital role Malaya had in the economy of the Commonwealth and pointed out that the situation in Indo-China was deteriorating.<sup>7</sup> (The armistice in Korea was declared in July 1953).

Churchill admitted that the Suez Canal was not now so important to the UK's strategy, but because of the international importance of the area, it was necessary to secure the canal and the military installations in the Canal Zone.<sup>8</sup> However, in less than a year, the Anglo-Egyptian treaty was renegotiated and all British forces were withdrawn. The two Australian fighter squadrons, deployed in 1952 to Malta after a request from the UK, were withdrawn in 1954, their mission now redundant.<sup>9</sup>

Following the conference, Churchill had a special meeting with Menzies and New Zealand's Prime Minister, Mr Holland, to discuss defence questions of common concern. The UK Chiefs of Staff were also present. Churchill raised again arguments for Britain's inclusion in ANZUS. The UK was keen to set up some sort of system in the Pacific for defence, and felt that ANZAM was of little relevance. Churchill was supportive of the Five Power Defence Agency concept, and suggested that high level military discussions should be held in Australia to exchange views on common defence problems in the Pacific and the Far East. Menzies

---

<sup>5</sup> Cable, CINCPAC, 16 July 1954. *ibid.*

<sup>6</sup> Prime Ministers' Meeting in London June 1953, Cabled Reports, Cable No. 1850, 3 June 1953, CRS A816/27, Item 11/301/863, AA.

<sup>7</sup> Cable No. 1900, 6 June 1953, *ibid.*

<sup>8</sup> Cable No. 1902, 6 June 1953, *ibid.*

<sup>9</sup> Millar, *op.cit.*, p. 359.

welcomed the suggestion for a meeting of the Chiefs of Staff but resisted Churchill's protest regarding ANZUS membership.<sup>10</sup>

Earl Alexander, the UK Defence Minister, wrote to Menzies on 29 June 1953, noting that he was struck by what Menzies had said at the Prime Ministers' meeting about the dangerous period that could follow an armistice in Korea, and a need to examine what would then be the major defence requirements in the Far East. After stating that the first objective in the Far East was to ensure 'there is no recrudescence of aggression in Korea', Alexander considered 'Thereafter it would be essential to take steps to guard against any new aggression in the Far East generally and in particular South East Asia'.<sup>11</sup>

He then proposed the formation of a Commonwealth Far East Strategic Reserve in conjunction with Australia and New Zealand as an effective arrangement to safeguard Commonwealth interest in the cold war. It was proposed that this be examined in detail at the Chiefs of Staff meeting in Australia to provide recommendations for government. It was seen that the nucleus of the forces could come from those already stationed in Korea.<sup>12</sup>

Following further negotiations, the UK, Australian and New Zealand governments agreed that Field Marshal Sir John Harding, the CIGS, and the New Zealand Chiefs of Staff should visit Melbourne between 19 and 21 October 1953 for discussions with the Australian Defence Committee. The agenda was agreed at a preliminary meeting of staff officers and officials as the strategic basis of policy and deployment of Australian forces in war; review of ANZAM arrangements; planning for cooperation in British Commonwealth Defence—review of plans; formation of a Far East strategic reserve; and coordination of defence planning in the Pacific.<sup>13</sup>

The Australian planners produced a series of papers covering each of these items. Apart from the paper on the formation of a strategic reserve, the major paper was the Strategic Basis of Policy, which was the only one to produce major differences in points of view.

In producing their strategic basis paper, the UK, New Zealand and Australian planners reviewed the effects of recent changes in the world situation since the publication of the UK, July 1952 paper 'Defence Policy and Global Strategy' and the December 1952 'Strategic Basis of Australian Defence Policy'. The major issues assessed can be summarised as:

- . USSR - no indication of any change in policy, but advances made in nuclear weapon technology.
- . China - confirmed its position as a major military power.
- . Korean Armistice - if followed by a satisfactory peace settlement, Chinese forces would be free to conduct further aggression.

---

<sup>10</sup> Cable No. 1902, 6 June 1953, *op. cit.*

<sup>11</sup> Letter, Alexander to Menzies, 29 June 1953, Proposed Far East Strategic Reserve, CRS A1209/23, Item 57/4510, AA.

<sup>12</sup> *ibid.*

<sup>13</sup> British Commonwealth Defence Discussions, Preliminary meeting of Planners, August/September 1952, CRS A5954/20, Item 1452/6, AA.

- . Malaya - internal situation improved.
- . Indo-China - security situation deteriorated.
- . Five Power Staff Agency - effective step towards coordinated, agreed allied military policy for the Far East and South East Asia.
- . Middle East - no advance made in establishing the Middle East Defence Organisation.

The planners concluded that recent developments gave no cause to revise the basic strategy, but emphasised the importance of taking all possible steps to win the cold war.<sup>14</sup>

The major difference exposed by the preliminary paper was between the UK and Australia regarding the priority to be accorded to the Middle East in global war. The UK considered the Middle East to be of a higher category than Malaya, whereas Australia stressed the importance of Malaya being held.

The Australian planners were in no doubt, and considered that developments since January 1953 had reinforced the conclusions of Strategic Basis 1952. Their recommendation to the Defence Committee noted 'the continued failure to develop an effective security system in the Middle East has emphasised the importance of taking all possible steps to improve the security of South East Asia in the cold war'.<sup>15</sup>

The paper's discussion on the differences between the UK and Australia on this aspect concluded that 'the effect of the loss of Malaya on the security of Australia and New Zealand would be such that a threat to Malaya would seriously reduce the possibility of their being able to release forces for service in the Middle East'.<sup>16</sup>

The Defence Committee expressed general agreement with the paper.<sup>17</sup> This in effect meant that they noted the views of the UK planning team on the strategic priorities to be accorded by the UK to Malaya, but endorsed the Australian planners' view on the importance to Australia of the retention of Malaya.

The September 1953 Five Power Defence Agency conference in Honolulu played an important part in resolving the differences on the importance of Malaya. Two of the studies undertaken, one on Indo-China and one on Malaya, raised concerns regarding future stability of the Far East. In relation to Indo-China, the study concluded that the land forces required to defend Indo China (13 divisions with naval and air support in addition to French Union forces) did not exist in South-East Asia and without them the loss of Indo-China must be expected if attacked by Chinese Communist forces. The loss of Thailand and Burma might quickly follow (i.e. the 'domino theory' as it was later called).

---

<sup>14</sup> British Commonwealth Defence Discussions, File No. 2, Strategic Basis of Policy, Agenda Item A1 & 11, CRS A5954/20, Item 1452/3, AA.

<sup>15</sup> British Commonwealth Defence Discussions, Preliminary Meeting of Planners August/September 1952, Item A - Strategic Basis of Policy, Australian JPC Paper No. 1, CRS A5954/20, Item 1452/6, AA.

<sup>16</sup> British Commonwealth Defence Discussions, File No. 2, Strategic Basis of Policy, op. cit.

<sup>17</sup> DCM 257/1953, 25 September 1953, CRS A2031, AA.

In relation to Malaya, the study concluded that its successful defence was both desirable and feasible. Such defence would require four infantry divisions and considerable air (512 aircraft) and naval support. Substantial development of air fields, ports and land communications was also required. In addition, a complete air defence system was seen as essential to protect the allied build-up. The military representatives concluded that it was important to bring to the notice of governments the need for early determination of the British Commonwealth contribution to the force requirements to defence in Malaya.<sup>18</sup>

These studies raised special problems and potential commitments for Australia which had not arisen in other Five Power studies. As a result of the aggressive policies of China, it was considered that a communist dominated and controlled South-East Asia would so increase the threat to the ANZAM countries that it was vital to counter this existing and potential threat.

Responsibility for the defence of Malaya was now firmly placed by the Five Power planners on the UK, Australia and New Zealand. The study emphasised the urgency of early agreement between the three British Commonwealth governments on the level of forces to be provided. It also emphasised the deteriorating strategic situation in South-East Asia and the importance to Australia of holding Malaya.

Prior to the discussions between the CIGS, the Australian Defence Committee and the New Zealand Chiefs of Staff, discussions were held in Canberra between the Prime Minister, his key defence advisers, the UK Secretary of State for Commonwealth Relations, Viscount Swinton, and Harding on 16 October 1953.

Menzies led the discussions, pointing out that in relation to ANZUS there was little chance of altering the constitution, and he saw the way ahead as close cooperation between ANZUS and ANZAM. He was aware there was a proposal, not yet precisely defined, for a Pacific NATO, but did not think this would occur in the short term. In relation to the Five Power Staff Agency, Menzies was doubtful whether the US would be willing to have a Pact composed of the countries comprising the agency.

Menzies most telling comments were that 'If Indo China fell to the Communists and in war Malaya was overrun, Indonesia would fall by example and Australian public opinion would inhibit the sending of Australian troops to the Middle East'. He conceded the importance of the Middle East but emphasised Australia's relationship to the Middle East, was directly affected by what happened in Malaya.<sup>19</sup>

The CIGS then gave a review of the global situation and emphasised that the present concern was to get down to practical collaboration in planning. He emphasised that the Middle East was a vital area, but Malaya was also very important, and in the present status (i.e. in the cold war) was of the highest importance. In perhaps a slight rebuke, he also pointed out that

---

<sup>18</sup> Attachment to JPC Report No. 66/1955. 16 November 1953, Report by Staff Planners to the Military Representatives of the Five Powers on the Conference held in September 1953. CRS A816/25, Item 11/301/884. AA.

<sup>19</sup> Supplementary Memorandum to Cabinet Minute GEN 20(D)1 30 October 1953. Discussions with the Secretary of State for Commonwealth Relations and the Chief of the Imperial General Staff, 16 October 1953. CRS A4933 Vol. 10. AA.

the UK was spending some 13 per cent of GNP on Defence.<sup>20</sup> There is no doubt that Menzies' point made at these discussions set the scene for the conclusions needed at the meeting in Melbourne.

The discussions held in Melbourne from 19–21 October came to a number of key conclusions. These were then submitted to the respective governments for consideration.

The report stressed the strategic importance of South-East Asia and the urgency of completing planning with deployment of forces for reinforcement of Malaya. With respect to the provision of forces, the conference recommended that 'Australia's primary objective in global war should therefore now be the security of Malaya and priority and planning should be given to the deployment of Australian land and Air Forces in the Malayan area.' New Zealand maintained its existing commitment to deploy land forces in the Middle East, but agreed that all air forces would be deployed to Malaya.<sup>21</sup> The conclusion of the conference represented a notable change in United Kingdom's strategic thinking and no doubt reflected anxiety about the situation in Indo-China, concerns regarding the political settlement in Korea, and, the assessment that if fighting broke out afresh, it might not be confined to Korea.

With regard to the ANZAM arrangements, the conference agreed with the Australian view point that ANZAM should be preserved as a regional arrangement.<sup>22</sup> This represented a considerable success for the Australian Defence Committee as the UK had been sceptical about the value of ANZAM.

In relation to the formation of a Far East strategic reserve, the conference recommended that 'The formation of the proposed reserve would be of great value as a deterrent to further aggression in South East Asia and would provide a valuable nucleus of the additional forces required for the defence of Malaya'. The nucleus of this reserve would be found from the UK forces in Malaya and the Australian and New Zealand contingents in Korea, as and when the latter could be released by the United Nations Command.<sup>23</sup>

The basis of the reserve would be a brigade group consisting of an Australian battalion together with the British units. New Zealand would continue to maintain support for the Fijian Battalion already in Malaya. The RN in the Far East would be supplemented by an Australian destroyer or frigate on full time duty and, from time to time, an Australian aircraft carrier and one or more New Zealand frigates. Units of the RAF in Malaya would be supplemented by a bomber squadron and a fighter squadron from Australia, with a possible addition of the two Australian fighter squadrons from the Middle East, and two half squadrons from the RNZAF.<sup>24</sup>

The agreements reached by the conference were subject to government approval, and political negotiations ensued over the following 18 months, until formation of the Far East

---

<sup>20</sup> *ibid.*

<sup>21</sup> Report of Melbourne Defence Conference, File No. 2, CRS A816/51, Item 11/301/944, AA.

<sup>22</sup> *ibid.*

<sup>23</sup> *ibid.*

<sup>24</sup> *ibid.*

strategic reserve was announced. However, the conference was vital in setting Australia's strategic priorities, and marked the beginning of the strategy of forward defence.

### Further Pressures on the Program

When Menzies left in May for the 1953 Prime Ministers' Conference, he had considered £200m to be the maximum Defence Vote for 1953–54. He had suggested to the Treasurer that advantage should be taken of any possible reduction. In June, while Menzies was overseas, the acting Prime Minister, Mr Fadden called a meeting with McBride, and their principal officials, to discuss the 1953–54 Defence Vote.

His aim was twofold, to ensure Treasury and Defence understood the basis for developing the Defence Vote, and because of the imminent Korean armistice, to discuss the impact of press and public pressures for a reduction in defence expenditure. In the light of the improving situation in Korea there was a general perception that reductions in Defence spending could result in tax cuts. The Government was being put in a position where it either had to make a substantial reduction in defence spending or have convincing public reasons why not.

McBride pointed out that £200m for 1953–54, represented considerable constraint on the requirements originally put forward by the Services. The appropriation only provided for training equipment in Australia, not for mobilisation equipment. Further, the Navy was over-committed, in comparison with the other two Services. He concluded that there was a lack of balance between the Services, which, even with a Vote of £200m, could not be immediately corrected.<sup>25</sup>

McBride added that £135m was committed to maintenance unless personnel levels and national service intakes were cut. Together with overseas commitments, there was very little room to manoeuvre.<sup>26</sup>

Fadden acknowledged the restraint shown by Defence, but pointed out another Vote of a similar magnitude would not appear to the public as a reduction in defence expenditure. McBride acknowledged this, but responded it was important to have a firm ceiling as the Services would take advantage of any slack. Despite pressure from Treasury, McBride held out for a vote of £200m.<sup>27</sup>

Fadden advised Menzies in London of the preliminary discussions and his desire to have a Cabinet discussion on defence budgetary and political issue. He also pressed to have the Korean maintenance costs included in the Defence Vote.<sup>28</sup>

Menzies' response rejected the inclusion of Korean costs in the Defence Vote. He pointed out that the Prime Ministers' talks indicated there were grounds for hoping there would be an improvement in the international situation. However, if the Western democracies reduced

---

<sup>25</sup> Defence Vote 1953–54, Notes on Informal Meeting, 23 June 1953, CRS A1209/27, Item 57/4126, AA.

<sup>26</sup> *ibid.*

<sup>27</sup> *ibid.*

<sup>28</sup> Cable No. 2188, Menzies from Fadden, 24 June 1953, CRS A1209/27, Item 57/4126, AA.



their strength too rapidly, the situation was unlikely to improve. Menzies indicated he was against a discussion by Cabinet on the defence aspects of the budget in his absence.<sup>29</sup>

The pressures on the program were such that in July 1953 the Navy proposed to pay off *Australia* and sell it for scrap. The ship was in need of substantial maintenance and would be uneconomical to modernise or refit. The ship's roles were to be undertaken by the 6-inch gun cruiser *Hobart* (in refit until mid 1955) and the *Daring* class then under construction.

The Defence Committee endorsed the Navy proposal and noted the CNS advice that there would be no personnel savings from this proposal, as they would be required for ships in commission, the reserve, which was undermanned, and for new ships.<sup>30</sup> The Minister approved the proposal in September, but as the action involved an important variation to the Naval Program, submitted the proposal to the Defence Preparations Committee for confirmation.<sup>31</sup> The Defence Preparations Committee noted and approved this decision in November 1953.<sup>32</sup>

Prior to Cabinet consideration of the 1953 Program in August, the notes prepared for the Prime Minister observed that there was a need to establish the basis on which the Defence Program should proceed. The aim was to fix the ceiling at £200m for 1953-54 and similarly for the following year. The Agendum noted that the defence proposals had increased from £205.3m in April to £209.9m in August.

The question raised in the brief was whether the Government could get the present level of defence preparedness for less than £200m. It concluded that this would need study, which would take time, 'apart from the fact that in the past all the special committees who have looked at Defence, do not seem to have vitalised the Defence Departments'.<sup>33</sup>

The Prime Minister's Department, which prepared the brief, considered that the administration support in the Defence Departments was too large and suggested the Prime Minister might consider imposing a cut of 5 per cent, and direct it to be achieved from administration services only. There appeared to be a general disquiet by this department's officials at the size of the Defence budget and the inability to establish what was actually being achieved.

