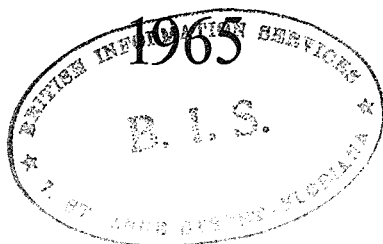




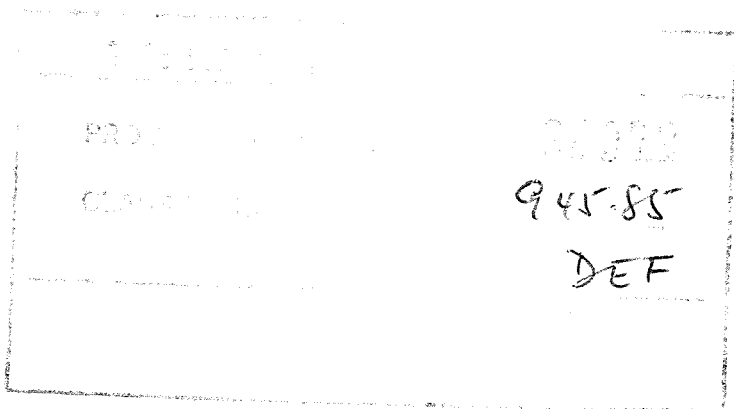
# STATEMENT ON THE DEFENCE ESTIMATES



*Presented to Parliament by the Secretary of State for Defence  
by Command of Her Majesty  
February 1965*

LONDON

HER MAJESTY'S STATIONERY OFFICE



For the financial year 1965-66 Parliament is being asked to grant for the Defence Services the net sum of £1,692,017,000 as follows:—

|                      | £   |     |     |     |             |
|----------------------|-----|-----|-----|-----|-------------|
| Central Defence Vote | ... | ... | ... | ... | 28,459,000  |
| Naval Service        | ... | ... | ... | ... | 544,188,000 |
| Army Service         | ... | ... | ... | ... | 557,600,000 |
| Air Force Service    | ... | ... | ... | ... | 561,770,000 |

# STATEMENT ON THE DEFENCE ESTIMATES 1965

## CONTENTS

|                                                                   | PAGE |
|-------------------------------------------------------------------|------|
| <b>PART I: DEFENCE POLICY</b>                                     |      |
| The Legacy ... ..                                                 | 5    |
| The Problems ... ..                                               | 5    |
| The Threat ... ..                                                 | 7    |
| The Atlantic Nuclear Force ... ..                                 | 7    |
| The Land and Air Defence of Western Europe ... ..                 | 8    |
| Peace-keeping outside Europe ... ..                               | 8    |
| Manpower ... ..                                                   | 9    |
| Equipment ... ..                                                  | 9    |
| Aircraft ... ..                                                   | 10   |
| Cost Control ... ..                                               | 11   |
| Operational Requirements ... ..                                   | 11   |
| Functional Costings ... ..                                        | 11   |
| Control and Organisation ... ..                                   | 12   |
| Defence Costs ... ..                                              | 14   |
| <b>PART II: THE DEFENCE FORCES</b>                                |      |
| Deployment ... ..                                                 | 15   |
| Operations and Training ... ..                                    | 17   |
| Personnel ... ..                                                  | 22   |
| Equipment ... ..                                                  | 29   |
| Administration: Other Activities ... ..                           | 33   |
| Reorganisation and Rationalisation ... ..                         | 37   |
| <b>PART III: 1. CIVIL DEFENCE ... ..</b>                          | 42   |
| 2. OTHER EXPENDITURE NOT INCLUDED IN<br>THE DEFENCE BUDGET ... .. | 42   |
| <b>PART IV: DEFENCE STATISTICS 1965-66 ... ..</b>                 | 44   |

