2. Leadership, politics, and war

The political world to which Jim Fairbairn and Geoff Street returned in June 1940 had been transformed in the last 15 months. In April 1939 the Prime Minister, Joe Lyons, had died suddenly, precipitating the United Australia Party into an extraordinary leadership contest. The former Deputy Leader of the UAP, Robert Menzies, self-exiled to the backbenches only weeks before, emerged narrowly victorious. A frantic but futile move by the Treasurer Dick Casey and Country Party leader Sir Earle Page to persuade the ex-Prime Minister Stanley Bruce to declare himself a candidate had fizzled out.

The Melbourne and Sydney power brokers of the UAP — the National Union and the Consultative Council — had come to believe that Bob Menzies was too independent for their taste. Even Errol Knox, managing editor of The Argus, hitherto a strong Menzies supporter, had urged the return of Bruce. But, in Los Angeles en route to Washington and London where he was High Commissioner, Bruce had no desire to return to Australia; he set conditions that he was sure were unacceptable.1 If Bruce could not be persuaded, then his protégé Casey was the next best thing. Casey belatedly threw his own hat into the ring but, never a mingler with the rank and file, he had little support. His best hope had been to succeed Bruce some years into the future. Billy Hughes, Prime Minister a quarter of a century earlier, but at 76 still driven by self-belief and determination not to be bested by a man who mimicked and mocked him, was the last man for Menzies to beat.

Although the leadership ballots had been conducted in secret, informed observers thought that Hughes garnered most of his support from Queensland and New South Wales. There had been a last-minute bid to get all the NSW members to swing behind him. At least three men were reportedly offered the Defence Ministry in return for their vote. At the funeral service for Lyons at St Mary’s Cathedral in Sydney, Hughes had men placed at each of the entrances to lobby UAP members on his behalf. The 31-year-old member for Martin, Bill McCall, was Hughes’ ‘hatchet man in the party room’.2 The former independent Percy Spender, who sat next to Sir Harry Gullett in the House of Representatives and owed his place in the parliamentary UAP to Menzies, identified some of

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1 Bruce told the journalist Irvine Douglas, Joe Lyons’ former private secretary, of the impossible terms he had set (interview, Irvine Douglas, 15 June 1972, transcript, National Library of Australia, TRC 121/36).
2 Harold Cox, interview, 27 Sept. 1978; interview with Mel Pratt, 6 April 1973, transcript, NLA TRC 121/43/12; Alan Reid, interview with Mel Pratt, 9 Oct. 1972, transcript, NLA TRC 121/40, p.36.
'Hughes’s boys’. They included J. A. Perkins and the highly decorated soldier and former minister Sir Charles Marr (who would have preferred Bruce if he had been prepared to stand).³

A handful of other New South Welshmen, including Sir Frederick Stewart (MHR for Parramatta and ex-Minister for Commerce), and John Lawson, whose lack of tact and discretion were outweighed for Menzies by his ‘cutting edge’ mind, held out for Menzies.⁴ But Menzies’ strength was in Victoria and South Australia. Among them were ambitious backbenchers with an eye to advancement, like the 30-year-old Melbourne solicitor Harold Holt and the millionaire grazier Senator Philip McBride. In the final ballot the men of the Victorian Western District were almost certainly behind Menzies. But there are good reasons for supposing that their conspicuously ambitious colleague might not have been their first choice.

Some heart searching had been caused by Menzies’ resignation after Cabinet decided in March not to proceed with the national insurance scheme with which both he and Casey, as Treasurer, were strongly identified. The decision had deeply distressed Joe Lyons: ‘It’s gone, it’s wrecked, it’s finished’, a tearful Prime Minister told two Sun journalists.⁵ Casey, who had repeatedly said ‘if the scheme goes out, I go out’, had acquiesced in its abandonment and remained in the Cabinet. Politically embarrassed that the Treasurer ‘suddenly sponsored the idea to repeal it’, Jim Fairbairn poured scorn on those members who had gone ‘jelly-spined’ in the face of orchestrated letter writing.⁶ Alarmed by the apparent unpopularity of national insurance in his electorate, Casey might also have feared that the restless star of NSW politics, B. S. B. Stevens, would come to Canberra and succeed him as Treasurer. Menzies, proclaiming that he was pledged to support the scheme, had left the ministry, alluding as well to other policy differences. This, recalled Sir Cecil (‘Peter’) Looker who was private secretary to both Casey and Menzies in succession, was the beginning of a ‘great hatred’ between them. Menzies was angry at a retreat brought on in large part by Country Party recalcitrance and the belatedly awakened opposition of the

³ Sir Percy Spender, interview, 16 Aug. 1977; Sydney Morning Herald, 18 April 1939. Spender, standing as an Independent, defeated the sitting UAP member, Sir Archdale Parkhill, in the 1937 general election. Happily rid of a possible rival for party leadership, Menzies had invited Spender to join the UAP, welcoming him into the fold in October 1938. (M. R. McNarn, ‘Sir Robert Archdale Parkhill and Defence Policy 1934–1937’, BA Hons thesis, Department of History, Faculty of Military Studies, University of New South Wales, Royal Military College, Duntroon, 1979, pp.66–7). Perkins, dropped from Cabinet at Menzies’ behest, had been re-instated later by Lyons (Dame Enid Lyons, Among the Carrion Crows, Rigby, Adelaide, 1972, p.56). He recorded his vote for Hughes, his appointment as an hon. minister by Menzies, and withdrawal, in his diary, 18, 24 April 1939, 13 March 1940, Perkins MSS, NLA MS 936/3/37–8.
⁴ Lawson, Menzies’ parliamentary secretary, had pledged his support ‘to the last ditch’ when his chief resigned (Lawson to Menzies, telegram, 15 March 1939, Menzies MSS NLA MS 4936/579/3). Menzies to Casey, 8 Dec. 1940, copy, Menzies MSS, NLA MS 4936/582/31.
⁵ Alan Reid, interview with Mel Pratt, 4 Oct. 1972, transcript, NLA TRC 121/40, p.27.
⁶ The Argus, 23 March 1939.
Melbourne finance and business interests known as the Temple Court group. Casey felt betrayed by Menzies’ grandstanding, sensing that the time had arrived when his colleague was going to make a long-expected bid for the party leadership. The anticipated move was soon signalled when Menzies broached with him the idea of a coup against Lyons. Casey’s refusal to ‘have a bar of it’ was fatal to their relationship.