The aim of the Agendum was to establish the broad basis on which the Defence Program should proceed. However, the Cabinet Minute did not endorse it, and directed a review by the Business Board of the increase in the cost of aircraft programs.<sup>34</sup>

---

<sup>29</sup> Cable No. 2272. Fadden from Menzies, 26 June 1953, *ibid.*

<sup>30</sup> Memorandum by the Secretary, Department of Defence, 10 September 1953 attached to DPC Agendum DPC/14, 19 October 1953, CRS A4933, Vol. 9, AA.

<sup>31</sup> *ibid.*

<sup>32</sup> DPC Minutes, DPC(D)3, 18 November 1953, CRS A4933, Vol. 10, AA.

<sup>33</sup> Notes on Five Cabinet Submissions by the Minister for Defence on the Defence Program, August 1953, CRS A4940/1, Item C786, AA.

<sup>34</sup> Cabinet Decision 802, Agendum No. 512, 12 August 1953, CRS A4940/1, Item C786, AA.

In early August 1953, Cabinet approved £200m for Defence in 1953–54. The allotment between the Services and non Service Departments proposed by the Minister is shown in Table 7.1.<sup>35</sup>

Table 7.1 Defence Allocations-1953

Department	Allocation £m
Navy	46
Army	74
Air Force	56
Defence Production, Supply, Defence	24
<b>TOTAL</b>	<b>£200m</b>

The cost of Australian participation in Korea, some £9.3m in 1953–54, was maintained as a separate account, the Korean Operations Pool Account, but added to the Defence Vote.

Cabinet, in considering the prospective position for the 1954–55 Defence Vote, took an *Agendum* in which the Minister, and the Treasurer, recommended approval be given to proceed on the assumption of a provisional Defence Vote in 1954–55 not exceeding £200m. The Cabinet's decision, however, only directed that statements should be prepared setting out the commitments for both maintenance and capital expenditures extending beyond the current year.<sup>36</sup>

As the first Three Year Program completed and the next came under consideration, the Minister (as advised by the Defence Department) became increasingly concerned about the balance of the program within the changed financial guidelines. The change in policy from completing mobilisation by 1953 to a pegged vote of £200m meant that a major reconsideration of the Program's balance and objectives was necessary. This was not being achieved by the Defence Committee, and McBride raised the overall problem with Menzies in August 1953.

McBride followed up his discussions with some notes on a review of Defence policy and expenditure. He illustrated the problem facing Defence with four examples:

- A limited vote cannot provide for an extensive naval aviation program as well as an air force of the strength and organisation proposed.

<sup>35</sup> Cabinet Decision No. 788, 6 August 1953, CRS A4940/1, Item C838, AA.

<sup>36</sup> Cabinet Decision No. 806, *Agendum* No. 515, 13 August 1953, CRS A4905, Vol. 19, AA.

- . The local costs of aircraft manufacture were such that maintaining the local industry was taking too large a share of the Air Force vote.
- . Navy and Air Force were primarily permanent forces, but Army, which was primarily a Citizen Force with Permanent cadres, had built up an extensive Permanent Force. In any curtailment of the Vote, this strength should diminish.
- . The Defence Vote must be related to the economic and financial capacity of the Australian economy to sustain, and the willingness of the people to continue to carry the burden.<sup>37</sup>

The note went on to say that from the strategic aspect, there were three policy areas:

- . provision of local defence,
- . provision for overseas cooperation, and
- . extent of commitments that can be accepted.

Australia had accepted commitments of a British Commonwealth nature in respect of naval aviation, intelligence, and research and development shortly after the war. Since then, additional commitments in Korea, Malaya and the Middle East were undertaken. Additionally, Australia was being pressed to extend the commitments for intelligence, research and development, and for a strategic reserve in Malaya. It was concluded that a balanced policy within realistic resource levels should be established, in consultation with the UK and USA.<sup>38</sup>

The Defence Committee, in mid November, endorsed the detailed 1953–54 program as being in balance. It also endorsed the overall commitment for 1954–55 arising from the 1953–54 Program of some £191m.<sup>39</sup>

The commitment of £191m for 1954–55 related solely to commitments arising from the 1953–54 program. It did not include provision for ordering any equipment in 1954–55, nor for the cost of maintaining the forces in Korea. The backlog arising from commitments approved in the first Three Year Program, and the subsequent large cost increases, had resulted in an untenable situation within the financial constraints now being imposed by government.

The Defence Committee further exacerbated the situation as far as the Minister was concerned when a few days later it took an internal report commissioned by the Committee to arrive at a basis for a reduction in Defence Program commitments. The Committee endorsed the conclusions of the report, and advised the Minister that it 'could not indicate a basis for such reduction without involving reductions or deferment in important approved objectives of the Program, which they did not feel able to suggest'.<sup>40</sup>

---

<sup>37</sup> Letter, McBride to Menzies, 26 August 1953, CRS A1209/27, Item 57/4126, AA.

<sup>38</sup> *ibid.*

<sup>39</sup> DCM 287/1953, 19 November 1953, CRS A2031, AA.

<sup>40</sup> DCM 289/1953, 26 November 1953, *ibid.*

### **The Long Haul Policy**

The Minister, who had been concerned for some time at the advice he was receiving in relation to the Program and the balance between the Services, was now left in no doubt that he had to override the Defence Committee and direct the way ahead. The notes used to brief the Prime Minister in August on the overall problem, after a number of iterations within the Defence Department, formed the basis of a milestone paper which gave direction to the Services and the Defence Committee on how to develop a balanced program that could reasonably be sustained under a financial limit of around £200m.

After consulting the Prime Minister, McBride tabled a paper titled 'Defence Policy, the Vote and the Program' in late January 1954.<sup>41</sup> This was in response to the program submitted by the Defence Committee, which appeared unable to examine critically the overall Defence program in the light of the changing circumstances. Although the Committee approved the proposed program as being balanced, it merely involved an incremental change to existing proposals and failed to relate to the revised strategic circumstances, particularly the focus on Malaya. More importantly, it had no provision for ordering new equipment in 1954–55.

McBride's paper, known as DPC31 after the Agendum number, was an important step in rationalising Defence thinking from a desire to be ready for world war, to what could be reasonably sustained within a restricted budget. It set the scene for the government's 'Long Haul' policy.<sup>42</sup>

The paper examined the financial situation, the strategic basis, personnel, the vexed question of air power, material requirements and the procedure for adjustments. It noted that the relative strengths of the Services were governed by the probable form and scale of attack. This fell into two areas:

- . local defence of Australia, and
- . overseas defence based on global strategy.

*It argued that the nature and strength of the forces raised for overseas service must have a close relation to local defence. This would provide for the possibility that Australia, might have to rely on its own efforts until aid was forthcoming to meet any major threat that might develop in the South-West Pacific. The paper assessed that while South-East Asia was held, defence in depth was provided to Australia, and there would be no direct threat, except to sea communications in the form of submarine attacks and mine laying.*

Should Malaya fall, however, it was believed Indonesia could follow and, in this eventuality, Australia would be confronted by hostile land and air forces within five hundred miles of the Northern Territory. Practically the whole of the continent would be within range

---

<sup>41</sup> 'Defence Policy, The Vote and The Program', Memorandum by the Minister for Defence, DPC Agendum 31/1954, 4 February 1954, CRS A4933, Vol. 10, AA.

<sup>42</sup> A useful collection of all the key policy papers relating to the development and promulgation of the Long Haul policy is contained in the file 'Defence Policy and the Program', CRS A5954/37, Item 1561/S, AA.

of enemy bombers, necessitating a large air defence commitment.<sup>43</sup> This strategic assessment played an important role in the revised attitude towards naval air power and the need for greater emphasis on air defence.

With regard to personnel, the paper emphasised the importance of reserve forces, but noted that by reason of their nature and roles, the Navy and Air Force should be constituted on a predominantly permanent footing. While national service had given the Army its target mobilisation figure of 115 500, little provision had been made for equipment required in Australia and nothing for equipment for use overseas. The paper made the point of that 'trained manpower without equipment is illusory .... and the balance between manpower and the provision of equipment must be kept steadfastly in mind'. It therefore proposed that the strength of the permanent Army be reduced.<sup>44</sup>

The major point of the paper was to discuss the future of air power in Australia. It pointed out that a nation like Australia with a large territory, limited resources, and a small population, must exploit technology to the greatest degree to develop striking power and mobility. This placed emphasis on air power.

The problem was whether 'two air forces on the scale at present contemplated can be financed from the present Defence Vote'. It was noted that air power was extremely expensive and the obsolescence of aircraft entailed regular replacements. Other costly requirements were radar for air defence, and the replacement of aircraft carriers and escort vessels.<sup>45</sup>

The paper then conducted an assessment of the costs of air force and naval assets. In relation to Air Force, it noted some £38m was required for aircraft in the next few years. This, together with the works program, made a commitment of £48m. The paper noted that a grave deficiency in the plan for the Air Force was that it could not be implemented until modern radar equipment was obtained.

The Air Department had stated that for financial reasons it did not intend to procure air defence radar beyond one set for training.<sup>46</sup> This decision was Air Force's view of the relative priorities in the Air Program, and implied that the general Australian defence need for more radars would be reviewed in the light of the allotments made to the Air Force in future years. This is a clear case of where that Service should have been instructed to adjust its priorities in line with overall Defence requirements.

With regard to the Navy, the paper reviewed the financial requirements for naval aviation and considered the estimated expenditure for 1953–54, the amount required in 1954–55 and the outstanding liabilities after that year. Total costs for Navy are summarised in Table 7.2.

---

<sup>43</sup> 'Defence Policy, The Vote and The Program', Memorandum by the Minister for Defence, DPC Agendum 31/1954, *op. cit.*, p. 2.

<sup>44</sup> *ibid.*, p. 4.

<sup>45</sup> *ibid.*, p. 5.

<sup>46</sup> *ibid.*, p. 6.

Table 7.2 Impact of Naval Aviation on Navy Costs

Category	Five Year Cost £m
<b>Operating Costs (including personnel)</b>	<b>16.3</b>
<b>Capital</b>	
Carriers	4.4
Aircraft	17.1
Other Equipment	7.2
Shore Bases	1.1
<b>Total Capital</b>	<b>29.8</b>
<b>Total Naval Aviation</b>	<b>46.1</b>

In addition, the expenditure on shore bases to June 1953 (£3.5m) and the estimated costs for naval construction (£62.8m) were included, giving a grand total for the cost of naval aviation of £112.4m.

It was concluded that the present commitments and proposed authorisation for naval aviation and ship construction would establish a 'considerable lien on the future naval allotment of the Defence Vote. In comparison, the Army was lagging in the provision of equipment and if the views earlier on the importance of air power in Australian Defence are accepted, greater provision should be made for the Air Force'.<sup>47</sup>

The paper then examined the role of the Navy and its probable strategic employment. At the outbreak of war, the RAN planned to have a carrier task force, frigates for escort duties and minesweepers in both the ANZAM region, based at Singapore, and in Australian waters. The paper questioned the value of a carrier task force in defence of trade in Australian waters, noting that 'the financial implications had an important bearing on the ability to provide for other urgent needs'.<sup>48</sup>

It was assessed that shore based long range anti-submarine aircraft could do the work at least as effectively and less expensively (when taking into account the cost of screening vessels). However, as a result of the introduction of the snorkling submarine, it was assessed that the value of aircraft in the anti-submarine role was reduced and that priority should be given by the Navy to surface anti-submarine vessels.

The provision of a carrier task force to the Singapore area was questioned as it was considered the provision of carriers in the Pacific should be left to the US Navy. In relation to

<sup>47</sup> *ibid.*, p. 8.

<sup>48</sup> *ibid.*, p. 10.

convoys for Australian Expeditionary Forces, the RAN should be supplemented by the US Navy or RN, which should provide escorts of the necessary strength. One aircraft carrier only should be retained, and naval aviation should be equivalent with the army expeditionary force, i.e. an organisation which existed in peace but which could not be fully equipped and made operational until sometime after the outbreak of war. The second carrier should be bartered for aircraft or placed in reserve. A training ship should be provided by other means.<sup>49</sup>

In an examination of the equipment the requirements of the Services on mobilisation, a totally different picture of the costs between the three Services emerged. The material requirements of the Services on mobilisation as at October 1953 are summarised in Table 7.3:<sup>50</sup>

**Table 7.3 Material Requirements of the Services on Mobilisation**

<b>Service</b>	<b>Local Defence and Training £m</b>	<b>Overseas £m</b>	<b>Total £m</b>
<b>Navy</b>	44	-	44
<b>Army</b>	104	70	174
<b>Air Force</b>	90	91	181

The fact that naval forces were capable of operating locally or overseas, i.e. the value of the mobile platform, was not addressed. The significant financial implications of the material requirements for the Army and Air Force were not discussed further.

The overall conclusion of the paper was that there should be a readjustment of the allotments of the Defence Vote to provide more for the Air Force and less for the Navy and Army. The Defence Preparations Committee generally agreed the views expressed by the Minister for Defence, and invited the Service Departments to indicate how effect would be given to the Committee's decision.<sup>51</sup>

The paper had made an attempt to come to grips with the significant problems facing Defence, and had indicated a direction for the overall balance between the Services. Although the level of analysis conducted by the Defence Department was shallow, it was the first time in the post-war era that the Defence Committee's judgement had been questioned. The overall defence structure and its development under the series of programs had become a complex issue to analyse. The key aspect missing was the necessary link between strategic guidance and force structure development.

<sup>49</sup> *ibid.*, p. 11.

<sup>50</sup> *ibid.*, pp. 12, 13.

<sup>51</sup> DPC Minute, DPC(D)5, 4 February 1954, CRS A4933, Vol. 10, AA.

The carrier task force had its origin in the £250m Five Year Defence Program approved in 1947. Viewed in isolation as the Navy's share of the program, it appeared reasonable to keep the RAN abreast of aviation. The position subsequently became complicated by the decision in March 1951 to complete the provision of mobilisation requirements by 1953. This led to considerable additional commitments. Rising costs further increased the commitments, particularly in respect of naval construction and for aircraft. It was now clear that the number of aircraft carriers should have been limited to one.

The Army and Air Force organisations were based around providing for an expeditionary force as well as home defence. Although the Navy argued otherwise, the Defence Department view, accepted by the Minister, was that the carrier task force was Navy's *equivalent of an expeditionary force and therefore priority should be given to the sea frontier force i.e. the escorts for the protection of sea trade.*

The other aspect arising from DPC31 was related to the world wide controversy between the merits of aircraft carriers (and their protective escort ships) and land based aircraft. In Australia's case, the Government decided that for air defence, which included the protection of shipping in local waters, reliance should be placed on land based aircraft.

The result of this decision was an increase of £3.5m to the Air Force. This covered an increase of 490 personnel, and an adjustment of the maritime organisation. The two RAAF maritime reconnaissance squadrons, then organised on a one flight basis, were to be expanded to two full squadrons comprising eight Neptunes and eight Lincolns, and grouped within a maritime reconnaissance wing. The additional Neptune aircraft were to be provided from reserve aircraft and replaced in later years. The Lincolns were to be modified at a cost of £0.75m.<sup>52</sup>

The DPC31 decision (as it was referred to) became a milestone in the evolution of the Services' force structures. The Prime Minister and Minister for Defence met with the Chiefs of Staff on 3 March 1954 to amplify the conclusions.

In his notes to Menzies for this meeting, McBride drew from the US and UK experiences. The US had a New Look policy which aimed to develop an armed posture which could be supported on a long term basis. Similarly the UK was developing its armed forces within a financial and economic framework which was affordable now and in the future. He suggested Australia should follow suit and prepare for a 'Long Pull'.

McBride considered the major issue was that too much was being attempted from a Defence Vote of £200m. The Government appreciated the reason for the present situation, but the Defence Committee had been faced with the problem over the past three years. It was the responsibility of government to provide guidance and, after considering the Services' views, to take the final decision.

The notes were aimed at helping persuade the Chiefs of the need to cooperate to introduce the significant changes proposed. McBride had subtly pointed out that the Defence Committee had not been able to resolve the issue satisfactorily. At this stage he was referring

---

<sup>52</sup> 'Defence Policy and The Program', Notes by the Minister for Defence on the Program Agenda DPC 74/1954, 28 July 1954, p. 11, CRS A816/56, Item 14/301/626, AA.



to the policy shift as the 'Long Pull'. This term lasted to the final drafts of his press statement before being adjusted to the 'Long Haul'. The earlier term may have reflected McBride's frustration at pulling the Services into line.