## PART I

# DEFENCE POLICY

### The Legacy

1. The present Government has inherited defence forces which are seriously over-stretched and in some respects dangerously under-equipped. The expenditure of over £20,000m. since 1952 has failed to provide the necessary incentive for voluntary recruitment in some vital fields or to produce all the weapons needed for current tasks. There has been no real attempt to match political commitments to military resources, still less to relate the resources made available for defence to the economic circumstances of the nation. The 1963-64 estimates provided for an expenditure of £1,838m. while those for 1964-65 provided for £1,998, an increase of 8·7 per cent. or more than 5·5 per cent. in real terms. The plans for 1965-66 which we inherited would have made necessary estimates of £2,176m., a further increase of 8·9 per cent. or 5·1 per cent. in real terms. Yet the previous Government's White Paper on Public Expenditure (published December 1963\*) envisaged an annual increase in defence expenditure of only 3½ per cent. on the assumption, not so far fulfilled, that the national wealth would rise 4 per cent. each year. To continue along these lines would mean imposing an increasing burden on the British people which none of their competitors in world trade are carrying. It would mean that Britain was steadily raising the percentage of her national income devoted to defence at a time when Russia and the United States were reducing theirs. Moreover, there is no guarantee in the plans of the previous Government that this expenditure would give value for money or provide our forces at the right time with the arms they need.

2. The present Government has therefore set in train a series of studies on defence policy; these will cover the effects on force levels and capabilities of a number of different possible courses of action. In the light of these studies it will be possible to review our strategy, taking into account not only the economic position, but also new or reaffirmed political objectives which our strategy must be designed to implement. The purpose of these studies will be to try to ascertain the means by which defence expenditure during the next few years may be reduced to roughly the present figure in real terms. Meanwhile steps have already been taken to ensure that the immediate needs of our forces will be met at a cost which the nation can afford.

### The Problems

3. Britain's defence policy has two purposes: to guarantee the nation's security and to contribute towards peace and stability in the world as a whole. These purposes are inseparable. Neither can be achieved by armed force alone.

4. In the long run the security of Britain, like that of every other country, can be assured only by general and comprehensive disarmament

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\* Cmnd. 2235

under the United Nations ; even in the short run it will be difficult to maintain unless countries of different political ideologies reach greater understanding on the limitation and control of armaments. Meanwhile Britain's security will depend on alliances with her friends in many parts of the world. Interdependence is the only basis for national security in the nuclear age.

5. Similarly, world peace and stability can best be assured by strengthening the peace-keeping powers of the United Nations, and this must remain our principal objective. But until the United Nations is able to exercise the responsibility for maintaining world peace, Britain must, to meet her obligations to Commonwealth and allied countries, maintain a capacity for providing military assistance in many parts of the world.

6. One central problem is how to provide for the present needs of military defence through alliances without impeding our fundamental objectives of arms control and disarmament through the United Nations. The other central problem is how to meet those military responsibilities throughout the world from which we cannot honourably or prudently withdraw, without causing too great a drain on our resources and so frustrating our other national purposes at home and abroad. This latter problem is particularly formidable in an era when the cost of weapons tends to rise very much faster than the nation's wealth. For example, between 1963 and 1968 the capital cost of equipping an armoured regiment in B.A.O.R. will double (on 1964 prices) ; a gunner regiment in the same theatre will cost three times as much ; and an infantry battalion six times as much. There is a similar escalation to be found in the Royal Air Force. The cost of the latest Lightning (Mark 3) is about five times that of the latest Hunter (Mark 6). In the Fleet Air Arm a Sea Vixen costs approximately seven times as much as its predecessor the Sea Venom. Meanwhile, if our Armed Forces are to attract and hold voluntary recruits, their pay and allowances will have to rise with wages and salaries in civilian life. Thus, steadily increasing economic pressure on the Defence Budget will face Britain, like other countries in the world, with the choice between renouncing certain strategic options altogether and increasing still further her reliance on military co-operation with her allies.