‘...how feeble and futile our leadership is’

For weeks after the national insurance debacle and the rejected coup proposal, Casey and Menzies did not speak to each other, even if they met in the parliamentary lobby. Loyalties were now being put to the test. Harold Holt expressed his support for the former deputy leader. Fairbairn, growing impatient with the Lyons government’s tardy defence preparations, also went on the public record affirming how refreshing it was that Menzies had given a lead ‘to those who put personal integrity before political advancement’. This was a gesture of solidarity with someone who was about to join voluntarily those whose presence on the backbenches was not of their own choosing. It perhaps also signalled Fairbairn’s genuine surprise that the ambitious ‘coming man’ was prepared to defer his coming on a point of principle.

Since their earliest days together in Victorian politics, as leaders in what became the Young Nationalist movement, Geoff Street and Jim Fairbairn had watched the evolution of Robert Gordon Menzies from precocious celebrity barrister and vibrant street-corner orator to self-esteeming state and federal minister. They respected his persuasive ingenuity in the courts, his masterful dexterity in parliamentary debate, his withering ripostes on the platform. Bob Menzies was an awesome political force. But he was not one of them. He was a scholarship boy from a dusty country town. Not born to inherit great wealth or vast estates. Not a returned serviceman. Not a man of the land. Not a sportsman. True, his father and uncle had been parliamentarians. And he had made his own way, rising through state politics to Cabinet rank before making the transition to Canberra. For such application and political talent there was admiration. But there was little empathy, still less affection.
Like all their colleagues, Fairbairn and Street were always in danger of being 
the butt of Menzies’ cruel wit. They could not be unaware, as Percy Joske, his 
Wesley College, university, and courtroom contemporary remembered, that ‘in 
his early days in Parliament Menzies ingratiated himself with the squattocracy, 
while forming a poor opinion of the intellectual capacity of their wives, whom 
he caustically described as sleeping partners’.9 The Western District gentry 
endured his moods, the days, one in seven, as one of his private secretaries 
put it, when he was ‘touchy and difficult…different from his normal ebullient 
self’.10 They did not often go out of their way to be in his company.

Geoff Street was observed to be friendly with Menzies early in his federal 
political career. But Street had in fact been closer to Casey, whom he had known 
since Gallipoli, being frequently in and out of his office in Canberra.11 Jim 
Fairbairn’s fiercest loyalties were with men who had placed themselves in harm’s 
way when the nation was at war. His dearest friend, the grievously wounded 
Charles Hawker, killed in an aircraft crash late in 1938, had been his hope for 
the political future. He had written to Hawker’s mother that for those ‘who 
know what Charles could have done for Australia during the difficult dangerous 
years ahead, and who realise how feeble and futile our leadership is, it is hard 
not to give way to a feeling of bitterness against Fate’. Street wrote of Hawker: 
‘I always looked upon him as my guide, philosopher, and friend in all political 
matters.”12 As the erstwhile Cabinet minister Tommy White observed, Hawker 
was ‘the spiritual leader of the “squatter” group in the House — McBride, 
Fairbairn, and others following him always slavishly’.13 Sir Harry Gullett, too, 
himself a former senior minister, had ‘always admired and applauded’ Hawker 
in spite of Hawker’s sustained opposition to his trade policy. After an ‘irritable 
and unpardonable outburst’ in Canberra one vexing day in 1936, Gullett had 
told Hawker: ‘This House has very little attraction for me and I could not face 
any disturbance in a friendship which I value more than I can put into words.”14

With Hawker dead, the ‘squatters’ had more in common with Casey, who had 
served in Gallipoli and France albeit in staff posts, than with the notorious

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9 Sir Percy Joske, Sir Robert Menzies 1894–1978 — a new, informal memoir, Angus & Robertson, Sydney, 
1978, p.96.
10 Sir Peter Heydon, interview with Mel Pratt, Nov. 1970, NLA TRC121/2.
11 Alfred Stirling, interview, 14 May 1976, for Street and Menzies; Colin Moodie, interview, 28 Sept. 1977, 
and Lt Gen. E. K. Squires diary, 30 Aug. 1938, Australian Defence Force Academy (UNSW@ADFA) Library, MS 
184 folder 1; on Street and Casey, Sir Peter Looker, interview, 25 March 1976, and Casey diary, 8 June 1915, 
Casey MSS NLA MS 6150.
12 Lilias Needham, Charles Hawker: Soldier — Pastoralist — Statesman, privately published, Adelaide, 
13 White diary, 25 Oct. 1938, by courtesy of the late Lady White, in Cameron Hazlehurst, Menzies Observed, 
George Allen & Unwin, Sydney, 1979, p.152. Allan Martin (A. W. Martin assisted by Patsy Hardy, Robert 
Menzies A Life, vol. 1 1894–1943, Melbourne UP 1993, p.245), makes Hawker a ‘spirited’ leader, which he 
was; but White was making a different point.
14 Gullett to Hawker, 1 April 1936, typescript copy from Hawker MSS, Gullett MSS, NLA MS 3078/3/16. For 
‘stay at home’ Menzies. Those who knew Casey well recognised his vitality and diligence; they appreciated, too, a side of him that was rarely revealed. As Harry Gullett’s son Jo put it, ‘he really didn’t mind making a fool of himself a bit’. He was not a good horseman and would try to get out of riding. But ‘if you were cleaning out, off would come his trousers and he would get in up to his knees in mud and laugh’. To the young Gulletts he was ‘a terribly outgoing vigorous slightly non-conforming chap, forward looking, unorthodox’.15 In the days after Lyons’ death there was ‘a very strong movement’ in Melbourne UAP circles to elevate Casey. One alarmed Menzies supporter detected ‘much underground work’ going on.16

R. G. Casey 1938 by Gordon Furlee Brown: ‘he really didn’t mind making a fool of himself’

(Courtesy of the National Portrait Gallery, Canberra)

Casey survived the first leadership ballot when the lightweight former Minister for Trade and Customs, Tommy White, an Australian Flying Corps pilot and famous escapee from Turkish captivity, was easily eliminated. But Casey’s

16 F. H. Wright to W. D. Gillespie, 14 April 1939, Wright MSS, NLA MS 8119 Series 2, Box 15.
supporters could not get him past the next round. Only when he was clearly out of the running did the even less palatable prospect of a Billy Hughes government persuade not only the squatters but others, like Senator Hattil ‘Harry’ Foll, into the Menzies camp.17 Their switch of allegiance was crucial.