The term 'Long Haul' had been used by US Secretary of State, Mr Dulles, in a speech in January 1954.<sup>53</sup> The concept had been put to the NATO Council by the US in April 1953 and meant a 'steady development of defensive strength at a rate which would preserve and not exhaust the economic strength of our allies and ourselves'.<sup>54</sup> This concept was certainly reflected by the new Australian policy.

The Minister issued a press statement on 10 April 1954, on Defence Policy and the Program. This announced the change in government policy from preparedness by a critical date to the 'Long Haul'. He noted that the collective strength of the democracies had opposed the spread of cold war aggression and diminished the prospect of global war.

While increased strength and greater preparedness did not lessen the burden of armaments, 'they have transformed the basis of Defence Policy from preparedness by a critical date, to the capacity to maintain it at a level that can reasonably be sustained for a "Long Haul"'. McBride also emphasised in the statement that the size of the Defence effort was related to the level of national expenditure able to be devoted to Defence, while maintaining a stable economy.<sup>55</sup>

It is noteworthy that McBride stated that the increase in Defence spending to a vote of £200m 'arose from the intensification of the cold war by communist aggression in Korea'.<sup>56</sup> There was no mention of the ineffective mobilisation plan started just three years earlier, when war was forecast to start the month in which he gave his statement.

### **Navy Resistance to the New Policy**

Following the meeting with the Prime Minister, the Minister for the Navy, Mr McMahon, wrote to McBride on 15 April 1954 informing him of the principles he had directed the Navy to work to in relation to the reorganisation of the naval program. These were:

- . One carrier to be retained with a front line aircraft establishment of 40, 16 Sea Venom fighters and 24 ASW Gannets.
- . The destroyer and frigate program to be continued.
- . Plans to be prepared to close *Nirimba* at Schofields.
- . *Vengeance* to be used as a training ship, being replaced by *Sydney* when *Vengeance* was returned to the UK with the crew of *Melbourne*.

---

<sup>53</sup> Lawrence Freedman. *The Evolution of Nuclear Strategy*, The Macmillan Press Ltd., London, 1983, p. 85.

<sup>54</sup> John Foster Dulles, 'Policy for Security and Peace', *Foreign Affairs*, Vol. 32, No. 3, April 1954, p. 361.

<sup>55</sup> Defence Policy and the Program, Statement by the Hon. Sir Philip McBride K.C.M.G. M.P., Minister for Defence, Canberra, 10 April 1954, CRS A5954/1, Item 1667/51, AA.

<sup>56</sup> *ibid.*

- Consideration as to whether the dockyards at Garden Island, Williamstown and Cockatoo could all be kept going.

He also noted that attempts had been made to sell the tanker building in UK without any interest. There was an inquiry relating to charter, which was being pursued.<sup>57</sup>

This letter caused a sharp reaction from McBride, who, with Defence Department advice, wrote back very quickly with the following points:

- The front line establishment of 40 aircraft equated to the peace time complement of two aircraft carriers, and therefore a reduction in aircraft was an *integral element* in the reduction to be effected in the size and cost of the naval air arm.
- The naval construction program should be reviewed in respect of the number of vessels now needed to service only one carrier.
- The proposal for savings in relation to Schofields should be reviewed in the light of less aircraft and possible personnel reductions to be also made at Nowra.
- *Vengeance* should be bartered for aircraft or placed in reserve and the training ship provided by other means, as agreed by the Defence Preparations Committee.

He concluded that the Navy program as suggested did not propose the level of reductions originally envisaged by the Defence Preparations Committee.<sup>58</sup>

McMahon returned a detailed submission on 28 May, defending the position taken in his original letter. He pointed out that:

- The strength of 40 aircraft was the minimum level to maintain a fleet air arm to support one operational carrier and one air station.
- A reduction in carrier numbers did not enable a consequential reduction in the number of ships, as screening a carrier was only one of many tasks destroyers and frigates undertook. In any case, three new constructions and two modernisations had already been cancelled because of financial restrictions.
- Further reductions in relation to closing Schofields could not be found, as 40 aircraft was regarded as a minimum.
- There was no alternative to replacing *Australia* as the training ship by *Vengeance*, because the large number of trainees, including national service, required a large ship.
- Substantial reductions to the 1954–55 estimates were not possible as they were prepared in anticipation of the reductions subsequently agreed.

---

<sup>57</sup> Letter, McMahon to McBride, 15 April 1954, CRS A816/58, Item 14/301/596, AA.

<sup>58</sup> Letter, McBride to McMahon, Naval Program, 29 April 1954, *ibid*.

McMahon suggested that there were so many military changes since 4 February 1954 that it might be desirable to review the basis on which the present policy was based.<sup>59</sup>

McBride responded on 10 June, reminding McMahon of the basic considerations underlying the February decision. He requested the Navy to submit its plans and program statements in accordance with the DPC31 agenda. With reference to 'the military changes', which were presumed to refer to the trend of events in South-East Asia, McBride emphasised that the decisions of the Defence Preparations Committee on a balanced policy and program were fundamental not only to the 'Long Haul' in respect of a vote of £200m, but also to any increased programs that might arise in respect of any deterioration in strategic circumstances.<sup>60</sup>

McMahon proposed a compromise in relation to the obvious direction for Navy to reduce its bid for funds. This related to the key issue (from Navy's viewpoint) that 40 front line aircraft was the minimum requirement if a Fleet Air Arm were to be continued in the RAN. The Navy found it could achieve savings of some £7m by not ordering 44 Gannets and cancelling an order for 10 Sea Venoms. This would mean procuring only 36 Gannets and retaining the Firefly in service until 1960. The reduction in the existing order for 49 Sea Venoms by 10 would delete the war reserve.<sup>61</sup>

McMahon subsequently discussed this proposal with McBride. However, a note on the file by Shedden indicated that McBride was becoming tired of the Navy's continued dialogue on the program. It was noted by Shedden that:

The Minister informed me that he had told Mr McMahon that he was not discussing anything further and that statements had to be submitted as required by the Defence Preparations Committee. If the Minister for the Navy wished to put up alternatives at the same time for the Defence Preparations Committee, he could do so.<sup>62</sup>

McBride did respond again on 7 July, advising the Navy that its program should be submitted without delay. He emphasised that the Navy would need to provide detailed explanations to support its proposals. For his part, the Minister would reserve his conclusions pending the Navy's submission.<sup>63</sup>

The difficulties in obtaining a program from the Navy were also encountered with the other defence Departments, and required personal letters from McBride to all Ministers to enable the Defence Preparations Committee to deliberate on the Defence Program in time for the finalisation of the 1954-55 Budget Estimates. This lengthy exchange of correspondence illustrates how difficult it was for the Defence Department, which was responsible for the formulation and implementation of a unified defence policy relating to the Services and their requirements, to ensure Cabinet decisions were complied with by the Service Departments.

---

<sup>59</sup> Letter, McMahon to McBride, 28 May 1954, *ibid.*

<sup>60</sup> Letter, McBride to McMahon, 10 June 1954, *ibid.*

<sup>61</sup> Letter, McMahon to McBride, 25 June 1954, *ibid.*

<sup>62</sup> Note on file by FGS, 29 June 1954, *ibid.*

<sup>63</sup> Letter, McBride to McMahon, 7 July 1954, *ibid.*

In August 1954, the Defence Preparations Committee examined the 1954–55 Defence Program in the context of the next Three Year Program. This included the impact of the DPC31 policy decision. The Navy proposals did not include any major alternatives to the broad thrust of the decisions reached by the government, but followed the proposals as raised by McMahon with McBride over the previous four months.

Navy's proposals argued strongly for a front line aircraft establishment of 40 even though the peace time complement for a carrier was 20 and the full war complement 30. The Navy pointed out that reductions below 40 aircraft would not justify the retention of a fleet air arm economically, administratively or operationally. The compromise reached in the earlier correspondence, to retain the older obsolete aircraft and not to hold war reserves, which offered savings of over £7m, were put forward.

Front line naval air squadrons would be:<sup>64</sup>

No. 805:	8 Sea Furies, re-equipping with Sea Venoms in 1957.
No. 808:	8 Sea Furies, re-equipping with Sea Venoms in 1955.
No. 816, 817:	6 Fireflies each, re-equipping with Gannets in 1955.
No. 851:	12 Fireflies until 1960.

In addition, training aircraft included: three Wirraways for pilot instrument training; two Dakotas for observation and aircrew training; three Sea Furies and six Fireflies for pilot conversion and fleet support; three helicopters for search and rescue and training; two Auster communication aircraft.<sup>65</sup>

The proposal to retain a carrier as a non-flying training ship, despite the decision made by the Defence Preparations Committee on this matter, was argued strongly. Six frigates would be necessary to meet the training demand, and the retention of the carrier was much more cost effective. As *Vengeance* was owned by the Admiralty, she could not be bartered for aircraft. The glut of light fleet carriers in the RN meant that it would not be interested in *Sydney* if she was offered after completion of *Melbourne*. This option was therefore assessed as not realistic.<sup>66</sup>

In relation to the number of escorts, it was planned to retain four destroyers and six frigates in commission. Given an availability of 66 per cent after maintenance and leave, the commitments on the Navy were:<sup>67</sup>

- . four ships to meet the two required in Korea,
- . two to meet the requirement for one to undertake the northern waters Japanese fisheries patrol, and
- . four to undertake fleet training and 'flag showing'.

<sup>64</sup> Agendum No. 60. The Navy Program 1954/55–1956/57. 27 July 1954 p. 4, CRS A4906, Vol. 2, AA.

<sup>65</sup> *ibid.*, p. 5.

<sup>66</sup> *ibid.*, pp. 7, 8.

<sup>67</sup> *ibid.*, p. 8.

A personnel ceiling of 14 400 was proposed, down from the previous 14 550. The number borne at the time was only 14 200 and with the high wastage rate, it was estimated that the actual ceiling would be only 14 000. This meant that ships were generally undermanned, except for the two in Korea.<sup>68</sup>

During the Cabinet discussion on the program, the CNS emphasised the importance of the carrier, citing the Harding talks and the fact that in the context of contemplating intervention in Indo-China, the US had asked for an Australian carrier. In relation to US participation in SEATO, the CNS defended the need for a carrier on the basis of the size of the ANZAM area which was the responsibility of the RAN and RNZN. He pointed out that surface vessels were needed for ASW. Maritime air squadrons could only cover focal points and hence fighter aircraft were needed at sea. He did concede that SEATO might change the extent of Australian responsibility for sea communications in the ANZAM area.<sup>69</sup>

The emergence of SEATO was starting to influence defence thinking, although at this stage commitments had not been decided. It was felt that after the Manila SEATO discussions, Australia should approach both the US and UK to give consideration to the defence aspects of South-East Asia which could lead to equipment discussions, on the basis of Australia's willingness to accept a commitment.<sup>70</sup>

The Defence Preparations Committee endorsed the Defence program as submitted except for Army. The Army had proposed reductions to its Field Force which in effect would prevent Australia making any rapid contribution to Pacific security. This was directly opposite to the way strategic thinking was developing, and the Government could see the potential for embarrassment. The Army's equipment was also in poor state, and no change had been made to that proposed for mobilisation and support for the UK in the Middle East. Consequently, the Defence Preparations Committee expressed the view that any diminution in the strength of the Permanent Army was undesirable and funds from the Defence Trust Fund should be credited towards Army deficiencies in equipment.<sup>71</sup>

The nexus between the Harding talks and SEATO was tending to cloud strategic thinking and hence Australia's planned force structure. The programs put forward by the Defence Committee had not built on the decisions of DPC31, nor were they related to possible future Australian commitments. The implications arising from the proposal to contribute to a Strategic Reserve, and any obligations which might arise from a collective security system in South-East Asia were not addressed. Basically, the original program conceived in 1947, as adjusted for mobilisation in 1951, was being incrementally adjusted in the light of reduced financial guidance.

---

<sup>68</sup> *ibid.*, p. 12.

<sup>69</sup> DPC, Minute No. 4 (PM), 19 August 1954, CRS A4906, Vol. 2, AA.

<sup>70</sup> *ibid.*

<sup>71</sup> DPC Decision No. 56 (DPC), 19 August 1954, *ibid.*

A number of Defence Trust funds or trust accounts had been created to balance the annual appropriations over a program by crediting the account with unexpended balances caused through delays in the rate of expenditure provided for in the Budget. The fund could then be used to meet delayed expenditure in later years.

## CHAPTER EIGHT

### THE STATUS OF NAVAL FORCE STRUCTURE PLANNING IN THE MID 1950s

*The retention of the post-war "Long Term Plan", envisaging an RAN consisting of a balanced force of 3 aircraft carriers, 6 cruisers, 24 destroyers, an escort force of some 60 ships and many smaller vessels, is unrealistic and its implementation in the foreseeable future is beyond the capacity of the country's resources in peace.*

Captain J.S. Mesley,  
Deputy Chief of Naval Staff, July 1955

#### Faltering Force Structure Aspirations

The 1947 Five Year Program, the 1950 Three Year Program and the additional requirements of mobilisation all created a number of major projects within the Navy and an expectation of a dynamic and improved force structure. The build delays and overspend in the new construction program prevented the planned introduction of the new capabilities. The other major impact on the planned force structure development was the limit on defence funding imposed by government from 1952. The plans developed in the late 1940s and further enhanced in the first years of the new government were gradually eroded as the reality of what the Government wished to allocate to defence was realised.

In addition to reductions to planned major capital expenditure, the Services experienced significant cuts to operating costs. The planned personnel build up was also not achieved. In the Navy's case, this resulted in the extension of ship refit activity (including modernisations), reductions in facility development and maintenance, and reduced availability of spares and ammunition. These factors all contributed to a general lowering of operational readiness and sustainability. However, the most visible impact on the Navy's planned development was the erosion of the planned force structure which had been endorsed by the Government.

Naval aviation plans were drastically cut back with cancellation of *Sydney's* upgrade to *Melbourne* status and a more than 50 per cent reduction in front line aircraft. This effectively foreshadowed the inability of the Navy to sustain two carriers. The modernisation program was significantly reduced, which meant that the ultimate size of the fleet would be less than that planned. Additionally, in relation to new construction, one of the four *Darings*, two of the six Type 12 frigates, and all four coastal minesweepers were cancelled. The reductions to the Government endorsed program are illustrated in Table 8.1.

Table 8.1 Navy Force Structure Plans and Adjustments 1947–1955

Capability	Endorsed by Government	1952–55 Adjustment
naval aviation	2 carriers 2 air stations 72 front line aircraft 49 Sea Venom aircraft 45 Gannet aircraft	cancel <i>Sydney</i> upgrade shut down <i>Nirimba</i> reduce to 40 cancel 10 cancel 9
cruiser	<i>Australia</i> - training ship modernise <i>Hobart</i>	scrap <i>Australia</i> cancel
destroyer	2 'Battles' 4 <i>Darings</i> modernise 3 'Tribals'	cancel 1 cancel 1
frigate	6 Type 12 frigates modernise 5 'Q' class	cancel 2 cancel 1
minesweeper	modernise 24 ocean minesweepers 4 coastal minesweepers	cancel 12 cancel 4

The rapid changes in policy direction over the period caused major revisions to the modernisation program, which resulted in wastage of funds. A good example is the modernisation of *Hobart*.

In 1950, the Cruiser Policy was reviewed, and when it was evident that no modern cruiser design was suitable from Admiralty sources, purchase from the US was investigated. This was discarded because of the dollar shortage, and the decision was taken to modernise *Hobart*. This was to be a similar work package to that planned by the RN for its 'Colony' class.

By 1951, with the deterioration in the world strategic situation, the cruiser was considered necessary to protect the carrier until the *Darings* were completed. The role seen then was escorting convoys carrying troops to the Middle East.

The financial restrictions imposed in 1952 caused a change of plan, to use *Hobart* to replace *Australia* as the training cruiser. The planned armament was limited to reduce cost, but was still seen as adequate in the anti-raider role, which would be secondary to the training role. The 'Battle' class, now in commission, were seen as suitable units to escort the carrier pending the commissioning of the *Darings*.

With the decision in 1953–54 to have only one operational carrier, and for the other to assume the training role, the primary role for *Hobart* had gone. A brief investigation was undertaken to see whether *Hobart* could be used as a headquarters ship in Sydney for the Commanding Officer Reserves, and as an engineering training ship. In April 1955 all these proposals were abandoned.

