

## Chapter 4

# 'No, Minister....' — The ANZAC Frigates, Part II

### The Second Frigate Decision

In 1989 the decision on whether to buy the third and fourth ANZAC frigates seemed a long way off; indeed as previously indicated, Geoffrey Palmer had said the decision would not need to be taken for almost a decade. Before the next decision was due to be made, major changes to New Zealand's electoral system were to take place, with the introduction of Mixed Member Proportional (MMP) representation in 1996, and the need for the formation of a coalition government. It was the need for retaining coalition support that was to have a decisive influence on the National-led Government's decision not to proceed with the option to purchase the third and fourth ANZAC frigates.

As early as 1992, the Minister of Defence, Warren Cooper, suggested that New Zealand might not take up the option to buy the third and fourth ANZAC frigates. He was to reinforce his opinion, if not that of his leader, in an interview with the *Australian Defence Magazine* in 1994: 'We've got two *Leander*-class frigates that will remain good for a few years. My guess is that we wouldn't be able to sign up confidently for another two ANZAC frigates, but that door is left open.'<sup>1</sup> In January 1995, whilst New Zealand's first ANZAC frigate was taking shape on both sides of the Tasman, Cooper fired a further broadside in the discussions on whether to purchase the third and fourth ANZAC frigates: 'Two frigates enough for NZ: Cooper', read the headline in the *New Zealand Herald*. The article went on to say that the Minister did not believe that New Zealand needed to buy more ANZAC frigates: 'I am not fully committed to the third and fourth frigates. ... Quite frankly there are other priorities the Government will want to address.'<sup>2</sup> The decision on whether to buy more ANZAC frigates was due to be taken by the end of 1996. That timing was to coincide with the first MMP election, and the Minister indicated that defence spending would need to compete against other demands in the areas of education, health and welfare.

During the early 1990s, although there was little public debate about the frigates, public opinion nonetheless remained important. During 1995, the Foundation for Peace Studies published a report of a survey which had sought to establish up-to-date public opinion on a range of matters related to peace and defence issues. Two questions in the survey had particular relevance for the upcoming debate on the purchase of further frigates—one about the level of

defence spending; the other about how many, if any, ANZAC frigates should be purchased.

With regards to attitudes on defence spending, there was a clear message that there was no mandate for increased spending, with results as follows: <sup>3</sup>

Does defence spending need to be:

		(%)
(i)	Increased	12
(ii)	Decreased	31
(iii)	About the same	38
(iv)	Undecided	19

Should the New Zealand Government:

		(%)
(i)	Purchase 3 frigates	8
(ii)	Purchase 2 frigates	36
(iii)	Purchase 1 frigate	18
(iv)	Cancel	28
(v)	Don't know	10

As can be seen, a large percentage of respondents wished to maintain the status quo, holding defence spending at current levels and pursuing the purchase of two frigates. However, a significant minority, 31 per cent, wished for a decrease in defence spending, and 28 per cent wished for cancellation of the frigate purchase, whilst only 8 per cent supported the purchase of a third frigate. It was against such a backdrop that the first MMP election was to be fought.

## **The 1996 MMP Election, the Impact of Coalition Government, and the Second Frigate Decision**

In the run-up to the election, the Labour Party launched its foreign affairs and defence policy in August 1996. Whilst remaining committed to a blue-water navy, Labour would buy only two ANZAC frigates. Foreshadowing changes that would start to take place at the beginning of the twenty-first century, the policy stated that Labour would 'ensure that we [New Zealand] have a fleet of a minimum of four vessels that will perform the essential South Pacific blue water navy roles at a more appropriate level of sophistication and technology'.<sup>4</sup>

Reinforcing the research findings of the Foundation for Peace Studies Aotearoa-New Zealand's the previous year, and speaking to public sentiment, the leader of the Opposition, Helen Clark, commented that 'there is but a small constituency for defence-related expenditure in New Zealand'.<sup>5</sup> This was

apparently reflected in the Defence budget which, according to New Zealand Defence Force (NZDF) spokesperson John Seward, had decreased dramatically in real terms—some 35 per cent since 1989–90. The budget for the 1996 financial year was NZ\$1.6 billion, and reportedly just 1 per cent of Gross Domestic Product (GDP). New Zealand's Australian neighbours continued to watch with concern.