7. Britain has hitherto sought to maintain three major roles : to support a strategic nuclear force, to make a major contribution towards the defence of Western Europe inside N.A.T.O., and to assist in keeping the peace elsewhere overseas. In order to reconcile defence expenditure with other claims on our resources we have to review the balance between these three main roles. We cannot expect to fix the balance permanently in any one pattern. Political change will continue throughout the world, requiring constant revision of our defence posture. But we must have a plan fitted to the needs of the foreseeable future and to our means of meeting them.

8. Such a plan requires us to clarify the political assumptions underlying our defence policy, both in respect of the threat to our survival and of the part which armed forces can play in supporting Britain's international objectives. We must work out the implications of these assumptions for the forces we need, the weapons they must bear, and the organisation and control of our total defence effort.

## **The Threat**

9. The only direct threat to our survival would be a major nuclear war arising from a direct conflict between East and West. This can be almost entirely excluded as a result of the present state of mutual deterrence, and, bearing in mind the high risk that any conflict in Europe would escalate, deliberate aggression, even on a limited scale, is unlikely in this theatre.

10. An evolution in both Soviet and Western thinking, brought about partly by increased understanding of the consequences of nuclear warfare, has therefore much reduced the likelihood of war between the Soviet and the Western alliances and gives grounds for hope of progress in the limitation and control of arms and of a still more stable relationship.

11. Nevertheless we must maintain our guard. There is always the risk of war arising out of misunderstanding or miscalculation. Moreover, outside Europe we must expect instability to continue and perhaps increase. The emergence of many newly independent countries, especially in Africa, has been accompanied by unrest and armed conflict. These countries are rightly determined not to accept foreign domination; but if our friends turn to us for help we must be ready to give it where we can, so that they may achieve security and the chance to flourish in peace. In the Far East the Chinese nuclear explosion casts a new shadow over the future, making it more difficult to forecast the trend of political development in an area where we have Commonwealth and treaty responsibilities to assist our friends.

12. The Chinese explosion must remind us that the stability so far achieved in relations between Soviet and Western alliances might rapidly be jeopardised by the spread of nuclear weapons to countries which do not now possess them. For this reason international agreements to prevent the dissemination or acquisition of nuclear weapons must be an urgent aim of our foreign policy; our defence policy must encourage and not impede the achievement of such agreements. In the meantime our nuclear policy must help to provide some reassurance to non-nuclear powers.

## **The Atlantic Nuclear Force**

13. The threat to Britain's survival can be met only by the strength and unity of the N.A.T.O. Alliance through which the United States, Canada, and the countries of Western Europe affirm their interdependence. Our aim in N.A.T.O. is to preserve peace by effectively deterring aggression, thus creating the conditions for a further easing of tension and measures of disarmament, including arms control and a reduction of defence expenditure by both sides. The success of N.A.T.O. in achieving collective defence has been a major cause of the growing stability in relations between East and West. The Alliance must maintain its strength and solidarity without undermining the opportunities for progress towards disarmament.

14. It is with this need in view that Her Majesty's Government has proposed the formation of an Atlantic Nuclear Force in which strategic nuclear weapons available or to be made available to the Alliance would be subject to collective authority. Thus the strategic nuclear power of N.A.T.O. would be concentrated and controlled under conditions which would both meet the legitimate requirements of the non-nuclear members to play their part and remove any incentive for the dissemination of nuclear weapons.

15. We are proposing that the Atlantic Nuclear Force should consist of the British V-bombers (except those required for commitments outside the N.A.T.O. area); the four British Polaris submarines now under construction; at least an equal number of United States Polaris submarines; some kind of mixed-manned and jointly armed element or elements in which the existing non-nuclear powers could take part; and any force which France may decide to subscribe. The British forces would be wholly committed for as long as the Alliance continued. The United States, the United Kingdom, and any other participating country which so wished, would have a veto over the release of the weapons of the Force. Proposals for the political control and military command of the Force have been made to our allies.