*Hobart's* refit at the Newcastle State Dockyard had cost some £1.3m when work was stopped. The hull was in good condition, and the possibility of conversion to a guided missile ship in the future was briefly examined. The cost of completing the current conversion and modifying the ship to be suitable for convoy escorting was estimated to be £1m. This could not be afforded and the ship was brought to Sydney and put reserve at a cost of £150 000.<sup>1</sup> *Hobart* was maintained in reserve until early 1962 when she was finally sold for scrap.<sup>2</sup>

### Ship Construction and Modernisation Delays

A significant problem which came to a head in 1955 was the cost increases and delays in the new construction and modernisation programs. In February 1955, the Navy sought authorisation of an additional £77m to complete these programs. The Defence Preparations Committee, concerned at this increase, requested the Board of Business Administration to report on the increases in costs and recommend more effective procedures for future control of costs.<sup>3</sup>

The naval commitment in 1954–55 and subsequent years was due mainly to the long term commitments incurred in the Five Year Program and subsequent Three Years Program for defence preparedness by 1953. These included the completion of *Melbourne*, the construction of the *Darings* and Type 12 frigates, the 'Q' class conversion, and the Tribal' modernisation.

The cost of acquiring the aircraft carrier *Melbourne* was originally estimated at £3.1m; the final cost was £7.5m. By December 1948 it was estimated that the cost to Australia of the ship completely modernised and outfitted would be £3.5m. This was on the basis that the Admiralty would pay approximately half the cost of actual construction, and that Australia would pay £0.5m for the cost of modernisation and the full cost of any alterations to meet Australian requirements.<sup>4</sup>

By May 1953, the cost to Australia had risen to £6.7m. This was mainly attributable to delay in construction due to labour difficulties, late delivery of equipment, increased stores cost and additional requirements for Australian alterations. Later increases brought the total cost to £7.5m.<sup>5</sup> The Business Board reported that under the special circumstances relating to sharing of the purchase price by the UK, it accepted that the Naval Board was not in a position to exercise very much control over expenditure.<sup>6</sup>

---

<sup>1</sup> Naval Construction Program, File No. 4, Internal Navy Minute, 27 July 1955, CRS A5954/1, Item 1502/6, AA.

<sup>2</sup> Bastock, op. cit., p. 126.

<sup>3</sup> Notes on DPC Agendum No. 610, Costs of Naval Construction and Conversion Programs, April 1956, CRS A816, Item 40/301/696, AA.

<sup>4</sup> Report by the Board of Business Administration on the Costs of Naval Construction and Conversion Program, 11 August 1955, p. 3, CRS A816/1, Item 40/301/691, AA.

<sup>5</sup> *ibid.*

<sup>6</sup> *ibid.*



The *Daring* class destroyers were originally estimated at £2.6m each; the final costs were of the order of £7m each. The original estimate for construction time was 4 to 6 years; they took 7 to 9 years to complete. The original estimate of £2.6m, made in April 1945, was based on the estimated cost (£2m) of the 'Bartle' class destroyers.<sup>7</sup>

Early in 1948 the *Daring* project was reviewed, and the estimate revised to £3.2m for each ship. During 1951 changes were decided in the armament of the ships, which caused moderate cost increases, and in 1952, following a complete review, the estimate of final cost was increased to £6.7m per ship. Late in 1952, it was decided to reduce the project from four to three ships, and in July 1954, the estimated cost was £6.9m per ship. The total cost was later estimated at £7.0m each in October, 1954. There was, in addition, an estimated liability of £1.6m in connection with work done on the fourth ship before its cancellation. Much of the material included in this was able to be used in the Type 12 frigates.<sup>8</sup>

The Business Board considered that the very large increase in the cost of these ships over the original estimate was due not only to increased wage levels during the currency of the work and to changes in armament and fighting equipment, but also largely to the fact that when the original estimate was made, insufficient data was available to enable a reasonable estimate of costs to be made.<sup>9</sup>

The four Type 12 anti-submarine frigates also experienced delays and cost overruns. They were originally estimated at an average cost of £2m each; the estimate in 1957 was £6.9m.<sup>10</sup>

The original estimate of £2m was a preliminary one advised in 1949 by the then Third Naval Member after investigation in the UK which showed that the cost of building in the UK would be between £1.4m and £1.6m. As experience had shown Australian shipbuilding costs to be higher than those in the UK, the Navy estimated that the cost of an Australian built frigate would be approximately £2m. In doing so it took the following factors into consideration:

- . limited facilities available and the necessity to develop potential,
- . smaller number of ships to be built,
- . longer period of construction, and
- . higher costs of labour and material.<sup>11</sup>

Cabinet approval was given to the project on the basis of £2m per ship in August 1950. By 1952, a review of the cost was made based on the additional information then available.

---

<sup>7</sup> *ibid.*, p. 4.

<sup>8</sup> *ibid.*

<sup>9</sup> *ibid.*

<sup>10</sup> Internal Navy Minute, Major Increases in the costs of Approved Projects of Ship Construction and Conversion Programs, CRS A816/1, Item 40/301/696, AA.

<sup>11</sup> Cabinet Agendum, Supplement No. 2 to Submission No. 151, CRS A816/1, Item 40/301/691, AA.

This placed the probable cost as £5.1m. The Business Board expressed the opinion that this was the first real estimate and that the original estimate of £2m was unreasonably low.<sup>12</sup>

The RAN's almost total acceptance of RN advice in relation to ship building is demonstrated from this decision. The Admiralty did not consider the sketch design for this class of ship until February 1950. The building drawings were approved in December, and the first of six ordered by the Admiralty in February 1951, with planned completion mid-1953. Delays followed, and HMS *Whirby*, the lead ship, was laid down at Cammel Laird Shipyard in September 1952, entering service in July 1956.<sup>13</sup>

In the context of the 1953–54 program, the number of RAN ships was reduced from six to four. Subsequent variation in cost brought the estimate up to the 1957 figure of £6.9m per ship.

The increases in the estimated cost over the original estimate were mainly due to:

- increases in construction costs resulting mainly from rises in costs of wages and materials;
- changes in the basic design of the ship by the Admiralty, which made the ships more capable but complex, and modifications to meet Australian requirements;
- increased cost of auxiliary machinery and gearing being produced in Australia;
- changes in the type of gun mountings, anti-submarine and communications fit, and increases in their respective costs; and
- increases in the cost of naval stores.<sup>14</sup>

The original order for six ships was placed in October 1951 for long lead items, with construction planned to commence in 1954–55. The four ships were not laid down until the late 1950s and ultimately completed in the early 1960s.

The conversion of the 'Q' class destroyers was planned to bridge the gap until the Type 12 frigates could be built (i.e. mid 1950s). The conversion of five of the class was approved in early 1950 at an estimated cost of £0.4m per ship. At this time it was envisaged a high priority would be afforded to the project, with the conversion of the first ship completing within 12 to 15 months of approval.<sup>15</sup> Budget reductions, delays in refit activity, and changes in the extent of the program during the period extended the time for conversion to an average of five years.

---

<sup>12</sup> Report by the Board of Business Administration, on the Costs of Naval Construction and Conversion Programs, op. cit. p. 2.

<sup>13</sup> R. Osborne and D. Sowdon, *Leander Class Frigate*, World Ship Society, Kendal UK, 1990, p. 19.

<sup>14</sup> Cabinet Agendum, Supplement No. 2 to Submission No. 151, op. cit. pp. 4–8.

<sup>15</sup> *ibid.*, p. 9.



*HMAS Queenborough before conversion. (J. Straczek)*



*HMAS Queenborough after conversion. (J. Straczek)*

In September 1951, following a change in the ship's anti-submarine armament, the estimate was increased to £0.9m per ship. By 1952 considerable work had been done towards converting two of the ships, and the estimate was again reviewed and increased to £1.6m per ship. In the 1953–54 program, the conversion of *Quality* was deferred indefinitely. Prior to October 1954, a further estimate placed the cost at approximately £1.8m per ship, and the final cost was approximately £2m per ship.<sup>16</sup>

The increases were mainly attributable to increases in shipyard work, machinery, ordnance and naval stores and changes in armament and equipment. The Business Board reported that as the work progressed, the scope and magnitude of the conversion work increased from the original conception. The Board believed that to a considerable extent this was inevitable when extensive conversion work was undertaken. In the opinion of the Board, it was doubtful if any reliable estimate of cost could be made for major conversion work on a fighting ship, especially in view of the rate of developments in scientific fighting equipment.<sup>17</sup>

The 'Tribal' class modernisation was much more modest, involving removal of the aft 4.7 inch gun mounting, extending the deck area and fitting the squid anti-submarine weapon. New sonar and radar were fitted, the latter causing the tripod mast to be replaced with a lattice.<sup>18</sup>

*Warramunga* entered Garden Island in September 1952 and completed in October 1954. *Arunta* was modernised at Cockatoo from late 1950 to November 1952. *Baiuan* was not modernised, and paid off in mid 1954.<sup>19</sup> The RAN gained little from these conversions. The combination of lack of manpower and obsolescence meant they did not remain in service long.

The reasons for the cost overruns were complex, but were basically similar for each of the major programs then under way. The RAN, keen to ensure each class incorporated the latest technology, had selected designs still in the formative stages. Consequently, the original cost estimates were very tentative. This was an era when significant advances were being made in weapons technology and the updating of systems involved increased cost. Labour and material costs also rose significantly over the period. The cost of machinery produced in Australia, in accordance with government policy to foster local capacity, also exacerbated the situation.<sup>20</sup>

A summary of the difference between the original estimates for time and cost and the actual achievement (including the 'Battles') is given in Table 8.2. The construction times are averaged over each ship class.

---

<sup>16</sup> Report by the Board of Business Administration on the Costs of Naval Constructions and Conversion Programs, op. cit., p. 3.

<sup>17</sup> *ibid.*

<sup>18</sup> Bastock, op. cit., p. 144.

<sup>19</sup> *ibid.*, pp. 142–6.

<sup>20</sup> Cabinet Agendum, Submission No. 151, Major Increases in Costs of Approved Projects of Ship Construction and Conversion Programs, Supplement No. 2, 25 February 1955, CRS A816, Item 40/301/691, AA.

Table 8.2 Navy Construction/Conversion Program  
-Comparison of Estimates with Achievement

Ship/Class	Average Build/Conversion Time (years)		Delay (years)	Cost/Ship (£m)		Increase (£m)
	Original Estimate	Achieved		Original Estimate	Achieved	
<i>Melbourne</i>	-	-	-	3.1	7.5	4.4
'Battle'	2.8	4.1	1.3	2.0	2.5	0.5
<i>Daring</i>	5.0	8.0	3.0	2.6	7.0	4.4
Type 12	3.7	4.7	1.0	2.0	6.9	4.9
'Q'	1.1	5.0	3.9	0.4	2.0	1.6
'Tribal'	0.5	2.0	1.5	0.07	NK	-

The significant delays incurred in introducing the *Daring*, Type 15 frigate ('Q' conversion) and modernised 'Tribal' as illustrated in Table 8.2, had a major impact on the planned development of the RAN. By the mid 1950s, the *Darings* were still under construction and the Type 12s not yet laid down. The planned rapid modernisation of the 'Tribals' and conversion of the 'Q' class had dragged on and they were only just entering service in 1954–55.

The significant construction delays did not attract much attention from the Government, as it was more concerned with the cost overrun. The delays could be contributed to a combination of poor planning, inadequate training and preparation for the new technologies necessary, antiquated construction techniques and inefficient work practices. The time overrun of about one year for the Type 12 frigate was less than with the *Darings*, indicating the benefit of the construction yard's experience and greater scrutiny as a result of the inquiry by the Board.

The delays in the 'Q' class conversion and the 'Tribal' modernisation can be mainly attributed to the general slowing down of refit activity because of budget reductions. The 'Q' class also suffered from revisions to the extent of the program to keep up with the evolving anti-submarine equipment.

The Navy sought to minimise any criticism of its administration and treated the enquiries into the program in an almost cavalier manner. The inability to estimate with any accuracy construction costs and duration and the apparent acceptance of this situation as beyond the Navy's control, reflect poorly on the Department's effectiveness in managing such a major force structure program. The high cost of completing the program inhibited any significant reduction proposed for the Navy element of the Defence Vote under the 'Long Haul' policy.



*The 'Battle' class destroyer HMAS Tobruk. (J. Mortimer)*

### **Public Reaction to the Long Haul Policy**

McBride gave a speech in the Parliament on 28 September 1954 on Defence Policy and the Program. This built on his press statement of April, which had announced the 'Long Haul' policy. He advised that the Government had now approved the Defence program, which provided for a vote of £200m. He also noted that the South-East Asia Defence Treaty (i.e. SEATO) would shortly be submitted to Parliament for ratification. He emphasised the importance the government gave to SEATO which was referred to as the regional equivalent to NATO.

In relation to future force structure planning he said:

We look to the development of planning in consultation with our allies to define our task, and to indicate precisely the nature and extent of the forces we need for the most effective contribution, within our capacity toward the common effort for the defence of this area.<sup>21</sup>

In relation to air power and naval defence, he reiterated what was announced in April that 'in view of the probable nature and scale of attack... priority should be given by the Navy to surface anti-submarine vessels, and that the responsibility for air protection at sea within the

---

<sup>21</sup> CPD (H of R) Vol. 5, 28 September 1954, p. 1630.

range of land based aircraft should be assigned to the Air Force'. The Fleet Air Arm was to be 'retained at a reduced, but never-the-less substantial strength in balanced relation to the other Services'.<sup>22</sup>

After discussing the Defence program and the revision to national service, which relaxed the call up for country registrants and those not living close to a training centre, McBride clearly stated the key issue behind the Government's revised policy.

...the long term security of Australia requires that there should be no relaxation in the efforts to increase our population and to develop our resources. The result of this is to expand our economy, and to build up our future potential strength.<sup>23</sup>

The announcement of the policy caused a flurry of press comment which reflected the lack of public understanding of the evolution of defence strategic thinking, and a general concern that the Government might water down national service training and cut back the Army. The reduction to one carrier, and the increased role given to the Air Force, scarcely raised a comment or any critical analysis.<sup>24</sup>

*Sydney's* operational career had been marked by constant allegations of obsolescence. Even before joining the RAN, *Sydney* was heavily criticised for being a needless expense by Air Vice Marshal Bostock, who in the early 1950s became a Liberal Member of Parliament. He argued that the weak carrier force being developed by the Government did not constitute a contribution to Empire Defence and that local security was being ignored by the heavy expenditure on carriers.<sup>25</sup>

Secondly, he argued that carrier-borne aircraft were not essential for ASW. He based this argument not on the redundancy of aircraft for ASW search but rather on the premise that the density of shipping around Australia was sufficient to attract enemy submarines only near the focal ports, where a combination of escorts and new long range maritime patrol (LRMP) aircraft such as the Neptune would prove far more cost effective than carriers.<sup>26</sup>

The leading article in the *Age* of 29 September, in relation to the new defence policy, concentrated primarily on the national service issue and stated that:

the revised defence policy was in direct contradiction to everything the government has proclaimed during the last three to four years as to the urgency and critical importance of constructing the most efficient and effective National Defence.<sup>27</sup>

---

<sup>22</sup> *ibid.*

<sup>23</sup> *ibid.*, p. 1636.

<sup>24</sup> Press File, Defence Policy and the Program, CRS A5954, Item 2192/3, AA.

<sup>25</sup> Melbourne Herald, 5 March 1947, A5954, Box 2131, AA.

<sup>26</sup> CPD Vol. 221, 26 March 1953, pp. 1667, 1668.

<sup>27</sup> Press File, Defence Policy and Program, *op. cit.*

The article then went on to decry the reduction in national service training. Despite the Service's views of the limited benefits and high costs of this scheme, the public saw it as a valuable contribution to Australia's defence.

The *Sydney Morning Herald* leader of the 29th also criticised the policy, but although concentrating on the impact on the Army, did mention the change in policy in relation to air defence at sea:

The government has two fresh ideas to meet the radically altered strategic situation created by the collapse of French power in Indo China and the signing of the Manila Pact. First, to restrict compulsory military training, and second to assign the RAAF responsibility for air protection at sea.<sup>28</sup>

The article then criticised the Minister for having no plan to increase the fighting strength of the regular Army. These comments reflect the overall public debate on Defence generally in Australia, with its preoccupation with the Army and the lack of comprehension of the importance of the maritime environment to an island nation.

### SEATO - the Dream

As the series of Five Power Staff Agency talks had shown, the situation in 1953 and early 1954 in Indo-China was deteriorating despite the increasing level of US help. In mid April 1954, the Five Powers and other nations in South-East Asia, following a US initiative, agreed to examine a collective defence system in South-East Asia.