Following the return of a National-led Coalition Government at the end of 1996, the thorny issue of the frigate purchase option was soon back on the political agenda. Ruth Laugesen reporting in the *New Zealand Herald* at the beginning of 1997 noted:

After a softly-softly approach by the Australian government last year because of the New Zealand elections, Prime Minister John Howard is expected to apply renewed pressure on Jim Bolger when he visits New Zealand for three days from Saturday.<sup>6</sup>

She went on to comment that the representatives from Australia were expected to meet resistance from New Zealand First Cabinet ministers, as that Party's election policy had also opposed purchasing more frigates. New Zealand First MP and Associate Treasurer Tuariki Delamere has stated: 'Our overall stance is that we oppose it. We would need to be convinced and we have to work through the issue'.<sup>7</sup> Notwithstanding this expected opposition, National's new Minister of Defence, Paul East, supported the proposal to buy more frigates, saying that he could see clear benefits for continuing with the ANZAC frigate program.

With a decision on whether to pursue the option to buy two more ANZACS needing to be taken by November 1997, May of that year saw the Prime Minister, Jim Bolger, in Melbourne for the launching of the second New Zealand ANZAC, HMNZS *Te Mana*. In a speech he gave the day before the launch, Bolger offered strong support for the frigate project. He indicated that the New Zealand Government would not reduce the size of the planned fleet of four, despite indications that there was growing resistance both within his own Caucus, and within that of New Zealand First, to buying even one more frigate. Speculation was growing though that if further frigates were ordered, the air strike force might have to be abandoned. That same day, in a bid to hedge bets, Paul East indicated that the Government might opt for an alternative to buying the two proposed new ANZAC frigates. He noted that options included indefinitely deferring a decision; going for corvette-sized vessels; or exploring the possibilities of second-hand vessels.

By August 1997, with pressure growing from within, the Government confirmed that officials from the Royal New Zealand Navy (RNZN) and from the Ministry of Defence would visit the United States to check the prices of warships. The performance criteria for the ANZAC frigates had been set out at the time of the first frigate purchase decision-making process, and essentially remained

unchanged. However, alternative vessels with comparable abilities were explored during the time of the first Coalition Government. In order to retain a four-frigate Navy, the Minister had asked officials to explore the possibility of replacing the *Leanders* with second-hand ex-US FFG-7s. However, taking all costs into account (see Table 4.1) it was clear that the purchase of two second-hand refitted FFG-7s would cost substantially more than a new ANZAC, and the Minister concluded that that option should not be further pursued.

**Table 4.1: Comparison of Annual Costs for Mixed and ANZAC Fleets**

**(1997 NZ\$ million)**

**(Averaged over five years)**

Averaged Annual Costs	2 ANZAC, 2 FFG 7	4 ANZAC	3 ANZAC
Personnel	\$29.040	\$26.080	\$19.560
Operating	\$69.330	\$58.040	\$43.530
Depreciation	\$99.114	\$107.100	\$80.325
Total	\$197.484	\$191.220	\$143.415

(Source: *Defence Assessment Paper*, Office of the Minister of Defence, Wellington, 17 September 1997, p. 5. Paper attached to ERD (97) 18.

Harry Duynhoven, the Labour MP for New Plymouth, was quick to suggest the Danish frigate option again, saying that by investigating the possibility of ex-US warships, the RNZN had ‘blown out of the water’ one of its main arguments against the Danish vessels—that running two classes of warship would be too costly. It was not an option that gained support.