Hughes’s 19 votes reflected a continuing public regard for the wartime ‘little Digger’ as well as the widespread unpopularity of Menzies in the parliamentary party. A few days later Menzies was to try to laugh off publicly the ‘fantastic ideas’ that circulated in current gossip, accusations of ‘grave defects, aloofness, superiority and what not’.18 Yet apart from those of his family who idolised him — his loyal brother Frank, his elderly parents, and his devoted wife — there were few believers. Nothing much had changed since Casey had told his mentor Bruce after the 1937 election that ‘People have the idea that he has a contempt for the average man, and they don’t like it.’19 As the astute Governor-General, Lord Gowrie, had observed only days before Menzies had resigned in March, ‘Mr. Menzies with his great ability lacks the art of keeping his colleagues together and extracting loyal service from them.’20

In the final ballot, there were 23 votes for Menzies — among the earliest of them almost certainly the South Australian Senator George McLeay, the social reformer and national insurance advocate Sir Frederick Stewart, and Harry Gullett, long disenchanted with the Country Party in general and Sir Earle Page in particular. The majority reflected a rush of last-minute threats, promises, and second-best choices. Some NSW party insiders, including the chairman of the powerful Consultative Council, Telford Simpson, and the UAP NSW secretary, Bert Horsfield, were to say a year later that when the vote was taken Hughes had a majority of two among members of the House of Representatives. Menzies had risen to power on the votes of senators.21 The scorn of the thwarted wire-pullers was undisguised and enduring.

After the leadership ballot there had followed the most extraordinary personal attack on a major political figure in Australian history. Earle Page, enraged by what he saw as Menzies’ blatant undermining of Lyons in the preceding year, blamed him for the Prime Minister’s death. As Lyons lay dying, Page was observed sitting in the hospital reception room in the early hours of the morning with a group of ministers, local MPs, and newspaper men ‘in the most

18 R. G. Menzies, ‘To the Australian People’, broadcast talk, 26 April 1939, transcript, NAA: A981, Australia 94.
19 Casey to Bruce, 17 Nov. 1937, Bruce Papers, NAA: A1421, (4).
20 Lord Gowrie to the King, 9 March 1939, copy, Gowrie MSS, NLA MS 2852/8/2.
objective, unemotional, coldblooded way possible...tracing the course of Lyons’ heart condition as a doctor and linking its development to the attacks which he alleged Menzies had made on Lyons’.22 Menzies’ resignation from the ministry — ostensibly over national insurance, yet with enigmatic reference to finding himself repeatedly at variance with the majority of the Cabinet on ‘matters of great moment and in particular upon important aspects of our Defence preparedness’23 — was construed as a stroke of opportunistic destabilisation. The departed minister was not going to be credited with adherence to principle. A pointed public speech about deficiencies in national leadership, and his poorly concealed clandestine negotiations with the press and party financiers, made it seem obvious that Menzies had intended to strike. His ambition was the worst-kept secret in Canberra. As one of his private secretaries would remember: ‘He thought he would be a good Prime Minister of Australia, he wanted to be Prime Minister of Australia, and all his political actions were largely tested against that particular framework of reference.’ In the succinct judgement of his former Cabinet colleague Jack McEwen, ‘he was rather a man in a hurry’.24

In the days after Lyons’ death, Page was wooed by Billy Hughes into a pact of mutual support. ‘Doc, you know I have always admired you...’; the blandishing was overheard by the minister’s private secretary.25 At Hughes’ suggestion the Governor-General appointed Page as Prime Minister pending the UAP’s election of a new leader. The Country Party leader was determined to prevent Menzies from securing the highest prize. He made it known that he would not serve in a Menzies ministry. Anonymous Country Party MPs floated the idea that a joint party meeting should elect the new Prime Minister. The field of candidates would consist only of UAP members, several of whom, including one minister, were said to strongly support the suggestion.26 Both Page and Hughes had been victims of Menzies’ indiscriminate condescension. Neither could expect a position of real power in a Menzies government. After Menzies had won the UAP ballot their last best hope was to discredit him sufficiently to make it impossible for him to form a viable Cabinet. Thus Page rose in Parliament to excoriate the man of naked ambition, disloyal to his dead chief. Menzies, an officer in the Melbourne University Regiment, Page reminded the House, did not volunteer throughout 1914–18, instead advancing his university and legal career while fellow students, lawyers, young men of all professions and of none, were shedding blood at Gallipoli and on the Somme.

22 Harold Cox, interview, 27 Sept. 1978; with Mel Pratt, 6 April 1973, NLA TRC 121/43.
23 R. G. Menzies to Prime Minister, 14 March 1939, copy, Gowrie MSS, NLA MS 2852/5/10.
25 Sir Keith Waller, interview, 21 June 1977. Waller heard the critical meeting via an accidentally open intercom.
26 The Argus, 19 April 1939.
Page’s attack was unprecedented in destructively personal intent but, as Menzies responded with dignity, inaccurate in detail. Though even some of Page’s own party colleagues were offended by his vehemence — Arthur Fadden and three others distanced themselves from the personal assault — the Country Party followed their leader in refusing to serve with Menzies. Undeterred, Menzies therefore formed a ministry solely of United Australia Party members. (With two additional men in the Cabinet, skilled tradesmen had to work over a weekend to widen the massive maple Cabinet table by two feet, and adjust electrical wiring linked via push buttons on each seat to telephones, radio, an
overseas radiotelephone, and an amplifier installed to assist Billy Hughes).\textsuperscript{27} Ironically Page had achieved by his ill-judged invective what Menzies might not have contrived for himself; a united UAP front bench. It was, as Menzies was soon to boast, a ministry ‘unique in Australia because it contained an amazing proportion of young and what might be called untried men’. (In later years he would confide that the absence of veterans like Sir George Pearce, defeated in 1937, was ‘the greatest defect of his Cabinet’.)\textsuperscript{28} ‘There is no doubt,’ Stanley Bruce wrote later from London, ‘that Page was your fairy godfather, if you had the slightest desire to be Prime Minister.’\textsuperscript{29}