When the US pressed for immediate discussions, the UK refused until after the planned Geneva conference on Korea and Indo-China due to start on 22 April 1954. The UK, with Australian support, also rejected US proposals for massive air intervention at Dien Bien Phu. The UK was troubled by the wider implications of using nuclear weapons and possible escalation leading to a world war. Casey considered that such intervention without UN backing was wrong, as it would be against world opinion, particularly in Asia, it could lead to problems with China, and would wreck the Geneva Conference.<sup>29</sup>

For the US, Indo-China rapidly became the focal point in the defence of 'the whole free community'.<sup>30</sup> On 7 April, Eisenhower explained the strategic importance of Indo-China by citing the falling domino principle: 'the fall of Indo China would lead to the fall of Burma, Thailand, Malaya and Indonesia; India would be hemmed in by Communism and Australia, New Zealand, Formosa, the Philippines and Japan would all be gravely threatened'.<sup>31</sup>

Dien Bien Phu fell in May and the Geneva Conference agreed in July to the temporary partition of Vietnam at the 17th parallel, an International Supervisory Commission, and the

---

<sup>28</sup> *ibid.*

<sup>29</sup> Alan Watt, *The Evolution of Australian Foreign Policy 1936-1965*, Cambridge University Press, 1968, pp. 146-152

<sup>30</sup> D. Horowitz, *From Yalta to Vietnam, American Foreign Policy in the Cold War*, Penguin, 1965, p. 144.

<sup>31</sup> *ibid.*



withdrawal of French forces. None of the participants signed the final declaration and there was a general lack of confidence that the agreement reached would be lasting.<sup>32</sup>

These concerns were such that a conference in Manila in September, some seven weeks after the Geneva conference, led to the South-East Asia Collective Defence Treaty, better known as SEATO or the Manila Pact. This pact was established between Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the UK and US, and was signed in Manila on 8 September 1954. The treaty came into force on 19 February 1955.<sup>33</sup>

Under the essential paragraph, Article IV, of SEATO, the parties agreed that in the event of armed aggression against any one of them, or any State or Territories unanimously designated, they would act to meet the common danger 'in accordance with their constitutional processes'. There was no binding commitment to military action in specific circumstances. The commitment was similar to that laid down in ANZUS, and deliberately avoided the tighter wording of the 1948 Brussels Pact and NATO for the same political and constitutional reasons.<sup>34</sup>

A major distinction between ANZUS and SEATO was the limitation under SEATO of a special US reservation that its obligation only applied to 'Communist Aggression'. No attempt was made to create a unified command or an integrated force of the NATO type. Military consultations led to the establishment of SEATO Headquarters in Bangkok in 1956, where some contingency planning was undertaken. Additionally, a series of annual military exercises were held.<sup>35</sup>

In his statement to Parliament on 28 September 1954 McBride reiterated that the aim of Australia's defence policy was to cooperate in repelling communist aggression. This speech laid the ground for the commitment of forces in Malaya by stressing the inherent right under the UN Charter for collective self defence against aggression and the creation of regional arrangements. He went on to quote the Prime Minister in respect of South-East Asian collective defence that:

We will become contributing parties. We will in association with other nations... accept military obligations in support of our membership... The nature of these commitments must be worked out... What they will involve in terms of military preparation, nobody can as yet say... All I want to say is that we will not hesitate to make any changes that are necessary for the full performance of our commitments.<sup>36</sup>

---

<sup>32</sup> Watt, *op. cit.*

<sup>33</sup> *ibid.* pp. 143–53.

<sup>34</sup> Millar, *Australia in Peace and War*, *op. cit.*, pp. 211–12.

<sup>35</sup> *ibid.*

<sup>36</sup> CPD (H of R) Vol 5, 28 September, p. 1631.

In relation to Australia's strategic considerations he pointed out the importance of defence in depth and maintaining 'the gap between Australia and the present high water mark of the southward flow of Communism'.<sup>37</sup>

This was yet another example of the rhetoric of the Menzies government in relation to defence. Despite the series of defence programs since 1947, the Services were in poor condition to undertake major operational activities in the mid-1950s. They were limited in size, short of modern equipment, and were strained to maintain the relatively small commitments in Korea and Malaya.

This situation reflected the reality of Australia's situation, with scarce financial resources being allocated to economic development rather than defence expansion. At the same time, Australia was insisting on a high profile in military policy matters in the region and sought to claim an influence way beyond its demonstrable ability to contribute to any alliance. Despite its rhetoric, the Government believed the most appropriate way to ensure Australia's security was to strengthen its economy and increase the population through migration.

During the debate in Parliament on SEATO, the treaty was justified on the grounds of 'checking the growth of communist tyranny' and the defence of Australia under what Eisenhower had called the 'falling domino' effect. During the debate in Parliament, the Minister for External Affairs, Casey said:

If the whole of Indo-China fell to the Communists, Thailand would be gravely exposed. If Thailand were to fall, the road would be open to Malaya and Singapore. From the Malay Peninsula the Communists could dominate the northern approaches to Australia and even cut our lifelines with Europe. These grave eventualities may seem long-range, but it is not impossible that they could happen within a reasonably short period of time.<sup>38</sup>

In retrospect, the probability of the postulated contingencies actually occurring seems remote, but they must be put in the context of the time. It was not many years earlier that the Japanese armed forces had threatened Australia by just such a route. The extension of communist power in Europe and Asia by the use of armed force was viewed with great concern, and Australia (and the Western allies) had only just stopped fighting in Korea. Despite these legitimate concerns, the Australian government did little to its match words with deeds.

Australia's full embracement of the concept of SEATO created further indecision for the Naval planners. Despite the clear enunciation of the threat, and the endorsement of Malaya and the South-East Asian region as the focus of Australia's strategic planning, the Navy now wished to wait for ANZAM and SEATO planning to provide the guidance to develop force structure plans.

This indecision was not helped by the Government's perception of the role of SEATO. As Menzies described it in the Parliament:

---

<sup>37</sup> *ibid.*

<sup>38</sup> CPD (H of R) Vol. 5, 27 October 1954, p. 2383.

The achievement of SEATO .... will define our task; it will give a clarified direction to our defence organisation; it will mark out our zone of possible operations. We will know, not generally, but specifically, the nature and extent of the forces we need, the character of the equipment they will require, and the material support which the nation must be capable of rendering.<sup>39</sup>

Australia's policy remained that its forces should be shaped primarily for overseas commitment in conjunction with allies, and adapted for home defence if the need arose. Consequently, participation in regional arrangements was seen as the most economic method of ensuring Australia's security. It was also seen as the best means of relating Australia's defence policy and planning to the global strategy of the US and UK.

SEATO, being a regional arrangement, was seen as the key organisation in which Australian strategic plans could be coordinated with those of the US. ANZAM remained the umbrella under which Australia contributed forces to the Strategic Reserve, but was gradually eroded in favour of SEATO. ANZUS, in its early years, was primarily political in nature.

### Naval Planning - Approaching Reality

Despite the changed strategic and economic circumstances, Navy planning still followed the initial plan agreed in 1947. In a paper on the Naval Plan in early 1955, the then Director of Plans saw no reason not to continue to use the original plan (i.e. the 1947 Long Range Plan as discussed in Chapter Two) as a basis for long term planning. He did admit though, for financial reasons, a balanced force of 3 carriers, 6 cruisers, 24 destroyers, and an escort force of some 60 ships, a yet to be specified number of coastal minesweepers, 30 fleet train and miscellaneous craft, was a 'goal unlikely to be attained'. However, he considered this Long Term Plan 'should be regarded as the ideal [plan] if the Navy is to be a fully effective force, capable of defending the ANZAM region'.<sup>40</sup>

The future structure of the Navy was addressed in the paper, and the problem of planning what forces should be available for cold, limited or global war was evident. While the restrictions on the size of the Defence Vote meant that the long term plan could not be progressed to any extent, it was considered that it should be retained as an ideal. However, a more practicable Interim Plan was put forward for approval within Navy.

*Despite the uncertainty over what type of war was likely, the cold war meant that Australia would commit forces to meet regional obligations. The emphasis was on flexibility and the need to operate from secondary regional harbours. This placed some priority on the development of a fleet train.*

Australia was also seen as a main support area for the Allies. The supply line between Western Australia and Malaya was considered vital, and should Indonesia turn communist, the supply lines from both east and west Australia to Darwin would be important. Consequently,

---

<sup>39</sup> CPD (H of R) Vol. 4, 5 August 1954, p. 68.

<sup>40</sup> The Naval Plan, Internal Navy Minute, 9 March 1955, p. 5. CRS A816. Item 5202/21/29, AA.

the facilities in Fremantle were proposed to be built up as well as investigating the possibility of a war time escort base in the North West Cape/ Onslow area.<sup>41</sup>

The need for a larger minesweeping force was acknowledged. The delay in proposing future construction of inshore minesweepers reflected the lengthy development of the Admiralty program and the difficulty Australian shipyards experienced in meeting the construction standards necessary to achieve the stringent magnetic and acoustic standards. With the large build program underway in the UK, Australia was well down the list to receive equipment for the ships.

The deployment of guided missiles was now in prospect and this raised the question of what future type of ship would be appropriate. However, the Interim Plan, as proposed, remained based on a two-carrier Navy. This illustrates the intransigence of the Service Departments to the Government endorsed policy of a year earlier.

The Interim Plan, although claimed to be practicable and within reach of present naval resources, clearly did not recognise the realities of Australia's economic situation, nor did it embrace the strategic and force structure concepts enunciated by the Government in its presentation of the 'Long Haul'. The Interim Plan proposed the development of the following forces:<sup>42</sup>

Squadron:	2 light carriers. 9 destroyers. 6 frigates.
Escort Force:	24 frigates. 16 ocean minesweepers. inshore minesweepers (under review).
Survey Vessels:	2 survey ships and 3 tenders.
Fleet Train	1 tanker. 1 repair ship. remainder to be requisitioned.
Miscellaneous Craft	1 floating dock. 2 ocean-going tugs.

With the exception of the realisation of the need for a fleet train, this showed that naval force structure planning had not advanced significantly since 1947.

An examination of the fleet and the expected life of the ships, based on the RN concept of 20 years for a major fleet unit and 16 for smaller ships, showed that the Navy was facing block obsolescence. Between 1961 and 1970, using the Interim Plan as a yard stick, a total of 38 ships of destroyer size and below would be over age and due for replacement. The Australian ship building effort was assessed at about one ship per year, thus the deficiencies already recognised in the Interim Plan would be exacerbated.

---

<sup>41</sup> *ibid.*, p. 4.

<sup>42</sup> *ibid.*, p. 5.

The major deficiencies were assessed to be in escorts and minesweepers. The minesweepers were put to one side as having to await further developments. The increasing submarine threat indicated that a follow-on shipbuilding program of Type 12 frigates should be initiated. It was also proposed that a program of overseas purchases, either from the US or Canada, be drawn up. A repair ship and a floating dock were included in the proposals.

The Plan also recommended that Sydney and Fremantle be declared the main support bases for the fleet and that a suitable Maritime Headquarters be constructed in Sydney, with limited command and control facilities at Darwin and Fremantle.<sup>43</sup>

Despite the unrealistic assumptions regarding the actual force structure, the Plan did indicate realistic planning in relation to fleet support and command and control. The latter had long been neglected in a navy which when deployed operationally, as in Korea or the Strategic Reserve, was controlled in an operational sense to all practical purposes by the RN.

The Interim Plan as proposed received a range of comments. The more enlightened suggested that it would be better to confine the RAN to a plan capable of achievement. Perhaps the most insightful comments were made by the then Captain Smith (Later Admiral Sir Victor, Chairman, Chiefs of Staff Committee) who certainly appeared to appreciate the overall problem. After pointing out that anti-submarine helicopters promised well for the future, he noted:

The long term plan force of 3 light fleet carriers is regarded as being unrealistic, unfortunately. The two main reasons for this are:

- a. finance e.g. 6 Gannet aircraft cost £1m, their stores backing £600,000;
- b. aircrew e.g. a pilot takes two years to train and for a 40 FAE it is hoped to complete the pilot establishment in 1958 i.e. 11 years after the FAA was instituted.

The interim term force of two light fleet carriers would involve:

- a. additional finance e.g. to purchase more aircraft and to modernise Sydney;
- b. additional personnel - paragraph 1b. is relevant;
- c. a change in government policy.

In effect, a compromise is necessary and it is somewhere between the minimum force considered essential by the Navy and the maximum finance granted to the Navy, in practice these factors never equate. As the latter is the predominating factor, if the amount of money to be available in future years could be known then long term and realistic planning could be undertaken. It seems extremely

---

<sup>43</sup> *ibid.*, p. 12.

doubtful whether much progress could be made towards even D of Ps Interim Force on a vote of £48 million.<sup>44</sup>

The DCNS, noting the range of views held within the Navy, put forward a number of proposals which were agreed by the CNS. The Long Term Plan was given up as being unrealistic and beyond the capacity of Australia's resources in peace. While recognising that the introduction of guided missiles would involve changes in ship design and the composition of task forces, the DCNS proposed that an alternative Interim Plan be approved 'to enable construction orders to be placed with dockyards to keep them employed until this plan can be reviewed in the light of future requirements in the Nuclear Age'.<sup>45</sup>

The DCNS alternative Interim Plan would only cover the minimum period to ensure full dockyard employment until guided weapon ships became available, and regional defence planning had progressed to a stage where a firm policy for the RAN could be determined.<sup>46</sup> This latter issue i.e. the impact of SEATO, was used to defer any realistic planning of the future shape of the Navy. The guidelines laid down by the Government were actually quite clear and could have been used to define the way ahead.

The Navy chose to defer such planning, preferring to await the outcome of ANZAM and SEATO planning. This was expected to provide a clear definition of the wartime commitments, the probable form and scale of attack, and the forces available from allies. While Australian defence responsibilities would be directed towards home defence and the defence of South-East Asia, with allies, it was argued that until regional planning was further progressed, it was not possible to indicate clearly what elements of the RAN's resources would be committed to either responsibility.<sup>47</sup> This rather circular argument avoided any decision.

In addition, unrealistic readiness standards were imposed which did not really recognise what could sensibly be achieved in the existing financial climate. The DCNS noted that 'It is certain that there will be a requirement for the greatest possible contribution from Australia within the shortest possible time and it is therefore essential that the active and Reserve sections of the RAN should be maintained in a state of readiness for operations at the shortest possible notice'.<sup>48</sup>

The result was to defer the formulation of any naval force structure plan until a clearer picture of future commitments was enunciated following the further development of regional planning. In the mean time, it was proposed to build two more Type 12 frigates to keep the dockyards operating. These orders were contingent on progress with the current build program.

With no clear plan on the way ahead, the Navy was making do with ships in commission and those already under construction. It failed to recognise the future needs of a

---

<sup>44</sup> DAWOT Minute, 11 March 1955, *ibid.*

<sup>45</sup> DCNS Minute, 4 July 1955, *ibid.*

<sup>46</sup> *ibid.*, p. 2.

<sup>47</sup> *ibid.*, p. 6.

<sup>48</sup> *ibid.*

navy, which actually had clearly defined roles provided by government. The manpower situation was deteriorating and resulted in an operational fleet in the mid-1950s of one operational carrier, one carrier as a training ship, four destroyers, six frigates, five minesweepers, one sloop for training, together with a number of auxiliary vessels. (The three older frigates were placed in reserve in 1956.)

This allowed the RAN to contribute to the Strategic Reserve, the northern fisheries patrol and undertake fleet training. The reduction in trained manpower meant that the level of operational readiness was generally low. The RAN had achieved the introduction of an operational carrier, but at some cost to the supporting escorts and general operational effectiveness of the fleet.

A fleet based on an aircraft carrier was an accepted norm in most western navies in the post-war period. Navies also relied on a combination of active and reserve (mobilisation) forces. The plan for the future RAN fleet, developed in 1947, had been eroded over the years as the reality of reduced defence expenditure, rising costs, and technological change came to pass.

The limit imposed on Defence expenditure by Australia was not unique and also affected all Western countries including the UK and US. The importance of economic reconstruction (though the Marshall Plan) as a precondition for military reconstruction was recognised by the Western Powers as the only way to deter the Soviet threat.

It was unacceptable to destroy hard won political freedom by excessive defence spending as the whole reason for the stand against the East was to preserve quality of life. Consequently, all Western countries placed a cap on defence spending. In the early post-war years, reliance was placed on the deterrent effect of the atomic bomb.