It had been six years since a Defence White Paper had been published, and in June of 1997 the Cabinet Strategy Subcommittee on External Relations and Defence directed officials to complete the Defence Assessment by 31 July 1997. In the draft copy of the *Defence Assessment*, six force structure options were developed, the major features of which are shown in Table 4.2:

**Table 4.2: Force Structure Options**

Variables	Option A	Option C1	Option C2	Option C3	Option C4	Option D
Naval Combat Force	4 frigates	3 frigates	2 frigates	2 frigates	3 frigates	2 frigates
Air Combat Force	retained	eliminated	retained	eliminated	retained	eliminated
Infantry Battalions	2 with four rifle companies	2 with three rifle companies	2 with three rifle companies	3 with three rifle companies (deployable brigade)	2 with three rifle companies	2 with three rifle companies
Net Change in Funding (\$ Million)	213	(26)	11	(57)	131	(50)

(Source: *Defence Assessment Paper*, Office of the Minister of Defence, Wellington, 17 September 1997, p. 3. Paper attached to ERD (97) 18.)

The recommendation of the Minister of Defence, Paul East, to the Cabinet Subcommittee, was to adopt a refined Option C4, resulting in:

- i. A Naval Combat Force based on the ANZAC frigates, with the third to be ordered this year.
- ii. A Land Combat Force based on two regular force infantry battalions with four rifle companies each.
- iii. An Air Combat Force comprising the A-4 *Skyhawks*, these to be replaced by a suitable aircraft in due course.
- iv. A Long Range Maritime Surveillance Force based on the *Orions*, re-winged and equipped with updated sensors and communications suites (Projects *Kestrel* and *Sirius*).
- v. An Air Transport Force based on the one-for-one replacement of the current fleet of C-130 *Hercules* and B-727 aircraft. The C-130 fleet is to be replaced by the acquisition of five C-130J aircraft.
- vi. The maintenance and development of the remaining capabilities in the existing force structure.<sup>8</sup>

The Minister also recommended upgrading the Army's combat capability, including the acquisition of armoured vehicles. In the covering paper, ERD (97) 18, of the Cabinet Subcommittee, it was proposed that:

A proposal be brought forward before the end of 1997 to authorise officials to commence negotiations for the acquisition of a third ANZAC ship. The option available to New Zealand for the purchase of two

additional ANZAC frigates would not be taken up. The Navy would become a three frigate fleet from 30 June 1998.<sup>9</sup>

In fact, the prospect of buying any further frigates in the near future seemed increasingly unlikely. On 13 October Winston Peters, leader of New Zealand First, Deputy Prime Minister, and Treasurer, declared that his Party would not support the purchase of a third frigate—there was no mention of a fourth. Confronting his colleagues in Cabinet over defence spending, he suggested that any decision on buying more than the current two frigates should be deferred until after 2000, that is, until after the next election. (New Zealand First had slumped in the polls at this stage to 1.7 per cent support, and this stand was seen as an attempt to position New Zealand First, in the eyes of the electorate, as a compassionate party.) The following day, despite his own firm conviction that New Zealand needed a third frigate, the Prime Minister commented that the decision on whether to purchase a third frigate could wait until after the 1999 election. This time it was the Minister of Defence's turn to say that the decision had to be taken 'fairly soon', though the previous deadline of November 1997 no longer applied, and it would still be possible to purchase a frigate beyond the option date. Peters was firm in his resolve against the purchase of any further frigates, claiming that the first decision was wrong: 'It was the wrong decision to make; it was the wrong technology, enormously overpriced. That is still my view.'<sup>10</sup>

However, on 15 October the *New Zealand Herald* called for greater commitment on the part of the Government:

A closer trans-Tasman defence relationship requires New Zealand to maintain a respectable fighting force and at least a modicum of military equipment compatible with that of its partner.

Credibility on that score requires at the very least a four-frigate Navy. And having agreed to replace two of its ageing fleet with the Australian vessels there seems no sense in going elsewhere for the remainder.<sup>11</sup>

On this occasion it would seem that the *New Zealand Herald* was somewhat out of step with the over-riding public and political opinion of the times. The Government had taken note of the report commissioned by Treasury on *The Navy Critical Mass Argument*. Written by Professor G. Anthony Vignaux, he concluded: 'Based on the data provided...the logic of the "Critical Mass" argument is undeniable. A frigate force of 2 frigates cannot carry out the Government requirement. A force of 3 frigates is marginal.'<sup>12</sup> Despite this observation that three frigates would be marginal, at a meeting on 20 October Cabinet agreed that the Naval Combat Force would be based on a fleet of three surface combatants, and also 'agreed that the option available to New Zealand under the ANZAC Ship Treaty, which provides for the purchase of two additional

ANZAC frigates, will not be taken up'.<sup>13</sup> Cabinet deferred any decision on the content and timing of the release of the White Paper until 3 November. No comment was made about any possible acquisition of a third frigate.