Menzies would never be thought ‘warm and likeable’ like the departed Lyons. His arrogance and self-belief were in sharp contrast to the ‘mild infusion of ambition and egoism’ which Lyons so adeptly cloaked beneath ‘unbearable amiability’.\textsuperscript{30} But he had put himself through the leadership challenge, defended his honour, and earned a grudging respect. Jim Fairbairn, for one, was disgusted by the attack on his elected chief. It was known that Fairbairn had been working for some months on getting Stanley Bruce to come back to Australia; and he had publicly offered to give up his seat of Flinders if Bruce should return to take up the party leadership. He had even made the mischievous suggestion that the High Commissioner’s job in London could be capably carried out by ‘such men as Mr Casey and Mr Menzies’.\textsuperscript{31} So he was certainly not in the Menzies camp. Yet five years earlier he had said in Parliament that it was not right for those without intimate knowledge of particular circumstances to criticise those who had not served in 1914–18. ‘Some were too young, some were too old, and some others physically or mentally unfit for service.’\textsuperscript{32} Menzies was not encompassed by any of these categories but that did not diminish the egregiousness of the calumny. Realising the distress it must have caused his colleague’s wife, Fairbairn followed Pattie Menzies out of the House and walked consolingly with her in the parliamentary rose gardens.\textsuperscript{33}

The eight United Australia Party ministers from the Lyons Cabinet, including Hughes, then gathered in Casey’s room and agreed on a letter dissociating themselves from Page. The man whom Harry Gullett had once dubbed ‘the most tragic Treasurer’ that Australia had ever known had become a political pariah.\textsuperscript{34}

\begin{thebibliography}{99}
\item 27 The Mail (Adelaide), 13 May 1939.
\item 28 Peter Heydon, Quiet Decision: A Study of George Foster Pearce, Melbourne UP, 1965, p.211.
\item 29 Sydney Morning Herald, 16 May 1939; Bruce to Menzies, 4 Oct. 1939, Menzies MSS, NLA MS 4936 in Hazlehurst, Menzies Observed, p.166.
\item 31 Sydney Morning Herald, 18 April 1939.
\item 32 CPD, House of Representatives, 1 Aug. 1934, p.1047.
\end{thebibliography}
The location of the meeting was significant. Casey’s hopes of leadership had been dashed. He admired Page, his regular tennis partner, as a man of energy and ideas. In supporting the bid to bring back Bruce, Page was by implication recognising Casey as next after Bruce in line of succession as Prime Minister. But the assault on Menzies was a step too far. Typed by Casey’s secretary, Jean Francis, the document repudiating Page was brought in for signature by Casey’s private secretary, Colin Moodie, who delivered it to the new leader. Menzies was able to assure the Governor-General of sufficient support both from the UAP and from the Country Party to carry on. Lord Gowrie was conscious of ‘treading on rather delicate Constitution [sic] grounds’ as Labor had a majority of two over the UAP. But he believed that no party wanted an election so that ‘although they may harass Menzies they would take very good care that he should not be defeated on a major question’. And so it proved.

War government

Barely five months later Menzies had the ‘melancholy duty’ of announcing that Australia was at war with Germany. At a hastily convened Federal Executive Council meeting in the rarely used Governor-General’s room in Melbourne’s Treasury Place, the Prime Minister had been joined to authorise the formalities by Fairbairn (now in the Cabinet as Minister for Civil Aviation), Holt (Minister without Portfolio assisting the Minister for Supply), Gullett, and Casey. There they advised Sir Winston Dugan, acting as Deputy for Lord Gowrie, that a proclamation of ‘the existence of danger of war’ was to be issued. A War Cabinet had been formed a few weeks after the declaration of war. Its initial members were Hughes (Deputy Leader of the UAP, Attorney General, and Minister for Industry), Casey (Minister for Supply and Development), Street (Minister for Defence), Gullett (Minister for External Affairs and Minister for Information), and McLeay (Minister for Commerce).

Menzies’ vanquished rival Dick Casey, spurred on by his wife Maie, had soon accepted the post of inaugural Ambassador to Washington. He was attracted to the job, and vulnerable to a Prime Minister who shamelessly kept him on tenterhooks about the appointment. Casey, with Bruce concurring, had considered that his own departure from the political arena would leave no one suitable to act as Prime Minister if Menzies were to go to London or ‘came to

36 Lord Gowrie to Walter Hore-Ruthven, 22 May 1939, copy, Gowrie MSS, NLA MS2852/5/10.
37 N. C. Tritton, interview, 7 June 1977.
grief’. Casey’s reservations, spoken and unspoken, were swept aside. ‘I hope no one here underestimates the importance of the appointment,’ the Prime Minister told Casey’s Corio Young Nationalist constituents, ‘for it was with some reluctance that I abandoned the idea of asking for the appointment myself.’ There was less humbug and even less charity in a later private account of the circumstances. ‘If ever a man had his tongue hanging out to go to America it was Casey,’ Menzies was to recall, his colleague’s clearly expressed desire to stay in Canberra conveniently erased from the story.38

The coalition War Cabinet in the old Legislative Council Chamber, Parliament House, Victoria. Left to right around the table: J. McEwen, External Affairs; Sir F. Stewart, Supply and Development; G. A. Street, Army; A. G. Cameron, Navy; R. G. Menzies, Prime Minister; the Secretary to the War Cabinet, F. G. Shedden; W. M. Hughes, Attorney General; P. C. Spender, Treasurer and Senator H. S. Foll, Minister for the Interior; (J. V. Fairbairn, Minister for Air, absent)

(Argus Collection of Newspaper Photographs, State Library of Victoria, H99.201/2584)

As the war progressed, with little but bad news from the European theatre, amid growing discontent and criticism, Menzies had come to rely increasingly on the Victorian duo of Fairbairn and Street. Their responsibilities for military

and Air Force affairs were expanded. Fairbairn was promoted from Minister for Civil Aviation to Minister for Air in November 1939, joining the War Cabinet along with Harry Foll and Sir Frederick Stewart in a re-organisation that saw Street become Minister for the Army and Menzies assume greater control as Minister for Defence Co-ordination as well as Prime Minister. In March 1940, the Country Party, now under the leadership of Archie Cameron, accepted a proposal to form a new coalition. It was a lifeline for a Prime Minister who was privately admitting that his difficulties ‘on all war matters are great and growing and defeat of Government by no means improbable’.39

In the ministerial re-shuffle some of Menzies’ party colleagues had to stand down. While their friend Harry Gullett was dropped from the inner group to make way for Country Party representatives, Fairbairn and Street kept their places. They were now in almost daily contact with the Prime Minister. If their influence was less than the ubiquitous and secretive Secretary of the War Cabinet, Frederick Shedden, they were clearly now in the first rank of the nation’s political leadership.