The outbreak of war in Korea reintroduced the concept of limited war and resulted in the US focusing attention on the Pacific. Gradually the threat of global war receded, and with it Australia's desire to mobilise. However, with the limit on defence spending, the Navy's force structure plans and future fleet composition had to change. The RAN in 1955 was rapidly becoming obsolete and was predominantly composed of ships of World War II vintage. The delay in the ship construction program served to compound the problem.

## CHAPTER NINE

### CONCLUSION

*"Cheshire Puss" she began rather mildly,  
 "Would you tell me, please, which way I ought to  
 go from here?"  
 "That depends a good deal on where you want to  
 get to" said the Cat.*

Lewis Carroll,  
*Alice in Wonderland.*

The examination in this book of the development of defence policy, the defence program, and naval force structure, illustrates the many problems that Australia faced in adjusting to the changing strategic situation in the post-war era. The planning for, and implementation of, major force structure changes was an area in which Australia had little experience or expertise. However, Australia saw its military role primarily as contributing to a larger force organised and commanded by the UK or US, with the primary military obligation being to participate overseas within the grand strategy of these allies. Such forces could be adapted for home defence needs if necessary.

By adopting a strategic posture which was aligned to that of the UK and US, Australia did not need an independent strategic assessment, and hence there was seen to be no requirement to develop an independent national defence policy. This meant that the processes of analytical thinking about force structure balance and priorities were largely unknown or ignored by an organisation which was in any case ill equipped to undertake such analysis. In the Navy's case, the complex issues relating to warship construction and the rapid advances being made in weapons technology made force structure development even harder.

The major themes developed are brought together in this final chapter. They include: the continuing reliance on allies for strategic advice and the binding of Australia's strategy to that of its allies; the slow realisation that Australia's strategic future lay in the region with a strategy of 'defence in depth'; the reluctant recognition that defence planning had to comply with overall economic reality; the divergence between rhetoric and reality in relation to government defence policy and alliance obligations; the misrepresentation of the defence situation for political purposes; the RAN's reliance on the RN in many crucial areas including ship design, and its unrealistic appreciation of what force structure was appropriate and achievable; the momentum the RAN ship building program developed independent of force structure deliberations; and the complex defence machinery of the period which contributed to an inferior defence planning process.

During Labor's post-war period in office, it developed defence arrangements with the UK and New Zealand and set in place a modest defence program. A sense of danger persisting beyond the end of the war, and the desire to help shape security arrangements in the Pacific to ensure Australia's security, motivated Labor's early post-war defence policies, rather than any sense of specific threat to Australia's security. Despite the analysis of the lessons of the recent war, which asserted that allied assistance might not readily be available in a future war,



Australia, with its limited resources, had few practical options but to support a system of *collective defence*, i.e. *Empire cooperation*. The Labor government declared its faith in the potential of the UN to help maintain peace, but its overriding policy was to ensure Australia's defence needs were covered.

Defence planning was placed on a five-yearly basis to ensure continuity, and a limit of some £60m per year was put on defence expenditure. A particular problem for the defence establishment was the difficulty in competing for scarce labour in the post-war boom, but the planned acquisition of two aircraft carriers and the creation of a standing army were evidence of a totally new peace-time defence concept, which aimed to ensure that Australia would be able to commit forces at short notice against any future threat.

The essential elements of early post-war strategic perceptions were durable, and consisted of the following general themes:

- . the risk of direct military threat to Australia was low;
- . the potential enemy was the Soviet Union, with the major theatres for global war being in Europe and the Middle East;
- . the concept was of one grand design for world security, based on the British Empire and the United States;
- . cooperation in Empire Defence would be on a regional basis, with Australia taking an increasing share of the burden in the Pacific; and
- . Australian forces should be shaped primarily for overseas commitment with allies, and capable of the defence of Australia if the need should arise.

The early years of the Menzies government were characterised by a change in the strategic environment and a fear of the imminence of a world war. Following the outbreak of the Korean war, a short-lived but significant increase in defence spending was started as Australia prepared to mobilise for a world war within three years.

Australia's strategy was to support the UK in the Middle East, as part of that country's *overall strategy*. *This area's importance was seen as a potential strategic base—especially for offensive action against the central and southern Soviet Union, as a main source of oil supply, and for communications to South-East Asia from Europe.*

The plan to support this strategy had been developed by Defence in conjunction with the UK in the late 1940s, and the Menzies government officially endorsed the proposal in mid-1950. However, there were lingering doubts about the relevance of this policy within the Government. These doubts, along with the changing strategic circumstances, led ultimately to a focus back to Australia's region.

Australia's participation in the series of Five Power Staff Agency meetings in 1953–54 with the USA, UK, France and New Zealand, served to increase Australia's perception of a Chinese communist threat in South-East Asia, and to harden Australia's resolve to concentrate its defence planning in that region rather than the Middle East. Menzies had also realised that, with the deteriorating strategic situation in South-East Asia, it was unrealistic politically for

Australia to be considering the dispatch of Australian troops to the Middle East. Consequently, Australia's defence strategy began to focus on South-East Asia.

The strategic situation as seen by the government in early 1953 was that the likelihood of global war was now more remote, but the cold war had been intensified, with communist activities in Korea, Indo-China and Malaya. While Indo-China and Malaya were held, it was believed that there was no direct threat to the ANZAM region, but should Malaya be lost and Indonesia successfully infiltrated, the threat to sea communications would be increased and a direct air threat to mainland Australia would exist. Indo-China was seen as the key to defence in South-East Asia and while it was held, defence in depth was provided for Australia.

The 'falling domino principle' was expounded by Eisenhower in 1954 to explain in ideological terms the importance of Indo-China and the general communist threat in South-East Asia. Australia had embraced this general principle for some years and the strategic concept of 'defence in depth' was put forward by McBride in 1954. He stated that it was vital to 'maintain the gap between Australia and the present high water mark of the southward flow of communism'.<sup>1</sup>

In 1953 the Government had also become concerned at the cost of the burgeoning defence program with its emphasis on mobilisation, despite the December 1952 Strategic Basis paper which indicated that the possibility of global war was now more remote. McBride emphasised that the Defence Vote had to be related to the economic and financial capacity of the Australian economy.

In a landmark paper, McBride attempted to shift defence thinking from a desire to be ready for a world war, to a balance between the Services and what could be reasonably sustained from a restricted budget. As McBride enunciated it: 'the basis of defence policy has been transformed from preparedness by a critical date, to the capacity to maintain it at a level that can reasonably be sustained for the "Long Haul"'.<sup>2</sup>

Australia's participation in ANZAM, ANZUS and SEATO gave it implied defence responsibilities, and it is clear from the debate in Parliament that these obligations were fully understood. Menzies stated in 1950 that 'Nothing could be more ruinous than the easy acceptance of obligations with an indifferent willingness to perform them'.<sup>3</sup>

The Government, in any public debate on defence, always had stated that it should contribute its share to collective defence. However, the inconsistency between Australia's actual defence capability and the Government's many statements about the threat to Australia's security was striking.

From an analysis of the actual defence allocations over the period (see Appendix IV), apart from the one year when mobilisation planning commenced, it can be seen that defence spending was maintained at minimal levels. Casey recorded in his diary in December 1956 that 'it is clear that the defence vote is still to be based on economic (budgetary) considerations'.

---

<sup>1</sup> P.A.M. McBride, CPD (H of R) Vol. 5, 28 September 1954, p. 1630.

<sup>2</sup> CPD (H of R) Vol. 5, 28 September 1954, p. 1629.

<sup>3</sup> CPD Vol. 209, 27 September 1950, p. 16.

Casey said later that repeatedly during these years, when pressing for defence measures more adequate to meet Australia's commitments, he was met with the query: 'And who is about to attack us?'<sup>4</sup>

This approach was consistent with the policy of giving priority to developing Australia's economy. It is clear that 'throughout the post war period the Australian government was consistent in its attitude that it would not allow considerations of defence policy to distract it from the task of the industrial development of Australia' which was seen as vital to Australia's long-term security.<sup>5</sup> The policy of support for the UK and US, reinforced by ANZUS and SEATO, gave Australia an overall security blanket and reduced the need for self reliance in defence matters.

The whole question of a credible threat to Australia and hence what force structure was relevant to support Australia's defence and foreign policies in the 1950s was not fully understood by the defence planners. In the initial years, planning was dominated by the policy of contributing to Empire Defence. Subsequently ANZAM, and ultimately SEATO, became the basis for planning. This gave Australia the 'defence in depth' it desired, which ultimately became known as a strategy of 'forward defence'. Against this background of strategic policy it is possible to identify the principal features of naval force structure development.

Navy's first attempt at force structure planning in the early post war years was heavily influenced by recent war experience and was based around Admiralty advice. The plan was to build up gradually a significant force drawing on local ship building, with the aim of having a 'balanced force capable of operating independently by 1960'. The proposal constituted a carrier task force of three aircraft carriers, six cruisers and 24 destroyers for commitment overseas, and a sea frontier force for local defence, of some 60 ships and a fleet train, or afloat support, as it was later termed.

The planned introduction of an afloat support capability was in line with strategic guidance and would have enabled RAN forces to operate independently. This capability was one of the first casualties of the funding restrictions, with the result that the RAN could only operate effectively as a component of an allied task group.

Table 9.1 shows the proposed and the approved plans. The latter reflected the Government decision in 1947 to restrict the Defence Vote to £60m. The approved plan was to be implemented by the end of the first Five Year Plan, i.e. 1951-52. The proposed plan was retained as an internal long range plan within the Navy for implementation by 1960, and was finally given up as unachievable in 1955.

The table also includes, for comparison purposes, the actual fleet in 1946 and 1955.

---

<sup>4</sup> T.B. Millar (ed), *Australian Foreign Minister, The Diaries of R.B. Casey 1951-60*, Collins, London 1972, p. 259.

<sup>5</sup> Gregory Pemberton, *All the Way. Australia's Road to Vietnam*, Allen & Unwin, Sydney, 1987, p. 33.

Table 9.1 RAN Major Fleet Units Planned and Actual

SHIP TYPE	ACTUAL 1946		PROPOSED PLAN - 1947		APPROVED PLAN - 1947		ACTUAL 1955	
	C <sup>(1)</sup>	R	C	R	C	R	C	R
aircraft carrier	-	-	2	1	2		2	
cruiser	3	1	4	2	2	1	-	1
destroyer	6	2	16	8	6	2	4	2
frigate	6	5	34	16	4	6	6	9
ocean minesweeper	11	22	8	25	2	31	4	14
sloop	1	-	-	1	-	1	1	-
survey	3	-	3	-	3		2	-
afloat support	-	-	4	-	-		-	-
minor auxiliaries	8	-	6	-	4	39	5	3

Note 1: C = Commission  
R = Reserve

The proposed 1947 plan reflected the RAN's belief regarding the level of forces which should be maintained. The plan hardly considered the personnel and financial implications in relation to the economic and demographic problems then facing Australia, and reflected World War II experience and the decision to introduce naval air power. The role of the Navy was seen in the context of the recent world war and not in relation to future possible roles.

A comparison of the 1947 approved plan and the actual force structure in 1955 shows that despite the many changes in strategic planning during the period, apart from cruisers, the Navy of 1955 was close to what had been approved in 1947. It is of interest that the experience of the Korean War made no impact on force structure development.

By 1955, two aircraft carriers (one on loan) were in service, four rather than six destroyers and six rather than four frigates as planned in 1947. The destroyers in commission were the two new 'Battle' class and two of the older 'Tribal' class. Construction delays meant that the *Darings* were still building. The frigates included three of the 'Q' class conversions; the remaining three obsolete 'Bay' class were to pay off in 1956. The sloop *Swan* had just been brought from reserve to become the officer training ship. The actual ships in service are shown in Appendix III.

The interesting feature of the RAN's force structure is that most of the major fleet units were approved outside any overall strategic or force structure plan. Only the 'Q' class conversions and the anti-submarine frigates were in direct response to a perceived strategic need. The carriers were argued for independently albeit on strategic grounds, and the destroyer/frigate program, which was to dominate naval ship building until the early 1960s, was approved on the basis of maintaining a continuous ship building program at the two construction yards—Cockatoo Island and Williamstown.

The decision to introduce naval air power had a long gestation, beginning in 1944. The value of the aircraft carrier had been amply demonstrated during the war in the Pacific, and a fleet based around the carrier was seen as appropriate for the RAN. The case for the carrier was argued over a number of years, with government approval finally being given in 1947. However, the significant decision to introduce naval air power was made without any consideration of other force structure implications, and was ultimately to distort the force by reducing the number of destroyers, frigates and afloat support ships which were affordable. The lack of afloat support meant that the RAN was dependent on the RN or US Navy to deploy its ships operationally.

The cruiser plan reflected conventional thinking that these ships were necessary for anti-aircraft and surface defence of a fleet or convoy, as well as able to operate independently. The fact that the 'Battle' class and the new *Daring* class adequately covered such roles was not recognised by the Navy planners, as they tried to perpetuate a familiar class of ship. A replacement program was finally cancelled in 1950 as there was no suitable RN design and the US dollar shortage prevented procurement from there. The modernisation of *Hobart* was started in 1950, but finally cancelled in 1955 because of financial restrictions.

By 1948, the major threat to Australia was seen as the rapidly expanding Soviet submarine force. Proposals were developed in 1949 to modernise the 'Tribal' and 'Q' class destroyers as an interim measure and build six new frigates in order to provide adequate protection to naval forces and merchant shipping. These measures followed Admiralty thinking, and the conversion program was endorsed in January 1950.

On the basis of strategic need and the necessity of providing continuity of ship building, the proposal to construct six frigates was approved in late May 1950. The basis was the RN scheme of escort groups of six frigates, giving four operational ships at any one time. The fact that this was accepted by the Defence Committee without question shows again the strong RN influence on RAN force structure planning.

After some months of planning, and flirtations with significant increases to its force structure as a result of mobilisation planning in 1951, Navy proposed an active fleet for 1953 based very much on what was already available. Apart from the aircraft carriers and the two 'Battle' class destroyers, the fleet was obsolete and would have been of little use against the postulated submarine threat. Even the two new aircraft carriers were verging on obsolescence. The final plan reflected the reality of manpower problems and the slow construction and modernisation program.

The only force structure changes arising from 'the additional requirements for mobilisation' for the Navy were one boom defence vessel (*Kimbla*) and the fleet tanker, *Supply*, which finally entered RAN service in 1962. Menzies had been less than enthusiastic

about the Services' initial proposals, as he doubted that the wartime expansion as proposed was relevant to the probable nature of war and Australia's potential role.

The Government's lack of urgency in relation to approving Defence mobilisation proposals reflects the lack of conviction it felt regarding the need to mobilise. No other western country had mobilised for war in this period, and within eighteen months the urgency inspired by Menzies had petered out. It is now obvious that this was a political gambit which helped win the 1951 election.

By 1955, the RAN was waiting to see what commitments would need to be met under the new SEATO regional planning arrangements. The force structure process was effectively moribund, with the Navy concentrating its efforts on fighting to retain the two-carrier fleet and the prolonged and expensive naval construction program. The Navy's inability to articulate an effective force structure plan which took into account Australia's strategic requirements, economic reality and resource constraints, particularly personnel, reflected the immaturity of a navy dependent on advice from the RN, and not yet ready or able to develop as an independent organisation.

The delays and cost overruns in relation to the conversion and construction programmes were a symptom of inadequate planning and a lack of competence in implementing complex major capital programs. Apart from an inability to judge cost estimates accurately, Australian industry was also lacking in meeting the challenge of new technologies and techniques. Rapid advances in weapons technology meant that the RAN fleet was always chasing obsolescence.

The quick fix 'Tribal' conversions planned to take six months per ship ultimately took two years. When complete in 1954, they were obsolete and were soon paid off (1956 and 1959). Little benefit was gained from these conversions, which had diverted resources from the construction program. The 'Q' class modernisations were estimated to take 12-15 months, but took from three to seven years, as a result of budget cuts and changes to the extent of the program. This program nonetheless gave the Navy about ten years use of ships with modern ASW equipment, and filled a gap in the building program.

All the new construction programs experienced significant delays and cost overruns. The *Darings* averaged three years delay from the planned completion date and some 170 per cent cost increase over the original estimate. The Type 12 frigate program showed the benefit of experience in building the *Darings*, and had an average delay of only one year, but cost overruns were in the order of 250 per cent.