16. Our proposals for the Atlantic Nuclear Force imply a massive British contribution to the Alliance, including a degree of interdependence hitherto unknown. We believe that their acceptance would bring a major increase in the strength and solidarity of the Alliance. They would supplement the existing arrangements by which we place under N.A.T.O. command or make available to N.A.T.O. in an emergency a large part of our Air Force in the United Kingdom and the greater part of our naval forces, as well as our land and air forces in Germany.

### **The Land and Air Defence of Western Europe**

17. Our forces in Germany impose a heavy burden on our balance of payments. Within the framework of our Brussels Treaty commitments they must always be subject to review in the light not only of our obligations to our N.A.T.O. partners but of our total defence burden and of the nature of the military threats in Europe and in other parts of the world where we have responsibilities.

18. At present all N.A.T.O. forces in Germany, including our own, are deployed in accordance with a strategic concept which in our view now requires revision. In recent years the United States has developed an overwhelming nuclear strike force which is committed to the direct support of Western Europe in case of war. Its purpose is to deter aggression. In the unlikely event that it should fail, its use would cause such destruction that it is impossible to conceive of a land campaign in Europe lasting for many days. It is therefore pointless to tie up resources against the risk of a prolonged war in Europe following the nuclear exchange. The principal military purpose of allied forces in Europe should be to deter miscalculated incursions and to suppress any ambiguous and unpremeditated local conflicts first and foremost by conventional forces, before they can escalate into major war.

### **Peace-keeping outside Europe**

19. Outside Europe we have treaty relations and commitments which we must honour. We maintain substantial forces for this reason and because we have a major interest in the stability of the world outside Europe, in its economic prosperity and in its peaceful development. These purposes we share with our allies and our forces serve their interests as well as ours. Experience has shown that it is neither wise nor economical to use military force to seek to protect national economic interests in the modern world.

Nor is it the purpose of our forces to hold oversea territory for Britain, as our record of decolonisation shows. In maintaining these interests in peace and stability, which our allies share with us, the British contribution is paramount in many areas East of Suez. Here, as elsewhere, we have obligations to our Commonwealth and other allies ; and here we have facilities in our bases at Aden and Singapore. Our presence in these areas makes a substantial contribution to international peace-keeping.

20. It would be politically irresponsible and economically wasteful if our bases were abandoned while they were still needed to promote peace in the areas concerned, though we recognise that they can be maintained only in agreement with the local governments and peoples. Our presence in these bases, our Commonwealth ties, and the mobility of our forces, permit us to make a contribution towards peace-keeping in vast areas of the world where no other country is able to assume the same responsibility.

21. In meeting this worldwide role we have a claim upon our allies since we serve interests which are theirs as well as ours. If some of our burdens can be assumed or shared by our allies, we may not need the full range of military power we should require to carry them all alone. We aim at a wider recognition of our common interests and at closer co-operation with our allies in carrying out our tasks.

### **Manpower**

22. At present our forces are severely stretched both in manpower and in equipment. We are confident that we can generally attain the present manpower target of 180,000 for the Army, announced by our predecessors in 1959, and the requirements of the Royal Air Force, though there may be difficulties in certain areas of officer recruitment and with some classes of tradesmen and specialists. In the Navy too few men, particularly in skilled trades, are re-engaging for further service and, although the rate of recruitment is being maintained, the numbers fall short of requirements, especially in the seaman category. Further steps to overcome these difficulties are under consideration.

23. The present review of commitments and roles, together with the continuing and intensive search for economy in the administrative and support fields, may lead to manpower savings both within each Service and by the Services jointly. The need is for highly trained and versatile forces and for Reserves of the same high quality, organised for the requirements and priorities of the future. The current N.A.T.O. force planning exercise is directly related to this problem.

### **Equipment**

24. The rate at which the technological arms race is accelerating, and the readiness of the advanced countries to pass on to less-developed countries weapons which are obsolescent in terms of great-power conflict, pose daunting problems in planning the equipment of British forces on a limited budget, particularly when many years may pass between the formulation of an operational requirement and the appearance of the equipment in the field.