Defending the Empire

In the early days of the war, the government realised that a great national effort would be required if Australia was to be a help to the British homeland. As Street had put it in a Cabinet paper on 11 September 1939:

> Each part of the Empire accepts responsibility for its own local defence and the adequacy of these preparations is important lest any Dominion should become a burden on the United Kingdom strength in the event of a crisis.40

Recognising the priority to defend the heart of the Empire, and accepting assurances of British readiness to come to Australia’s aid should she be threatened, the Australian commitment soon entailed the deployment of naval forces far from their home bases under Royal Navy command, and the development of the RAAF as an incubator of crew for the RAF.

The Australian Chiefs of Staff had no choice but to acknowledge the limited operational capability of the chronically under-funded RAAF. The Air Force was


only half way through a three-year expansion plan, with about two-thirds of its aircraft already obsolete. Japan’s declaration of neutrality relieved immediate anxieties — and encouraged the quixotic thought that perhaps training aircraft could be acquired from the Japanese. While they awaited the delivery of modern aircraft, the RAAF would be fully stretched in meeting the threat posed by armed German merchant vessels, submarines, and a lone cruiser in the Pacific. Australian Air Force squadrons were in due course to operate in Britain and the Middle East; and infantry divisions, a second Australian Imperial Force (AIF), would also eventually be despatched to North Africa and the Mediterranean.

Initially it had been thought that Australia would send an air expeditionary force to augment the RAF. But British planners had long mooted the idea that the Dominions would better serve the imperial cause by training the vast numbers of air crew that would be needed to fly against the Luftwaffe. In spite of naïve pronouncements to the contrary, Australia did not have the resources for an expeditionary force as well as a massive training undertaking. Negotiations to establish such a scheme — approved in principle by the War Cabinet on 5 October 1939 without reference to their professional advisers, the Air Board — began at long range. South Africa declined to participate, and both Australia and Canada resisted British ambit requests. New Zealand also had reservations. If basic agreement was to be reached, and arrangements made for what would be an immensely complex and costly program, face-to-face talks were essential. The venue was to be Ottawa.

While still only Minister for Civil Aviation and Minister assisting the Minister for Defence, Jim Fairbairn was sent to Canada with a small delegation to represent Australia in developing the Empire Air Training Scheme. Recognising the fragility of the government’s parliamentary majority both Fairbairn and Dick Casey, who had left earlier for London, had taken the precaution of leaving signed nomination papers for their electorates in case an election was called in their absence. On the way to the Canadian capital, Fairbairn took the opportunity to call in to the Lockheed Aircraft Corporation factory at Burbank to check on the progress of Australia’s recent order for 100 Hudson bombers. The aircraft were to form the RAAF’s principal reconnaissance and home defence units. Their speedy acquisition was vital. But Fairbairn’s main focus was on Ottawa. The stakes there were high and this was his first international mission. The British had sent a large and powerful team; and the Canadians, on their home soil, had all of their defence and departmental advisers at hand. Menzies clearly had doubts about Fairbairn’s ability to achieve a favourable result against the imperial ministers and mandarins with whom he was matched. The minister had told reporters before he left that no limit had been set on the extent to

which he was authorised to commit Australia ‘except our ability to fulfil that
commitment’.42 However, War Cabinet’s prior decisions, surviving cables, and
transcripts of telephone conversations reveal a representative on a short leash.43

The Australian Air Mission greeted at Ottawa Railway Station by British
and Canadian representatives, 1 November 1939. Left to right R. E. Elford
(Secretary, Australian Air Mission), WCdr G. Jones (Asst Chief of Staff
RAAF), Norman McL. Rogers (Canadian Minister of National Defence),
C. V. Kellway (A/g Asst Trade Commissioner, New York), AM Sir C. L.
Courtney (UK Air Mission), AVM G. M. Croll (Chief of Air Staff, Canadian
Department of National Defence)
(Courtesy of Hugh Elford)

Fairbairn himself was confident. He took the initiative in saying that Australia
would train half of the local recruits rather than bear the cost of training them all
in Canada. Stiffened by instruction from Menzies not to commit Australia in any
way, he pressed the argument that the quotas of men to be delivered should be
based on population rather than the arbitrary and excessive numbers presented
by Britain. Realising that neither the Canadians nor the British delegation could

F01912.
43 ‘Report of the Australian Air Mission…November 1939’, War Cabinet Agendum No. 20/1940 (6/2/40),
afford to have the whole plan founder, he gave them the impression that he was
prepared to leave if the negotiations drifted inconclusively. Speaking on the
radio on November 24 he surprised the Canadian Prime Minister with a ‘voice
and delivery [that] was remarkably good’. But it was the content more than the
performance that caught Mackenzie King’s attention:

Substance good but I was horrified to hear him say that Australia had
adopted plan suggested at outset and was prepared to exceed it. As a
matter of fact the whole scheme has had to be revised twice because
of Australia’s unwillingness to adopt plan suggested and agreed to by
others.44

When the British conceded the fundamental quota principle and agreed that
seven of nine service training schools be set up in Australia, Fairbairn seized the
moment to sign an agreement with them on 27 November 1939. It was another
three days before the Australian Cabinet was briefed on what had been decided.
Their representative had done well. Eighty-three staff officers in every branch of
the RAAF had been asked whether Australia could do what the scheme required.
None of them, the then RAAF liaison officer to the secretary of the Department
of Defence, John McCauley, remembered, said they could. All said ‘Let’s try
it’.45 While the Canadians were especially cautious, and there were details still
to be settled between all the parties including New Zealand, Fairbairn moved on
to London where he was to assist in finding a new Chief of the Air Staff before
returning to Australia.46 The Prime Minister announced the signing of the ‘vast
Empire Scheme of Air Training’ with Britain on December 15.