The cost increases were attributed to the imprecise original estimates (based on UK advice), the cost of sourcing some equipment in Australia, delays in construction imposed by financial restrictions, and rises in the cost of labour and materials. Despite a number of reviews relating to the cost and construction time overruns, the Navy maintained an almost cavalier attitude towards those, and effectively blocked thorough scrutiny of an issue which had the potential to expose serious inefficiencies in that Department.

The construction program did ensure that the change in government emphasis to building up the Air Force in preference to the Navy, did not unduly affect the RAN's planned development. As can be seen in Table 9.2, after priority was given to naval development in the

Chifley Five Year Plan, the impact of mobilisation planning reduced the proportion of the Defence Vote allocated to the Navy. However, the decision in 1954 to reduce naval expenditure, did not have the major impact intended.

Table 9.2 also shows that the criticism of the defence establishment made by the Joint Committee of Public Accounts in relation to the laxity in the control of defence expenditure, resulting in substantial under expenditure of the Vote in 1953-54 and 1954-55, was not relevant to the Navy's performance. Army and Air Force significantly overestimated their planned expenditure in these years.<sup>6</sup>

Table 9.2 Defence Outlay - Planned and Actual - Navy Proportion

YEAR	PLANNED		ACTUAL		NAVY % ACTUAL DEFENCE VOTE
	TOTAL £m	NAVY £m	DEFENCE £m	NAVY £m	
1947-48	75.0	20.6	71.6	18.4	26%
1948-49	60.4	18.2	61.1	20.5	34%
1949-50	60.5	17.3	54.3	16.8	31%
1950-51	83.4	22.8	91.0	24.6	27%
1951-52	149.2	34.4	159.4	37.7	24%
1952-53	200.0	47.3	215.3	47.3	22%
1953-54	200.0	45.8	189.7	45.0	24%
1954-55	200.0	48.2	185.5	47.2	25%

Despite its policy of curtailing the Navy, the Government maintained the fleet's overseas commitments, and the RAN's achievements with a relatively small fleet were significant in the overall contribution to defence and foreign policy. Deployments to Korea ceased in September 1955 (one destroyer or frigate had been maintained continuously there since the armistice in 1953).<sup>7</sup>

In that year a Commonwealth Strategic Reserve was formed, in which Australia participated with Britain and New Zealand. The RAN's contribution was two destroyers or frigates, an annual visit to South-East Asia by *Melbourne*, and additional ships if a defence

<sup>6</sup> The Parliament of the Commonwealth of Australia, Joint Committee of Public Accounts, *The Defence Services and the Estimates*, 29th Report, 30 October 1956, paragraphs 7 and 53, and Appendix 4.

<sup>7</sup> CPD (H of R) Vol. 12, 11 September 1956, p. 375.

emergency arose.<sup>8</sup> Although the provision of these forces imposed a heavy burden on the limited manpower and funds available to the RAN, the Government saw important benefits to be gained by Australia's demonstration of commitment to her allies, and in the operational experience deriving from such tours of duty.<sup>9</sup>

The major impediment to the development of sound force structure planning within the defence policy context was the complex defence machinery. By 1951, six departments were all directly concerned with defence: Defence, Navy, Army, Air Force, Supply and Defence Production.<sup>10</sup>

Other departments also participated in defence planning. Treasury, through its Defence Division, exercised financial control over Service estimates and expenditure; Prime Minister's Department had an interest in defence coordination and policy; and Labour and National Service participated in the National Service Training Scheme. Within or attached to this machinery was a large number of committees.

The Defence Committee, as the primary one advising government, had experienced difficulties throughout the period in arriving at sound policy advice and continued to approach difficult force structure issues in an incrementalist way. The individual Service Offices saw themselves as autonomous, and resisted Defence Department guidance and attempts to coordinate policy decisions.

When the separate Service and Defence Departments had been re-created on the outbreak of war in 1939, the then Prime Minister, Menzies, stated that their activities would be coordinated by a Minister for Defence Co-ordination. It was apparent that he intended the three Service Departments to be subordinate, but this was not clearly stated. Consequently, a potentially difficult relationship was exacerbated.<sup>11</sup> The other major problem facing the Service Offices was the lack of financial advice and experience in dealing with complex policy issues that the Government wanted linked to the overall economic situation.

Menzies was often concerned about the relevance of force structure plans, and regularly invited Defence to rethink its plans on the basis of the type of conflict Australia would face in the future. The Defence Committee was never able to deliver on this aspect. The Strategic Basis papers were derived almost entirely from British and US intelligence assessments and reflected the changing strategic situation, but the Services continued to be 'slaves to their own experience' and jealously protected the force structure plan as it had been developed in 1947. They failed to react to the Prime Minister's advice that policies and force structure solutions should be developed *ab initio* from a purely Australian perspective.

The Joint Committee of Public Accounts inquiring into defence expenditure in 1956 made it clear that the Defence machinery had not been operating efficiently. Apart from the revelation that Australia was never ready for mobilisation, the Committee was critical of the

---

<sup>8</sup> *ibid.*

<sup>9</sup> *ibid.*

<sup>10</sup> Newly created in 1951. Defence Production was again merged with Supply in 1958.

<sup>11</sup> Robert Hyslop, *Aye Aye Minister, Australian Naval Administration 1939-55*, AGPS, Canberra 1990, pp. 39-40.



machinery in place to estimate defence expenditure. It noted that some 75 per cent of the Defence Vote was allocated to 'maintenance' (i.e. personnel and operating costs) and the remainder was capital expenditure.<sup>12</sup>

Its concern related to the Cabinet Committee procedure which did not allow Defence to begin any capital expenditure until one third or even one half of the financial year was completed. (In 1952-53, the approval was finally given in April less than three months before the end of the financial year.) The Committee also expressed the view that it was 'not satisfied that appropriate allowance has been made, when forming each year's estimates of expenditure, for the ever changing level of economic activity'.<sup>13</sup>

Government moves to remedy the situation involved increasing the authority of the Minister for Defence, and bringing the Departments of Prime Minister, Treasury and External Affairs more directly into defence planning. This included membership of the respective Permanent Heads on the Defence Committee.<sup>14</sup>

By 1956, the Service members of the Defence Committee were outnumbered by senior bureaucrats, a move seen as necessary by the Government because of the inability of that Committee to provide comprehensive advice on the wide range of defence policies. While professional military advice was still necessary, the skills needed to formulate defence policy in this era of a new strategic situation, low direct threat, and reducing budgets were different to those gained in operational command.

The Government's tendency to overplay the real threat for internal political purposes did not help the defence organisation in formulating realistic policies. However, the partisanship of the three Service members of the Defence Committee prevented a balanced overall view being taken in relation to the difficult force structure issues regularly under consideration.

While the Defence Preparations Committee was responsible for general oversight of the defence program at Cabinet level, the nature of the issues presented to it meant that many aspects of the program and defence policy remained outside its capacity to control. The Defence Preparations Committee was responsible for approving the annual program in the context of a three year provisional program of expenditure. It would also be asked to approve specific projects as they were brought forward.

The annual program documents presented to the Committee were both complex and voluminous, with many detailed financial Appendixes, and were very difficult to analyse. Approvals for individual projects were presented in isolation. Consequently, the Committee never gained an oversight of what the overall force structure plan was, and the relevance of the various capital items in the strategic context. The Committee tended to become enveloped in detail and never approached defence force structure planning from a broad national

---

<sup>12</sup> The Parliament of the Commonwealth of Australia, Joint Committee of Public Accounts. *The Defence Services and the Estimates, 29th Report*, op. cit., paragraphs 53, 83 and 84.

<sup>13</sup> *ibid.*, paragraphs 73 and 92-98.

<sup>14</sup> Beddie, op. cit., p. 132.

perspective. McBride's 1954 'Long Haul' paper was the first attempt to enunciate these broader issues.

The Navy did not assist government in developing force structure plans which were relevant to Australia's changing strategic perceptions, as the RAN had for many years unquestioningly embraced Admiralty doctrine, organisation, training and planning concepts. The Navy's planners had no experience in producing force structure plans which were relevant to Australia's situation and continued to seek Admiralty advice on all major issues. Despite Menzies' desire to see the force structure developed for uniquely Australian requirements, his policy of committing Australia's defence effort to the support of major allies did little to encourage such thinking.

The 'Long Haul' policy set the scene for the Navy to concentrate on ASW as its primary role and was to influence the Navy's force structure planning, despite changing strategic circumstances, for the next 30 years. By 1955, the Navy had finally accepted that the long term plan developed in 1947 was unrealistic and was beginning to consider planning a force structure which was relevant to the region and achievable within realistic financial expectations.

The combination of an over complex defence machinery and lack of experience in force structure planning, together with a government lack of purpose in relation to defence expenditure, meant that, by the mid-1950s, the Services had begun to lose direction. The ceiling placed on defence expenditure had taken the urgency out of defence planning and both personnel and force structure plans were in decline. It was becoming obvious that the whole organisation was not functioning well and that major reform was necessary.

The need to face economic reality and the strategic reorientation to a cold war situation, with South-East Asia the focus of Australian defence planning, was to concentrate defence planning in the following years. Participation in SEATO also meant that Australia had to look carefully at its defence organisation and capacity. However, the defence organisation still had a long way to go to be able to coordinate defence planning and provide the Government with balanced professional advice. The decision to move the Defence Departments to Canberra, and the appointment of a Chairman, Chiefs of Staff Committee, were government initiatives made in the late 1950s which were to assist in improving the organisational situation.

## APPENDIX I

## RAN SQUADRON 1946 - ORGANISATION

SHIP	ADMINISTRATIVE AUTHORITY	OPERATIONAL AUTHORITY
<b>Cruiser</b> <i>Hobart</i> <i>Shropshire</i> <i>Australia</i>	CCAS (1)	CCAS
<b>Destroyer</b> 10th Destroyer Flotilla <i>Bataan</i> (CAPT D 10) <i>Arunta</i> <i>Warrumunga</i> <i>Quickmatch</i> <i>Quiberon</i> <i>Quadrant</i>	CCAS	CCAS
<b>Frigate</b> 1st Flotilla <i>Shoalhaven</i> (SO) (2) <i>Macquarie</i> <i>Diamantina</i> <i>Condamine</i> <i>Barwon</i>	CCAS	CCAS (Except when allocated to a NOIC or forward area by CCAS) (3)
<b>Survey</b> <i>Warrego</i> <i>Lachlan</i> <i>Barcoo</i>	CCAS	Navy Office
<b>Training</b> <i>Hawkesbury</i> <i>Murchison</i> <i>Latrobe</i> <i>Gladstone</i>	CCAS CCAS CST CST	FOJCS (4)  CST (5) CST

SHIP	ADMINISTRATIVE AUTHORITY	OPERATIONAL AUTHORITY
<b>20th M.S.F</b> <i>Swan (SO)</i> <i>Ararat</i> <i>Bunbury</i> <i>Cowra</i> <i>Deloraine</i> <i>Dubbo</i> <i>Echuca</i> <i>Katoomba</i> <i>Lithgow</i> <i>Mildura</i> <i>Rockhampton</i> <i>Townsville</i> <i>Warrnambool</i>	SO 20th MSF (6)	SO 20th MSF
<b>Landing Ship Infantry</b> <i>Manoora</i> <i>Kanimbla</i> <i>Westralia</i>	SNO ALS (7)	Navy Office
<b>Miscellaneous</b>	FOICS	Navy Office

*Ships in reserve were administered by the Commanding Officer Reserve Ships in the ports at which they were in reserve, under the Naval Officer-in-Charge concerned.*

Notes:

1. CCAS	Commodore Commanding HMA Squadron.
2. SO	Senior Officer
3. NOIC	Naval Officer in Charge.
4. FOICS	Flag Officer in Command, Sydney.
5. CST	Commodore Superintendent Training (HMAS <i>Cerberus</i> ).
6. SO 20th MSF	Senior Officer 20th Mine Sweeping Flotilla.
7. SNO ALS	Senior Naval Officer, Australian Logistic Support.

## APPENDIX II

NUMBER OF RAN MAJOR WARSHIPS IN COMMISSION 1946-55  
(OCTOBER EACH YEAR)

SHIP TYPE	1946	1949	1952	1953	1954	1955
Aircraft Carrier	-	1	1	2	2	2
Cruiser	3	1	1 <sup>1</sup>	1 <sup>1</sup>	-	-
Destroyer	6	5 <sup>2</sup>	4	4	4	4
Frigate	6 <sup>3</sup>	4 <sup>4</sup>	6	7 <sup>5</sup>	5	6 <sup>6</sup>
Sloop	1	-	-	-	-	1
AMS/Ocean Minesweeper	11 <sup>7</sup>	2	7	5	5	4
Survey	3	2 <sup>8</sup>	2	2	2	2
Landing Ship Infantry <sup>9</sup>	3	-	-	-	-	-
Ammunition Carrier	1	1	1	1	1	1
Tug	1	1	1	1	1	1
Boom Vessels	3	3	3	3	3	3

<sup>1</sup> Training ship status

<sup>2</sup> 3 not fully manned.

<sup>3</sup> 2 dedicated for training.

<sup>4</sup> 2 not fully manned.

<sup>5</sup> 1 'Q' Class conversion.

<sup>6</sup> 3 'Q' Class conversion.

<sup>7</sup> 2 dedicated training, remainder 20th MSF (including *Swan*).

<sup>8</sup> Not fully manned.

<sup>9</sup> These ships were used for carrying BCOF personnel between Australia and Japan.

APPENDIX III

RAN MAJOR WARSHIPS IN COMMISSION AT OCTOBER EACH YEAR

1946	1949	1950	1952	1955
Cruiser Squadron <i>Shropshire</i> <i>Australia</i> <i>Hobart</i>	Aircraft Carrier <i>Sydney</i>	Aircraft Carrier <i>Sydney</i>	Aircraft Carrier <i>Sydney</i>	Aircraft Carrier <i>Sydney</i> <i>Vengeance</i>
	Cruiser <i>Australia</i>	Cruiser <i>Australia</i>	Cruiser <i>Australia</i>	
10th Destroyer Flotilla <i>Bataan (CAPT D)</i> <i>Arunta</i> <i>Warramunga</i> <i>Quadrant</i> <i>Quiberon</i> <i>Quickmatch</i>	10th Destroyer Flotilla <i>Warramunga (CAPT D)</i> <i>Bataan</i> <i>Arunta</i> <i>Quiberon</i> <i>Quickmatch</i>	10th Destroyer Flotilla <i>Warramunga (CMDR D)</i> <i>Bataan</i> <i>Quiberon</i> <i>Quickmatch</i> <i>Tobruk</i>	10th Destroyer Squadron <i>Anzac (CAPT D)</i> <i>Bataan</i> <i>Warramunga</i> <i>Tobruk</i>	10th Destroyer Squadron <i>Tobruk (CAPT D)</i> <i>Anzac</i> <i>Arunta</i> <i>Warramunga</i>

1946	1949	1950	1952	1955
1st Frigate Flotilla <i>Shoalhaven (SO)</i> <i>Barwon</i> <i>Condamine</i> <i>Macquarie</i>	1st Frigate Flotilla <i>Shoalhaven (CAPT F)</i> <i>Culgoa</i> <i>Condamine</i>	1st Frigate Flotilla <i>Shoalhaven (SO)</i> <i>Condamine</i> <i>Culgoa</i>	1st Frigate Squadron <i>Shoalhaven (SO)</i> <i>Condamine</i> <i>Culgoa</i> <i>Hawkesbury</i> <i>Macquarie</i> <i>Murchison</i>	1st Frigate Squadron <i>Queensland (CAPT F)</i> <i>Queensborough</i> <i>Quickmatch</i> <i>Shoalhaven</i> <i>Condamine</i> <i>Murchison</i>
20th Minesweeping Flotilla <i>Swan (SO)</i> <i>Ararat</i> <i>Cowra</i> <i>Deloraine</i> <i>Dubbo</i> <i>Echuca</i> <i>Katoomba</i> <i>Lithgow</i> <i>Mildura</i> <i>Warrnambool</i>				

1946	1949	1950	1952	1955
Training Hawkesbury Murchison Gladstone Larrobe	Training Murchison	Training Murchison	Training Cootamundra Wagga	Training Cootamundra Gladstone
	1st Training Flotilla Gladstone (SO) Larrobe	1st Training Flotilla Gladstone (SO) Larrobe	1st Training Flotilla Larrobe (SO) Colac Cowra Gladstone	Officer Training Swan
Survey Barcoo Lachlan Warrego	Survey Barcoo Warrego	Survey Barcoo Warrego	Survey Barcoo Warrego	Survey Barcoo Warrego
Landing Ship Infantry Manoora Kanimbla Westralia				