At the time that Peters made his pronouncement about the third frigate, the long awaited *Defence Assessment* was in the final stages of completion; another assessment, the *Inquiry into Defence Beyond 2000*, had only just begun. The need for a broad deliberation on the future of defence had led the Foreign Affairs, Defence and Trade Committee to set up an enquiry to 'consider options for the development of New Zealand's Defence policy, structure and capabilities beyond 2000'.<sup>14</sup> The Chair of the Committee was the Hon. Derek Quigley, ACT MP and author of the 1988 *Resource Management Review*. Quigley suggested that the *Defence Assessment* be put on hold, pending the outcome of the inquiry: 'The Defence Assessment is more than a year late already. A short delay will give us the opportunity to have a broader look at defence requirements'.<sup>15</sup> The Government, however, were not going to wait.

In November 1997 the latest Defence White Paper, *The Shape of New Zealand's Defence*, was released.<sup>16</sup> The White Paper reinforced that the policy set out in the 1991 White Paper continued to be the most appropriate policy framework to guide defence policy, and spelt out, as expected, the future structure of the Naval Combat Force which, as indicated above, was to move from four frigates to three in 1998. Commenting on the White Paper, the Australian Minister for Defence said he hoped that the frigate decision was not final: 'We'll certainly be taking it up with New Zealand'.<sup>17</sup> Paul East suggested that the Government could 'revisit' the matter the following year.<sup>18</sup> His successor was to ensure that this happened.

## The Third Frigate Decision

Maintaining a three frigate fleet was a clear objective; how to maintain it was not at all clear. Fighting a rearguard action against his coalition colleagues, the new Minister for Defence, Max Bradford, raised the prospect in March 1998 that the RNZN might have to merge with the Royal Australian Navy (RAN), unless a third frigate was ordered. It was suggested by Greg Ansley the *New Zealand Herald's* Canberra correspondent, that this comment bore 'the marks of frustration and politicking, rather than serious thinking',<sup>19</sup> and the Australian Minister for Defence apparently shared little enthusiasm for the remarks. It was indicative of the tenor of the times.

Yet, it was to be the end of October and into November before the debate hit the headlines again. A year beyond the original deadline for making a decision on the purchase of further ANZAC frigates, Cabinet was asked to give authorisation for the purchase of a second-hand ANZAC frigate. In papers accompanying the memorandum to Cabinet, the Minister of Defence made a

strong case for the purchase of a third ANZAC frigate, and highlighted that this would be the last opportunity to buy a third ANZAC.<sup>20</sup> The production line would be closed within two years, foreclosing the possibility of New Zealand buying a second-hand ship which the Australians would replace with a new-build.

However, along with this request, was another of the same date, asking for agreement in principle that the lease of 28 F-16s from the United States be negotiated. To seek two such requests at the same Cabinet meeting was perhaps, in light of the politics of the time, being a little optimistic. The Minister himself was only too aware of the difficulty of selling the proposals:

But there is another affordability view, that of the public. There is little doubt that most people see the purchase of a third frigate as 'unaffordable'. Perhaps this has more to do with not understanding the role of the Navy, or of the role of the frigates in the Navy.<sup>21</sup>

The Minister was also aware of the views of some of his Cabinet colleagues: 'We had a relatively pacifist group of people within Cabinet. ... The perception in Cabinet was that there wasn't support for a third new frigate. That's why I'd taken the precaution of organising a second-hand one.'<sup>22</sup>