On the role to be played by the graduates of the Empire Air Training Scheme
(EATS), Fairbairn and Street shared a wish to preserve the national identity
of the Australians in the United Kingdom. Street, a fervent nationalist, had
put it to Cabinet when recommending an air expeditionary force in September
1939 that a unified Australian force would ‘appeal to the national spirit of the
country and accord with those tendencies towards independence inherent in
the Australian character’. Menzies had given public assurances that fears of the
loss of Australian identity were groundless. Fairbairn, with the growing status
of Minister for Air, was to remind Menzies in March 1940 that he had always had
in mind that ‘the personnel would remain RAAF, wearing RAAF uniforms or a
distinguishing badge, and be grouped in squadrons which would bear the name
Australia’. But the British refused to contemplate the formation of more than
the limited number of ‘Australian’ squadrons agreed under Article XV of the

44 W. L. Mackenzie King diary, 24 Nov. 1939, William Lyon Mackenzie King Papers, Library and Archives
46 Kent Fedorovich, ‘Sir Gerald Campbell and the British High Commission in Wartime Ottawa, 1938–1940’,
EATS agreement. They routinely appointed RAF officers to command positions over Australians. And the vast majority of EATS graduates were eventually to be dispersed into RAF units. Fairbairn had not foreseen the extent to which the connivance and compliance of his British Chief of the Air Staff, Sir Charles Burnett, would ensure that RAF, not RAAF, wishes would prevail.47

In the War Cabinet as the war continued, the two Victorian ministers with defence portfolios found themselves in continual discussion over strategy, manpower, recruitment, command, and organisation of military forces, and industrial mobilisation issues. When Treasury tried in March 1940 to solve a RAAF trades recruiting problem that was accentuated by differential rates of pay being offered to pre-war and current recruits, Street, Fairbairn, and Harry Gullett were as one in rejecting a Treasury Finance Committee formula (endorsed by Menzies) that would have increased separation allowances rather than the basic pay rates. Fairbairn argued that peacetime rates of pay should be restored. He agreed with the Chief of Air Staff and the Air Board who warned of ‘the discontent that will arise from having men on every station doing similar work at different rates of pay’. Street forecast that a complete reversion to RAAF rates could bring demands from the Army for similar treatment. Gullett, a former journalist and war historian, was alert to public opinion. He urged ‘an immediate strong appeal to the patriotism of those who are wanted for this class of home service’. No such appeal had yet been made. Gullett articulated his agreement with the view that the Prime Minister had ‘many times expressed that when the war actually commences on a grand scale in Europe the response to all kinds of our recruiting effort will be incomparably more satisfactory than it is now’.48

In many ways there was an air of unreality about ‘the war’ for Australians well into the first half of 1940. It was largely a distant conflict, the stuff of censored news stories, tales of heroism, and reassuring domestic propaganda about surging growth in munitions production and military expansion. In a speech early in March Menzies found himself talking of ‘a struggle which at present is but a faint rumble on the horizon…we have been able to continue to go about our ordinary business, having a look at the races, and talking about the crops. This is possible only because the world is still ruled by the British Navy.’49 Prime Ministerial encomiums about Australians appreciating ‘the magnificent response which the British people can make to any challenge that threatens

48 The Herald, 3 March 1940. Melanie Oppenheimer persuasively rebuts the view that apathy was widespread during the first year of the war (All Work No Pay: Australian Civilian Volunteers in War, Ohio Productions, Walcha, 2002, pp.76–122).
49 The Herald, 3 March 1940.
their future’ struck the wrong note. After the Cabinet had attended a special Canberra screening of Alexander Korda’s simplistic drama documentary *The Lion Has Wings*, Menzies would say that it showed ‘the Empire moving irresistibly towards supremacy in the air’. But a schoolboy knowledge of recent history, geography, and aviation would have been enough to expose the film’s errors, lies, and half-truths. Many adults who saw it in the coming months would echo the bemusement of British audiences at the patronising propaganda.\(^5^0\)

Strident adversarial politics was unmuted. Unions were fractious. The press showed little patriotic restraint. A concerned Chief of the General Staff, Lieutenant General Ernest Squires, captured the mood from his minister early in December 1939 when the government was on the verge of a decision about pay rates and conditions of service for the Australian Imperial Force and the Militia:

> A long talk with Street — the Govt are very anxious about their own position, which is precarious owing to the very unfair attack by the other two parties — in unholy alliance — over the question of the soldier’s pay. They are also sore because they feel that their hands have been unduly forced by Casey, in consultation with the Home Govt.\(^5^1\)

Such economic controls as were imposed brought no great hardships to most of the population. At a time of burgeoning expenditure, interest rates had actually fallen. ‘All the really difficult things are unspectacular, and could not produce a cheer from anybody,’ the Prime Minister told a sympathetic Commonwealth Institute of Accountants ‘smoke social’ early in March. He had announced on the same day the expansion of the AIF with a seventh division and 16 000 extra troops to make up an army corps. A few weeks later he asked rhetorically: ‘What did the people of Australia know of food rationing, of import reductions in any real sense, of reduced standards of living, or of reduced standards of industrial progress?’

A prolonged coal strike from March to May 1940 was a major distraction for the government. And the prospect of petrol rationing was beginning to alarm the minority who owned their own cars. ‘The rationing of petrol’, a defiant Menzies told a hostile audience in Camberwell, ‘is as inevitable as the rising and setting of the sun.’\(^5^2\) The collapse of France, the entry of Italy into the war, and the evacuation of British forces from Dunkirk in May and June 1940 brought the beginning of an understanding that this was to be a war ‘on a grand scale’. Germany had invaded Holland, Belgium, and Luxembourg. Surely she must now

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\(^5^0\) Notes from the Mass Observation Report, No. 15, Dec 1939, [www.powell-pressburger.org/Reviews/39_Lion/Lion01.html]; *Sydney Morning Herald*, 5 Dec. 1939; *The Lion Has Wings*, adapted by John Ware from the film written by Ian Dalrymple, Collins, London, 1940.

\(^5^1\) Squires diary, 2 Dec. 1939, Australian Defence Force Academy (UNSW@ADFA) Library, MS 184 folder 3; *Sun News Pictorial*, 6 Dec. 1939.