	1946	1949	1950	1952	1955
	Boom Defence Kangaroo Karangi Koala	Boom Defence Kangaroo Karangi Koala	Boom Defence Kangaroo Karangi Koala	Boom Defence Kangaroo Koala	Boom Defence Kangaroo Koala
				NOIC WA Mildura Karangi	NOIC WA Fremantle Junee Karangi
Fleet Auxiliary Kurumba					
Miscellaneous Reserve Woomera Waree Wilcannia		Miscellaneous Reserve Woomera	Miscellaneous Reserve Woomera	Miscellaneous Reserve Woomera	Miscellaneous Sprightly Woomera

## APPENDIX IV

## ACTUAL DEFENCE EXPENDITURE (£m)

YEAR	TOTAL DEFENCE EXPENDITURE	NAVY	ARMY	AIR FORCE	DEFENCE SUPPLY & PRODUCTION	WAR & REPAT <sup>1</sup>	DEFENCE EXP AS % GDP <sup>2</sup>	EXP AS % C-WEALTH OUTLAY <sup>3</sup>	SOURCE CPD
1945-46	322.3	35.5	177.7	94.1	15.0	130.0	21.4	58.5	Vol 188, p. 3133 <sup>4</sup>
1946-47	121.6	22.1	65.5	22.8	11.2	111.0	7.5	25.3	Vol 193, p. 116
1947-48	71.6	18.4	28.1	18.4	6.7	119.0	3.6	15.0	Vol 198, p. 248
1948-49	61.1	20.5	15.0	16.7	8.9	134.0	2.7	10.9	Vol 204, p. 33
1949-50	54.3	16.8	15.1	11.8	10.6	165.0	2.0	8.7	Vol 209, p. 782
1950-51	91.0 <sup>5</sup>	24.6	26.2	27.7	12.5	129.0	2.6	10.2	Vol 214 p. 71
1951-52	159.4 <sup>6</sup>	37.7	56.0	48.4	17.3	106.0	4.2	14.9	Vol 218 p. 84
1952-53	215.3	47.3	91.5	55.3	21.2	118.0	5.0	19.9	H of R 1, p. 57
1953-54	189.7	45.0	64.3	48.7	31.7	120.0	3.8	17.2	H of R 4, p. 401
1954-55	185.5	47.2	61.5	49.3	27.5	120.0	3.6	15.7	H of R 7, p. 45

<sup>1</sup> This amount relates to the cost of World War II and covers the interest and debt payment for the war, as well as such items as war pensions, war service homes, reconstruction and rehabilitation and repatriation.

<sup>2</sup> Department of Defence. The Defence Budget Brief 1990, p. 144. Naval Historical Records

<sup>3</sup> Department of Defence. The Defence Budget Brief 1990, p. 144. Naval Historical Records.

<sup>4</sup> Amounts for each Service are given in the Official year book of the Commonwealth of Australia No. 36, p. 653.

<sup>5</sup> An additional £57.1m was spent on strategic stores and equipment reserve.

<sup>6</sup> £72.5m was planned for strategic stores and some £10.1m actually spent.

## PLANNED DEFENCE EXPENDITURE (£m)

YEAR	TOTAL DEFENCE	NAVY	ARMY	AIR FORCE	DEFENCE SUPPLY & PRODUCTION
1947-48	75.0	20.6	28.2	16.5	9.7
1948-49	60.4	18.2	16.2	15.7	10.3
1949-50	60.5	17.3	17.0	15.8	10.4
1950-51	83.4	22.8	24.9	23.6	12.1
1951-52	149.2	34.4	47.4	48.5	18.9
1952-53	200.0	47.3	75.4	55.8	21.5
1953-54	200.0	45.8	73.7	56.4	24.1
1954-55	200.0	48.2	72.2	57.4	22.2

## APPENDIX VI

## KEY PERSONNEL 1945–1955

**Prime Minister**

J P Chifley	01.11.46 to 19.12.49
R G Menzies	19.12.49 to 11.01.66

**Ministers for Defence and the Services.**

## 1. Ministers for Defence

J A Beasley	06.07.45 to 01.11.46
J J Dedman	01.11.46 to 19.12.49
E J Harrison	19.12.49 to 24.10.50
Senator P A M McBride	24.10.50 to 10.12.58

## 2. Ministers for the Navy

N J O Makin	07.10.41 to 01.11.46
W J F Riordan	01.11.46 to 19.12.49
J Francis	19.12.49 to 11.05.51
Senator P A M McBride	11.05.51 to 17.07.51
W McMahan	17.07.51 to 09.07.54
J Francis	09.07.54 to 07.11.55
E J Harrison	07.11.55 to 11.01.56

## 3. Ministers for the Army

F M Forde	07.10.41 to 01.11.46
C Chambers	01.11.46 to 19.12.49
J Francis	19.12.49 to 07.11.55
E J Harrison	07.11.55 to 11.01.56

## 4. Ministers for Air

A S Drakeford	07.10.41 to 19.12.49
T W White	19.12.49 to 11.05.51
Senator P A M McBride	11.05.51 to 17.07.51
W McMahon	17.07.51 to 09.07.54
A G Townley	09.07.54 to 11.01.56

**Permanent Heads**

## 1. Department of Defence

Sir Frederick Shedden, KCMG, OBE	17.11.37 to 28.10.56
----------------------------------	----------------------

## 2. Department of the Navy

A R Nankervis, OBE	30.11.39 to 09.03.50
T J Hawkins, CBE	10.03.50 to 04.11.63

**Chiefs of Naval Staff**

Admiral Sir Louis H K Hamilton, KCB, DSO, (RN)	21.09.45 to 23.02.48
Vice Admiral Sir John A Collins, KBE, CB, (RAN)	24.02.48 to 23.02.55
Vice Admiral Sir Roy R Dowling, KBE, CB, DSO (RAN)	24.02.55 to 23.02.59

**Deputy Chiefs of Naval Staff**

Captain (acting) D H Harries	27.08.44 to 10.10.45
Captain H J Buchanan, DSO, ADC	11.10.45 to 23.10.46
Captain H M Burrell	24.10.46 to 03.10.48
Captain G G O Gatacre, DSC*	04.10.48 to 27.11.50
Captain A W R McNicoll, GM	28.11.50 to 23.10.52
Captain O H Becher, DSC*	24.10.52 to 24.08.54
Captain H M Burrell	29.08.54 to 06.02.55
Captain J S Mesley, MVO, DSC	07.02.55 to 02.01.57

**Director of Plans (Navy)**

Commander O H Becher, DSC*	14.08.45 to 04.01.48
Commander A W R McNicoll GM	05.01.48 to 24.07.49
Commander R J Peek, OBE, DSC	25.07.49 to 18.10.51
Lieutenant Commander W J Dovers, DSC	19.10.51 to 12.05.53
Commander H D Stevenson	13.05.53 to 18.04.55
Captain C M Hudson	19.04.55 to 12.04.56

**Joint Planning Staff (Naval Member)<sup>1</sup>**

Commander J S Mesley, DSC	31.01.49 to 24.09.50
Commander C M Hudson	25.09.50 to 19.08.51
Lieutenant Commander W F Cook	20.08.51 to 30.09.53
Commander E J Peel, DSC	01.10.53 to 17.10.55
Commander G J B Crabb, DSC	18.10.55 to 18.12.56

---

<sup>1</sup> Position established in 1949.

## BIBLIOGRAPHY

### 1. UNPUBLISHED RECORDS AND PAPERS

#### **Australian Archives (Canberra)**

#### **CA 3 Secretary to Cabinet/Cabinet Secretariat**

CRS A2700 Curtin, Forde and Chifley Ministries: Cabinet Minutes and Agenda, 1941-49.

CRS A4638 Fourth Menzies Ministry: Cabinet Minutes, 1949-51.

CRS A4639 Fourth Menzies Ministry: Cabinet Submissions, 1949-51.

CRS A4933 Fourth and Fifth Menzies Ministries: Cabinet Committee Papers, 1955-.

CRS A4905 Fifth Menzies Ministry Cabinet Ministry: Cabinet Submissions, 1951-54.

CRS A4906 Fifth Menzies Ministry: Cabinet Submissions, 1954-55.

CRS A4940 Menzies and Holt Ministries: Cabinet Files, 1958-67.

#### **CA 12 Prime Minister's Department.**

CRS A462 Correspondence files, multiple number series, fourth system, 1951-56.

CRS A463 Correspondence files, annual single number series, 1956-.

CRS A1209 Correspondence files, annual single number series (classified), 1957-.

#### **CA 46 Department of Defence (III) Central Office.**

CRS A816 Correspondence files, multiple number series (Class 301) (Classified), 1935-58.

CRS A5954 'The Shedden Collection', defence records accumulated by Sir Frederick Shedden, Secretary of the Department of Defence (1937-1958), 1937-71.

MP 1857 Historic Record Files (Navy), 1944-75.

#### **CA 68 Defence Division, Department of Treasury (I).**

CRS A1308 Correspondence files, multiple number series (classified), 1941-63.

#### **CA 289 Defence Committee.**

CRS A2031 Defence Committee Minutes, 1926-.

CRS A5799 Defence Committee Agenda, 1932-.

#### **CA 1345 Council of Defence (II).**

CRS A7535 Council of Defence, Minutes of Meetings, 1946-50.

**CA 1466 War Cabinet Secretariat.**

CRS A2673 War Cabinet Minutes, 1939–45.

(Copies of War Cabinet Minutes also held under CRS A5954,  
Item 810, AA.)

CRS A2676 War Cabinet Minutes without Agenda files, 1939–46.

**National Library of Australia**

MS 6150, Lord Casey, Papers.

The Parliament of the Commonwealth of Australia, Joint Committee of Public Account, *The Defence Services and the Estimates*, 29th Report, 30 October 1956.  
Commonwealth of Australia Parliamentary Papers, General And Financial, Vol. II, pp. 1021–1056.

**Naval Historical Records, Department of Defence  
(Navy Office)**

Commonwealth Navy Order 81/46, File No. 185.

Royal Australian Navy list, 1945–1955.

Department of Defence, The Defence Budget Brief 1990.

**2. PUBLISHED RECORDS AND PAPERS****Australia**

Commonwealth Government, *Digest of Decisions and Announcements*,  
Commonwealth Government Print Canberra.  
Commonwealth Parliamentary Debates (CPD).

Defence Committee Regulations, Statutory Rules 1946, No. 38 of 27 February 1946.

Defence Committee Regulations, Statutory Rules 1946, No. 39 of 37 February 1946.

Department of External Affairs, *Current Notes on International Affairs*, 1950–51.

Department of External Affairs, *Select Documents on International Affairs*, Korea,  
Part I, II and III, Government Printer, Canberra, 1950, 1951, 1954.

*Official Year Book of the Commonwealth of Australia*, Government Printing Office,  
Canberra.

**United Kingdom**

Ministry of Defence, Historical Branch (Naval), Naval Staff History, BR1736(54)  
*British Commonwealth Naval Operations, Korea, 1950–53*, UK Government,  
September 1967.



### United States

Department of State, *Foreign Relations of the United States 1952–54, Volume XII, East Asia and the Pacific, Part 1*, USGPO, Washington, 1984.

### 3. NEWSPAPERS

Melbourne Herald

Sydney Morning Herald

The Age (Melbourne)

### 4. MEMOIRS AND BIOGRAPHIES

Vice Admiral Sir John Collins, *As Luck Would Have It*, Angus & Robertson, Sydney, 1965.

Cameron Hazlehurst, *Menzies Observed*, George Allen & Unwin, Sydney, 1979.

Robert Hyslop, *Aye Aye Minister, Australian Naval Administration 1939–55*, AGPS, Canberra, 1990.

Sir Robert Menzies, *Afternoon Light*, Cassell Australia Company, Melbourne, 1967.

Sir Robert Menzies, *The Measure of the Years*, Cassell Australia Company, Melbourne, 1970.

T.B. Millar (ed), *Australian Foreign Minister, The Diaries of R.B. Casey 1951–60*, Collins, London, 1972.

P.C. Spender, *Exercises in Diplomacy*, Sydney University Press, Sydney, 1969.

P.C. Spender, *Politics and a Man*, Collins, Sydney, 1972.

A. Watt, *Australian Diplomat*, Angus & Robertson, 1972.

### 5. OTHER BOOKS AND ARTICLES

John Wilkes (ed), *Australia's Defence and Foreign Policy*, Australian Institute of Political Science, (Proceedings of 30th Summer School), Angus & Robertson, Sydney, 1964.

Geoffrey Balton, *The Oxford History of Australia*, Volume 5, 1942–1988 South Melbourne 1990.

Glen St J Barclay, *Friends in High Places*, Oxford University Press, Melbourne, 1985.

Norman Bartlett (ed), *With the Australians in Korea*, Canberra Australian War Memorial, 1954.

John Baylis and Alan MacMillan, 'The British Global Strategy Paper of 1952', *The Journal of Strategic Studies*, Volume 16, No. 2 (June 1993).

- C. Bell, *Dependent Ally*, Oxford University Press, Melbourne, 1988.
- R.V.B. Blackman (ed), *Jane's Fighting Ships 1972/73*, Sampson Low, Marston and Company Ltd, London.
- John Bastock, *Australia's Ships of War*, Angus and Robertson, Sydney, 1975.
- J.A. Camilleri, *ANZUS*, Macmillan, Melbourne, 1987.
- Philip Dorling, *The Origins of the ANZUS Treaty, a Reconsideration*, Flinders Politics Monograph No. 4, 1989.
- John Foster Dulles, 'Policy for Security and Peace', *Foreign Affairs*, Vol. 32, No. 3, April 1954.
- John Ehrman, *Grand Strategy*, Volume V, London, 1956.
- Peter Elliott, *Allied Escort Ships of WWII*, McDonald and Jones' Publishing Ltd, London, 1977.
- T.R. Frame, J.V.P. Goldrick and P.D. Jones (ed), *Reflections on the Royal Australian Navy*, Kangaroo Press, Kenthurst NSW, 1991.
- Lawrence Freedman, *The Evolution of Nuclear Strategy*, The Macmillan Press Ltd., London, 1983.
- Norman Friedman, *The Postwar Naval Revolution*, Conway Maritime Press, London, 1986.
- G. Hermon Gill, *Australia in the War of 1939–1945*, Volume 1 and 2, Collins, 1985.
- Gordon Greenwood and Norman Harper, *Australia in World Affairs 1961–1965*, F W Cheshire, Melbourne, 1968.
- Eric J. Grove, *Vanguard to Trident, British Naval Policy Since World War II*, US Naval Institute, 1987.
- Norman Harper, *A Great and Powerful Friend*, University of Queensland Press, 1987.
- Paul Hasluck, *The Government and the People 1939–41*, Australian War Memorial, Canberra, 1952.
- David Horner, *High Command*, Allen and Unwin, St Leonards NSW, 1991.
- D. Horowitz, *From Yalta to Vietnam, American Foreign Policy in the Cold War*, Penguin, 1965.
- W. David McIntyre, *Background to the ANZUS Pact*, Canterbury University Press, 1995.
- Leo Marriot, *Royal Navy Destroyers Since 1945*, Ian Allan Ltd, London, 1989.
- Leo Marriot, *Royal Navy Frigates 1945–83*, Ian Allan Ltd, London, 1983.
- R. Mendelsohn, 'The Allocation of Resources as an Administrative Problem', *Public Administration*, September 1958.
- T.B. Millar, *Australia in Peace and War*, Australia National University Press, Canberra, 1978.

T.B. Millar, *Australia's Defence*, Melbourne University Press, 1965.

R. O'Neill, *Australia and the Korean War, 1950-53*, Volume I, Australian Government Publishing Service, Canberra, 1981.

Richard Osborne and David Sowdon, *Leander Class Frigate*, World Ship Society, Kendal UK, 1990.

Gregory Pemberton, *All the Way, Australia's Road to Vietnam*, Allen & Unwin, Sydney, 1987.

T.R. Reese, *Australia, New Zealand and United States, A Survey of International Relations 1941-1962*, Oxford University Press, London, 1969.

A. Renouf, *The Frightened Country*, Macmillan, Melbourne, 1979.

J.G. Starke, *The ANZUS Treaty Alliance*, Melbourne University Press, 1965.

A. Watt, *The Evolution of Australian Foreign Policy 1938-1965*, Cambridge University Press, Cambridge, 1965.



*HMAS Sydney leaving harbour. (J. Straczek)*