25. The Government has multiple responsibilities here. If equipment costs are not to rise intolerably, it must forecast its military needs as

accurately as possible, ensuring that the sophistication of weapons is no greater than will be required, and that their numbers are related to prospective tasks. Having finally placed its order for a specific equipment, it must then ensure that costs are kept under control, that the equipment is delivered on time, and that it is reliable when in service.

26. Given the political and technological uncertainties, a degree of error is often inevitable. But the equipment programme inherited by the present Government fails to satisfy either our military or our economic needs, particularly in the field of aircraft.

### **Aircraft**

27. It has been necessary to take the whole of the Valiant bomber force out of service several years before the planned date. British forces still suffer from a serious shortage of helicopters, and the reliability of some of those currently available has been unreasonably low. Some of the measures undertaken to remedy this situation are outlined in Part II.

28. The programme undertaken by the last Government for the replacement of the Hunter and for a new medium range transport aircraft was so costly as to impose an unacceptable burden on the Defence Budget, and the estimated delivery dates for these aircraft were such as to require an interim purchase of foreign aircraft if the Royal Air Force was not to become incapable of carrying out its tasks for a period of years. As already announced, the existing programmes have had to be cancelled and alternative aircraft will be ordered both from the United Kingdom and from the U.S.A. This decision will secure savings of some £300m over the next ten years as well as providing the Royal Air Force with aircraft adequate to its needs at the right time.

29. Additional advantages of this decision are that the Government remains free to decide the total size of its order for the alternative American aircraft when its defence review is complete, without increasing the unit cost of the aircraft if the size of the order is reduced, and that the Phantom aircraft of the Royal Air Force will be capable of operating from carriers at sea thus increasing the flexibility of the force and perhaps making possible a reduction in its size.

30. A decision on the Canberra replacement is, as already announced, being deferred pending more precise establishment of requirements in the course of the current defence review and more accurate information on the costs of alternative aircraft. Meanwhile work on the TSR.2 is being continued.

31. The Government recognises the importance to its defence policy, as well as to its domestic economy, of retaining the capacity in Britain for the research, development and production of military aircraft. Future research and development programmes must be prepared so as to guarantee a capacity in this field, but at a cost the nation can afford. Among other conditions, this will require that, wherever possible, the cost of research and development (this will apply to all weapons, and not only to aircraft) should be shared with other countries on terms which ensure Britain her fair share of the market for the weapons or aircraft concerned, and that if possible operational requirements should be formulated with regard to the likely needs of potential customers abroad. Among the possibilities here

is a proposal under discussion with France that we might together develop an advanced trainer/strike aircraft incorporating variable geometry, to meet the needs of both countries.

### **Cost Control**

32. Similar problems to those encountered concerning aircraft arise over the whole field of sophisticated defence equipment. There is need for further improvement in the existing machinery for relating requirements to costs and for the control of costs once orders are placed, if the nation is to get value for the money it spends on defence.

33. Apart from other measures which are being taken to improve procedure in the equipment field, there remains the area of time and cost control of major development projects. It is generally recognised that the problems involved here are among the hardest which have to be faced. Nevertheless, a determined attempt is being made, especially in the more sophisticated fields of development such as aircraft and guided weapons, to make improvements, for example, by the use of new techniques and changed administrative arrangements. We have recently begun a pilot scheme of applying techniques of value analysis to certain equipments.

### **Operational Requirements**

34. As part of the recent reorganisation of the Ministry of Defence, machinery has been set up for the closer examination of new requirements and of the progress of research and development. Requirements for new equipment are now considered by a unified Operational Requirements Committee and must be justified against the strategic concepts envisaged for the period when the equipment will be in service. The sponsor must demonstrate that there is no duplication with other equipment and that given the resources available the method proposed is the best means of carrying out the task in question. The examination includes the cost-effectiveness of the proposed equipment.

35. It has been decided to create an establishment at Byfleet for defence operational analysis which, among other tasks, will participate in cost-effectiveness studies for all three Services. The Director has recently been appointed, and is now forming a nucleus of scientists, military personnel and administrative staff for this work.