Whilst Paul East had noted in the *Defence Assessment Paper* that no second hand ANZAC frigates were available, by the following year that had changed. Max Bradford said: 'The Australians bent over backwards' [to come up with a deal].<sup>23</sup> The Australian Department of Defence:

offered [name deleted] a new ship as of today<sup>24</sup> ... for delivery in four and a half years time. Modification would be required at a cost of up to [figure deleted]. The down payment would be 15% and the remainder would be paid over 5 years after delivery in 2003.<sup>25</sup>

Treasury seemed warm to the notion of a second-hand ship. Whilst a new ANZAC was considered and other classes of ship, such as the FFG-7 or UK Type 23 were also reviewed, Treasury felt that:

The proposal to purchase a second-hand frigate from Australia is likely to be the most cost-effective means of maintaining a three-frigate Navy over the longer term, as it avoids the development and support costs that would be required with another class of ship. The second-hand purchase also minimises likely cost escalations.<sup>26</sup>

The release of the Interim Report of the Foreign Affairs, Defence and Trade Committee, *Inquiry Into Defence Beyond 2000*, in November 1998, the month in which the frigate decision was taken, added more fuel to the, by now, raging debate. The authors commented:

The political, commercial and practical naval arguments ten years ago for purchasing the ANZAC ships were straightforward. ... The argument ten years ago has weakened with time, and has little force in relation to the purchase of a third ANZAC frigate. Both countries' businesses would have too much to lose by a winding back of the clock in the broader area of CER—not to mention the bad signals that any unilateral action by Australia would send to its other trading partners.<sup>27</sup>

However, the Minister made the point very clearly in the paper that this was a last-chance opportunity.

This is the last opportunity to acquire a third ANZAC ship. Not taking a decision will risk the New Zealand Government not having a valid offer on the table for consideration from either TENIX or the Australian Government. The flow-on effect will mean that New Zealand would not be able to source an ANZAC replacement for HMNZS *Canterbury* prior to her withdrawal from RNZN operational service in 2005.<sup>28</sup>

By the fourth quarter of 1998 the country was officially in recession and unemployment rose. In November 1998 Jenny Shipley was Prime Minister and leading a minority Government. The coalition with NZ First had disintegrated in August of that year, and Shipley's Government relied on a 'mixed bag of 18 ACT, United and Independent MPs'.<sup>29</sup> In her 'Opening Remarks' in the book *Holyoake's Lieutenants*, Shipley noted: 'Sir Keith exemplified the virtues which subsequent New Zealand Prime Ministers have to strive for—magnanimity, calm assurance, good humour, team-building and, moreover, consensus-seeking as opposed to enforcing consensus.'<sup>30</sup>

In the lead-up to the decision on whether or not to purchase a third ANZAC frigate, Shipley was only too well-aware of the importance of seeking consensus and maintaining political support from a very varied group of MPs.

Labour Leader Helen Clark saw an opportunity to make significant political gains out of the situation, and pulled no punches:

It is understood that the New Zealand Government has already indicated to Australia that it is likely to purchase a third frigate, but that Mrs Shipley does not want to make any public announcement before February. The coincidence of announcement in February, presumably after the scheduled vote of confidence, will not be accidental. Mrs Shipley and National know that there has been opposition in ACT to a frigate purchase, and that former Peace Activists like the Rev. Ann Batten, would have to reconsider their support for the Government if the frigate purchase went ahead.<sup>31</sup>

Helen Clark went on to say:

The Rev. Ann Batten says she speaks for the other independent MPs involved in launching the new political party when she states that they will not back the frigate purchase ... if National is determined on the purchase of the third ANZAC frigate, then this issue may well precipitate an election before Christmas.<sup>32</sup>

What is outstanding about the proposed purchase is the persistent allegation that the Government is proposing to put down a \$50 million non-refundable deposit for a third frigate in a bizarre attempt to commit future Governments to it. It is understood that no such deposit is required. Mrs Shipley and National Cabinet Ministers are fighting a losing battle in trying to sell the idea of another ANZAC frigate purchase. National backbenchers are said to be extremely concerned about the political implications for their Government, which is already on the rocks.<sup>33</sup>

Clark went on to comment on the issue of trade-offs, which Max Bradford commented on as bureaucratic politics. Clark said:

The big losers from a spend-up on yet another frigate would be the NZ Army which currently is carrying the major burden of New Zealand's defence commitments overseas. The NZ Army is highly respected for its work around the globe. Yet it has been sent to a major commitment in Bosnia under-equipped to the extent that soldiers' lives were in danger.<sup>34</sup>

The pressure on the Government continued throughout November. At its meeting on 30 November, Cabinet noted that there were three options before it to secure a replacement for the frigate HMNZS *Canterbury*; to buy a new ANZAC frigate from Australian-based Tenix Corporation now; to buy a second-hand ship from Australia; or to wait for an opportunity to buy in two or three years' time. Nevertheless, despite the opportunity to purchase what appeared to be a bargain, Cabinet rejected the deal for a third ANZAC frigate. The decision was announced on 1 December 1998 that New Zealand would not be proceeding with a third ANZAC frigate, and a decision for a replacement vessel was to be delayed until 2002. Bradford put on a brave face in commenting on the decision, and said the Government would continue to look for a replacement third frigate, although he 'acknowledged that this was highly unlikely to be another ANZAC'.<sup>35</sup> In reflecting on the decision, Bradford commented:

There was a huge stink and we weren't doing at all well in the polls. The issue never got a timely enough run to convince the public. It was a combination of a concerted campaign by the Opposition and a minority Government no longer in coalition. There was Deborah Morris and others

being fed misinformation by the Army, and there were those in our own Party who were against it.<sup>36</sup>

The following year there was to be another election and a change of Government, and this was to be followed by a significant change to the outlook for the RNZN. New frigates would no longer be on the agenda.

## Summary

In examining the final (two) decisions not to proceed with the purchase of further ANZAC (or indeed any other) frigates, several features come to the fore. New Zealand's relationship with Australia, the ongoing requirement for a blue-water navy, and the recognition that there was one last opportunity to buy a third ANZAC frigate—all these factors played their part during the early stages of the decision-making process. Timing however, was once more to be a crucial factor. The 1991 and 1997 *Defence Reviews* reinforced the notion of 'Self-Reliance in Partnership', while at the same time requiring the maintenance of a balanced force which was militarily credible. Whilst naval combat credibility had previously been predicated upon the notion of a minimum of a four frigate Navy, the Government was only too well aware of the political and budget constraints of the time. These constraints, rather than military credibility, led to a decision by Cabinet to move the naval combat force from four frigates to three in 1998. Even this, however, was not to eventuate.

Whilst continued public opposition to the frigates, and bureaucratic politics, including the role of Treasury and the Army, were important as the decisions not to proceed were made, ultimately the two most important elements during these periods were politics and the judgement of political side effects. Reflecting the new power of MMP, the impact of these influencing elements was to lead to the Government backing down on a decision to purchase a further frigate in both 1997 and 1998. Having made a policy decision in the 1997 White Paper that New Zealand should have a three frigate fleet, National was just not able to ensure that this would actually eventuate.

## ENDNOTES

<sup>1</sup> Warren Cooper, Interview, *Australian Defence Magazine*, vol. 2, no. 7, September 1994, p. 6.

<sup>2</sup> *New Zealand Herald*, 18 January 1995.

<sup>3</sup> Stephen Levine, Paul Spoonley and Peter Aimer, *Waging Peace Towards 2000*, Foundation for Peace Studies, Auckland, 1995 p. 44.

<sup>4</sup> *Labour's Foreign Affairs and Defence Policy: An Independent Foreign Policy*, New Zealand Labour Party, Wellington, August 1996, p. 23.

<sup>5</sup> Rt. Hon. Helen Clark, 'Labour's Approach to Foreign Affairs and Defence Policy', Address to the Dunedin Branch of the New Zealand Institute of Foreign Affairs, 9 August 1996.

<sup>6</sup> Ruth Laugesen, 'East favours buying more frigates', *New Zealand Herald*, 9 February 1997.

<sup>7</sup> Laugesen, 'East favours buying more frigates'.

<sup>8</sup> *Defence Assessment Paper*, Office of the Minister of Defence, Wellington, 17 September 1997, p. 3 and p. 10. Paper attached to ERD (97) 18.