\(^5^2\) *The Age*, 6 March 1940; *Sydney Morning Herald*, 21 March, 25 July 1940.
be preparing to invade Britain. The Army Minister held a long Saturday morning conference with Sir Brudenell White, recalled as Chief of the General Staff on the death of Lieutenant General Squires in March, to consider the implications of the German invasion of the Low Countries (which they had learned about from the press). Street then joined Menzies and Air Minister Fairbairn — to all intents and purposes now an inner war cabinet — for a discussion of the disturbing position before the full War Cabinet met.53

‘A full participation in the war’

With the Empire in peril, Australia’s contribution to the war effort was overdue for re-assessment. The Treasurer, Percy Spender, was expressing frustration with his colleagues at ‘piecemeal submissions’ and the absence of a ‘comprehensive statement of requirements for defence expenditure’. On 3 June 1940 Service departments were instructed to provide the Prime Minister ‘within the next 48 hours and in the most concentrated form’ information that would ‘enable him to answer the statement which is now being given great currency — “that nothing has been done to get Australia ready for a full participation in the war”’.54

Outraged by rumours that he had sent his children to safe haven in the United States, an angry Prime Minister used a speech to the NSW Commercial Travellers’ Association to condemn the ‘false, miserable allegation’ that Australia was not playing her part: ‘there must be a silence of the dogs that bark’.55 War Cabinet discussed a counter-propaganda campaign against false rumour and criticism of war organisation. Menzies asked for a list of instances to cite to editors: ‘Failing response will have to put censors into offices’.56

By July 1940 the prospect of hostilities with Japan was also real and alarming. As Menzies said in a cable to Stanley Bruce, Australia’s High Commissioner in London:

…the necessity to reconstitute our ideas in the light of what we are now told is the inability of Great Britain to send Naval forces to Singapore has occasioned a degree of anxiety among the Members of the Cabinet which can only be increased by any approach to Japan which stops short of being realistic and comprehensive.57

53 The Mail (Adelaide), 11 May 1940.
54 War Cabinet Minutes, 2 July 1940, NAA: A2673, 373; A1196, 36/501/92.
55 Sydney Morning Herald, 8 July 1940.
56 The full War Cabinet discussed ‘spreading of dangerous rumours’ including ‘PM’s children sent to USA’, (War Cabinet Notes, vol. 2, 10, 16 July 1940, NAA: A5954, 729/2). Charles Bean had been appointed early in July as liaison officer, by authority of the Prime Minister, to ‘keep the editorial staffs of press and broadcasting services prudently informed as to the strategical background of the war’ (NAA: A705, 168/1/170).
57 Cablegram, unnumbered, 9 July 1940, Most Secret, NAA: A3196, 1940, 0.4583; cablegram Prime Minister to High Commissioner London, 8 Aug. 1940, NAA: A981, Far East 20b, 1.
The closure of the Burma Road, potential wool sales to Japan, and a decision about the ultimate destination of the Australian seventh division were on a cascading War Cabinet agenda. War with an increasingly bellicose Japan seemed more and more likely. As late as early June general staff officers were expressing alarm at the absence of ‘a satisfactory plan for the defence of Australia’. Army Headquarters ‘have been somewhat handicapped in planning as Government policy in the past would not permit arrangements to be made against invasion on any scale’.58 The United States could not be relied upon to come to Australia’s aid. Dick Casey’s first personal message from Washington to the Minister for External Affairs, Harry Gullett, had reported a conversation with Franklin Roosevelt in which the President reminded Casey of advice given to Joe Lyons some years earlier. The United States Cabinet, when asked to consider what the US attitude should be to hypothetical attacks on Canada, the South American republics, and Australia and New Zealand, ‘believed that the element of distance denoted a declining interest’ in Australia.59 Casey repeatedly warned from Washington that no appeal other than self-interest would move the Americans. Menzies’ entreaty to Roosevelt for a ‘magnificent and immortal gesture’ of making available all of America’s ‘financial and material resources’ welding the whole English-speaking world at one stroke ‘into a brotherhood of world salvation’ was plainly an embarrassment.60

As war anxieties increased, there were growing calls for greater national unity. Broadcasting to the nation on June 15 Menzies announced new defence plans and appealed to the union movement for co-operation in industrial and manpower mobilisation. A home defence force of 250 000 would be trained; government would take unlimited powers to tax, acquire property, direct employers and labour; but there would be no conscription for overseas service.61 At a special conference of the Labor Party in Melbourne on June 18 and 19 it was resolved that a National War Council should be established. Menzies seized on this suggestion to propose the formation of a genuine national government. He offered five or possibly six seats in the Cabinet to Labor, including a new Labour ministry. Although he professed not to believe that his own continuation as Prime Minister was an obstacle, he would not, he said, let his occupation of the post stand in the way of agreement. The formal offer was made in a letter on 12 July 1940. It was not until August 6 that John Curtin was able to inform the Prime Minister that a meeting of the Federal Parliamentary Labor Party had

59 Casey to Sir Henry Gullett, 9 March 1940, copy, Casey MSS, NLA MS 6150/1.
61 *Sydney Morning Herald*, 16 June 1940.
rejected the proposal. The Labor leader had already emphatically rejected the
notion, floated by Menzies, that the life of Parliament might be extended should
‘exigencies’ warrant it. Curtin saw no reason why the government should not
face the electorate as they were due to do later in the year.

There being no prospect of a national unity government, a fact that Menzies
publicly deplored, an election was now clearly in view; or as the Prime Minister
put it ‘not entirely absent from the government’s mind’. There was speculation
that he planned ‘a lightning aerial tour’ of the country. Frustrated by his
isolation from the centre of imperial power, Menzies’ mind was actually turning
to the idea of taking himself to London where the ‘whole conduct’ of the war
should, he argued, receive ‘early consideration by appropriate Empire body
so that we may make our plans, intelligently and not merely day by day’. This
had been his ambition since the beginning of the war. In October 1939
he had been forced to deny as a misunderstanding a report in morning papers
that he expected to attend a special meeting of the British War Cabinet early in
the New Year. The Melbourne Herald stood by the story: there had been ‘no
misunderstanding on the part of the two Herald representatives who saw Mr
Menzies yesterday as to what he said’. No one in the inner circles of government
— certainly not the key ministers, Street and Fairbairn — could doubt that the
Prime Minister yearned for a bigger stage.