### **Functional Costings**

36. These improvements in the machinery for judging the cost-effectiveness of alternative weapons systems will provide an essential tool for producing a more economical defence programme over the period of years required before decisions can take effect. Another essential tool is the system of functional costings to which a high priority is now being given.

37. In the last year much has been done towards introducing a functional costings (or programme element) system to assist in planning and co-ordinating the Defence Budget. The present form of long-term defence costing, based on the Vote headings which provide the traditional structure for Estimates and Accounts, is of limited use for the planning of defence expenditure five or ten years ahead because the expected financial resources are divided into categories of "input" expenditure—

pay, production, works and so forth—rather than into categories of “output” in terms of the functions—general purpose forces, support, reserves, etc.—for which the resources are required. The fundamental problem here is how to reconcile strategic requirements with financial resources and the forces that can be provided from them; strategic requirements are defined in terms of the size of the forces and their capabilities.

38. Functional costings portray defence expenditure in terms of “output”. Instead of Vote headings there are broad areas of expenditure, called Major Programmes, made up of many small items of expenditure. Thus expenditure on the Army in B.A.O.R. and Berlin constitutes one of the Major Programmes. This is subdivided so that, at the lowest level (the programme element) there is shown the cost of individual types of unit in Germany, such as infantry battalions and R.A. Regiments. The cost of each programme element includes the cost of its service personnel, the civilians directly employed in connection with it, and any new works services in progress for it, and other running costs. It is also practicable to identify research and development expenditure relating to weapons and equipment and to show in broad terms how this expenditure contributes to the different parts of our forces. This makes far easier the assembly and presentation of information which has hitherto only been provided with difficulty in ad hoc costings of specific proposals.

39. The first experiment in the functional costing system is now being studied, and the number of programme elements is likely to increase to more than 600. It should then be possible to identify readily all the component parts of the long-term costings for ten years ahead, although especially in the research and development field the coverage of the second five years of the costings is less accurate. It is planned to use a computer for marshalling and summarising complex sets of figures recorded for the individual programme elements. When the system is fully established those who plan the Defence Budget and have to decide on new projects for the defence programme will have much more information than in the past about the relative costs of planned forces and weapons systems. The diagrams at Annex D give information on the basis of the Major Programmes.

40. It is hoped that, as far as security considerations allow, it will become possible to supplement the information now given to Parliament about defence expenditure by information in functional form. Estimates and Accounts, however, will still be presented in Vote or “input” form because, apart from Parliamentary custom and the vast accounting changes required for any change from the Vote system, the Vote form is an essential requirement for the control of expenditure. Functional costings are essentially a tool for planning. For this purpose it is not necessary for the figures to have the accuracy of an accounting document. Attributions of base and support costs, for example, often have to be made in broad terms. The existence of a functional costing covering the whole Defence Budget will make it much easier to ensure that such problems are dealt with in a consistent manner.

### **Control and Organisation**

41. The reorganisation of the Defence Departments into a unified Ministry of Defence has been carried through successfully. Responsibility for the

main aspects of defence policy, namely plans and operations, the defence programme and budget and the research and development programme, is now concentrated within the new Department. The management of the individual Services is delegated to the Admiralty, Army and Air Force Boards, but there are very close links between policy and management.

42. Unified control of policy and management has made it possible to consider new initiatives for the rationalisation of Services' administration both in the Ministry of Defence and in the field. The aim is the most efficient organisation for the support of the Services in peace and war in the most economical way. The administrative and logistic systems of the three Services are, for the most part, now separate and differently organised. Each has been designed over the years for the particular tasks, requirements and operational environments of a particular Service. Each is large and highly complex. Any changes in the pattern of the support organisation must take full account of the differences in the needs and circumstances of the Services.

43. Considerable progress has been made as described in Part II, and this will continue. But initially, at least, measures of reorganisation in these complex administrative organisations are bound to be difficult and their planning is expensive in staff and otherwise. Nor is centralised control of particular functions, with removal of direct management responsibility from at least two of the three Services and their reliance on an agency, always the most efficient and economical arrangement. Each case must be carefully examined on merit.