Timing is Everything

- <sup>9</sup> ERD (97) 18, p. 2.
- <sup>10</sup> ERD (97) 18, p. 2, and *New Zealand Herald*, 15 October 1997.
- <sup>11</sup> *New Zealand Herald*, 15 October 1997.
- <sup>12</sup> G. Anthony Vignaux, *The Navy Critical Mass Argument*, Victoria University of Wellington, Wellington, July 1997, p. 2.
- <sup>13</sup> Cabinet paper CAB (97) M 40/8A, p. 2.
- <sup>14</sup> *Inquiry Into Defence Beyond 2000*, Interim Report of the Foreign Affairs, Defence and Trade Committee, House of Representatives, Wellington, November 1998, p. 84.
- <sup>15</sup> *Sunday Star-Times*, 19 October 1997.
- <sup>16</sup> *The Shape of New Zealand's Defence, A White Paper*, Ministry of Defence, Wellington, November 1997.
- <sup>17</sup> *New Zealand Herald*, 12 November 1997.
- <sup>18</sup> *New Zealand Herald*, 12 November 1997.
- <sup>19</sup> Greg Ansley, 'Naval gazing shows up NZ defence', *New Zealand Herald*, 25 March 1998.
- <sup>20</sup> 'Replacement Frigate Project'. Paper attached to Cabinet paper CAB (98) 852, pp. 6–7.
- <sup>21</sup> 'Rebuilding New Zealand's Defence Capabilities'. Paper attached to Cabinet Paper CAB (98) 855, p. 3.
- <sup>22</sup> Max Bradford, Personal interview, 10 November 2003.
- <sup>23</sup> Bradford, Personal interview, 10 November 2003.
- <sup>24</sup> By extrapolation, it would seem that the vessel under consideration was Ship No. 151, the second ANZAC delivered to the RAN, HMAS *Arunta*, which was commissioned on 12 December 1998. See 'HMAS Arunta', available at <[http://www.navy.gov.au/HMAS\\_Arunta](http://www.navy.gov.au/HMAS_Arunta)>, accessed 28 October 2008.
- <sup>25</sup> *Replacement Frigate Project, Executive Summary*, Office of the Minister of Defence. Paper attached to Cabinet paper CAB(98) 852.
- <sup>26</sup> *Replacement Frigate Project, Executive Summary*. Paper attached to Cabinet paper CAB(98) 852.
- <sup>27</sup> *Inquiry into Defence Beyond 2000*, Interim Report of the Foreign Affairs, Defence and Trade Committee, p. 31.
- <sup>28</sup> *Replacement Frigate Project*, Office of the Minister of Defence. Paper attached to Cabinet Paper CAB(98) 852, p. 8.
- <sup>29</sup> *New Zealand Herald*, 2 December 1998.
- <sup>30</sup> Jenny Shipley, 'Opening Remarks', in Margaret Clark (ed.), *Holyoake's Lieutenants*, Dunmore Press Ltd, Palmerston North, 2003, p. 11.
- <sup>31</sup> Rt. Hon. Helen Clark, Leader of the Opposition, Media Statement, 'Labour: Bradford must come out of bunker on frigate issue', 28 October 1998. Derek Quigley noted however that 'Despite Helen Clark's comments, ACT was not opposed to a third frigate. When Bradford briefed our caucus, our response was that it and the F-16 decisions were matters for the Government'. Derek Quigley, Correspondence, 23 April 2007.
- <sup>32</sup> Rt. Hon. Helen Clark, Leader of the Opposition, Media Statement, 'Labour: Henare party on collision course with National over frigate purchase', 28 October 1998.
- <sup>33</sup> Rt. Hon. Helen Clark, Leader of the Opposition, Media Statement, 'Labour calls on Government to declare its intention on third frigate', 28 October 1998.
- <sup>34</sup> Clark, 'Labour calls on Government to declare its intention on third frigate'.
- <sup>35</sup> *New Zealand Herald*, 2 December 1998.
- <sup>36</sup> Bradford, Personal interview, 10 November 2003.