Aware of Australian political developments and concerns about the progress of
the war, Winston Churchill sent an eloquent ‘IMMEDIATE PERSONAL AND
MOST SECRET’ message to Menzies on August 11. It followed by a few hours
a lengthy ‘appreciation’ of the situation in the Far East by the British Chiefs of
Staff. Point by point Churchill addressed the anxieties he knew were weighing
on the Australian government. Britain was trying to avoid war with Japan.
Japan was unlikely to declare war unless Germany successfully invaded Britain.
If Japan did declare war, Britain would defend Singapore which ‘ought to stand
a long siege’. The Eastern Mediterranean fleet could be sent to relieve Singapore
if it was vital to Australia’s safety. If, ‘contrary to prudence and self-interest
Japan set about invading Australia or New Zealand on a large scale…[Britain
would] proceed to your aid sacrificing every interest except only defence
position of this island on which all depends’. And so it went on — the RAF was
showing ‘individual superiority over the enemy’, Lord Beaverbrook was making
‘astounding’ progress in aircraft manufacture, the Navy was getting stronger. If
Hitler were to fail to invade and conquer Britain ‘before the weather breaks’ he

62 Menzies MSS, NLA MS 4936/581/27.
63 Canberra Times, 8 Aug. 1940, p.2.
64 Prime Minister to High Commissioner, London, Cypher Cablegram, 22 July 1940, Secret and Personal,
NAA: A3196, 1940, 0.5030; Bruce Papers NAA: M100, July 1940; War Cabinet Minutes, 10 July 1940, NAA:
A2673, 401.
would have received his ‘first and probably his fatal check…We therefore feel a sober and growing conviction of our power to persevere through the year or two that may be necessary to gain victory.’

What credence could be given to the British Prime Minister’s forecasts and personal assurances? Menzies and his colleagues had minuted doubts as early as June about the likelihood that a British ‘squadron’, let alone a fleet, of capital ships would proceed to Singapore if hostilities began in the Pacific. It was scarcely coincidental that they had decided shortly afterwards to increase the home defence forces to 250 000, a somewhat rag-tag combination of Militia and AIF in training, and Militia reserves, including returned soldiers. In mid-July the Chiefs of Staff had concluded that the ‘strategical situation’ had changed considerably for the worse and that defensive plans should assume the ‘heaviest scale of attack’. A Joint Planning Committee of the deputy chiefs of each Service had prepared its first report on August 6. Recommending that the Chiefs of Staff should make plans against invasion, they also proposed the establishment of a Central War Room containing a ‘combined operation intelligence centre’. War Cabinet had secretly agreed on ‘the desirability of expanding local air defence to greatest degree prac. from whatever sources are available, any adjustment being made in Empire Air Scheme’. The matter was left to the Prime Minister and Service Ministers.

Newspapers were headlining German preparations for an invasion of Britain. With early signs that Germany was mounting a massive aerial offensive on Britain it was imperative that the Australian War Cabinet undertake a comprehensive review. When last asked to consider the ‘basis of defence policy’ on July 10, the full War Cabinet had concluded that the Navy had all the ships it could obtain or build; the Army had authority to grow to 200 000; any further expansion of the Air Force depended on the supply of aircraft, ‘regarding which enquiries are being made’; and the Director-General of Munitions had been told ‘the sky is the limit’. Summing up, as the minutes rather tepidly put it, the government decided that:

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defence preparations...are not to be limited by formula but are to be governed by the most practicable form of defence in each arm of the Services that can be provided from the nature and extent of the resources available.70

Briefed with this knowledge, and soon to be informed by qualified Churchillian pledges and optimistic conjectures, ministers and the Chiefs of Staff were to re-assemble in Canberra on Tuesday August 13 to discuss once again where and how Australian men and resources should be deployed. For a month they had been deferring a decision on the British request for a division to be sent to Malaya pending the new appreciation of the Far East. The Prime Minister now had the document. Meanwhile, a fresh and relevant issue was the fear of Japanese action against the Netherlands East Indies. In answer to an enquiry from the British, the Dutch government had indicated that it would resist the Japanese. But the British had failed to respond to an understandable Dutch question about whether they could expect British assistance if they were defending themselves against Japanese aggression. The reply was obviously important for Australia. Menzies wanted to bring the matter before the Cabinet at its next meeting and on August 8 sought urgent advice about British intentions. The answer was enveloped in equivocation.71

Parliament had sat in the second week of August. It would be sitting again on Wednesday August 14. Since the beginning of the war the Cabinet and War Cabinet had been on a relentless schedule of meetings — once every two-and-a-half days, the Canberra Times reported on August 5. From its formation in September 1939 to the end of July 1940, a government spokesman said, the War Cabinet alone had sat 70 times — 46 in Melbourne, 20 in Canberra, and four in Sydney. (He could have added that they had met in Brisbane three days earlier and that there was to be a two-day Cabinet meeting in Melbourne on August 6–7). Now once again members of the House of Representatives, senators, ministers, and their staffs, senior public servants, and defence chiefs would converge on the national capital from around the country. Cabinet would meet on August 13 before facing the Opposition in Parliament the next day. The morning papers on August 12 carried the news that, following ‘a searching survey by legal officers of the constitutional position’, ministerial plans for a federal election had been ‘maturing’. An election was predicted for September 14. If the international situation made it necessary to postpone polling day after Parliament had been dissolved, legal authorities had advised that government could continue by executive authority during an emergency.72

70 War Cabinet Minutes, Agenda 403, 10 July 1940, NAA: A2673, 291.
71 War Cabinet Minutes, Agenda 426, 442, 23 July, 2 Aug. 1940, NAA: A2673; Prime Minister to High Commissioner, secret cable (recyphered) 8 Aug. 1940, Bruce Papers, NAA: M100, Aug. 1940; Sec. of State for Dominion Affairs to High Commissioner in Australia, 11 Aug. 1940 (rec’d Aug 12), NAA: A1608, A41/1/1, xii.
72 The Argus, 12 Aug. 2012.
From Melbourne, the nerve centre of the military establishment, the RAAF would provide a designated aircraft to convey the Minister for Air, Jim Fairbairn, and five other colleagues or associates of his choice to Canberra: Army Minister and close friend Geoff Street; senior Cabinet member Sir Harry Gullett; the Chief of the General Staff, Sir Brudenell White; White’s right-hand man, Lieutenant Colonel Frank Thornthwaite; and Fairbairn’s private secretary, Dick Elford. One specially fitted Lockheed Hudson light bomber, two pilots, two airmen, and six important passengers. A simple flight from Essendon aerodrome to Canberra. This is their story.