44. In order to lighten the burden which the new system imposes on the Secretary of State, and to ensure political supervision of the main functions of the Ministry on an inter-Service basis, each of the senior Ministers under the Secretary of State has been given a sphere of interest and concern across the board in addition to his single-service responsibilities. Thus the Deputy Secretary of State as well as being Minister for the Army is specially concerned with matters of international policy relating to defence; the Minister for the Royal Navy is concerned also with personnel and logistics in all three Services; and the Minister for the Royal Air Force is concerned with co-ordination of research, development, and production for all three Services and the defence budget as a whole. It is not possible, however, for them to exercise executive responsibility in these fields as they do in the management of their own Services. The present division of responsibilities and interests among Ministers cannot therefore be more than an interim measure. The next step must depend upon larger changes in the structure of the Ministry as a whole.

45. The creation of unified headquarters overseas and the progress of rationalisation must inevitably blur the line of single-Service management and create an automatic impetus towards new organisational arrangements. The question is not whether further changes take place, but what changes, in what direction and at what pace.

46. If the future relationship between the Services and the Ministry of Defence is not to develop haphazard, with the risk of dangerous confusion, it is necessary to examine more closely the longer term implications of

measures which are already in train. The whole structure of defence organisation both in the Commands and in the Ministry of Defence itself is therefore being re-examined under the direction of the Deputy Secretary of State. Our paramount concern must be for the operational needs of the forces in the field, our aim to produce the most efficient fighting forces at the lowest cost. This study will start in the field and work backwards to Whitehall. It will be free to consider any form of organisation which seems appropriate to the achievement of the aim.

47. In order to maintain the necessary impetus towards a more efficient and economical administration of the existing organisation it is proposed to establish a special committee of the Defence Council under the chairmanship of the Deputy Secretary of State for Defence.

### **Defence Costs**

48. The defence estimates for 1965-66 now presented total £2,120.5m. This represents an increase in real terms of 2.3 per cent. over last year's estimates, and is less than half the increase required by the plans which we inherited from our predecessors; they would have cost £55.5m more, an additional increase of 2.8 per cent. in real terms. The estimates do not include provision for cancellation payments in respect of aircraft projects which have been discontinued. Supplementary estimates for these will be presented in due course.

## PART II

### THE DEFENCE FORCES

#### DEPLOYMENT

##### General Pattern

49. The basic principle of our deployment is to retain in overseas theatres the minimum forces consistent with our commitments and to hold ready in the United Kingdom a Strategic Reserve, together with the air transport necessary to reinforce at maximum speed to any part of the world. In consequence the broad division between men (U.K. adult males) based on this country and men based overseas (including Germany) is as follows :

|                            |     |     |     |               |                     |
|----------------------------|-----|-----|-----|---------------|---------------------|
| United Kingdom             | ... | ... | ... | 241,000       |                     |
| Germany (including Berlin) | ... | ... | ... | 62,000        |                     |
| Mediterranean              | ... | ... | ... | 23,000        |                     |
| East of Suez               | ... | ... | ... | 58,000        | plus 14,000 Gurkhas |
| Elsewhere                  | ... | ... | ... | 9,000         |                     |
|                            |     |     |     | <hr/> 393,000 | plus 14,000 Gurkhas |

Our total contribution in the Malaysian theatre including Gurkhas is now over 50,000.

##### United Kingdom

50. The Strategic Reserve is a highly mobile, airportable force capable of undertaking operations in any part of the world ; it can be drawn upon for reinforcement world-wide. R.A.F. Transport Command in the U.K. is ready to provide airlift of men and equipment on behalf of all three Services and reinforce the tactical transport forces overseas.

51. Other air forces in the United Kingdom include Bomber Command, Fighter Command and Coastal Command, which, like our naval forces, have N.A.T.O. commitments but are also available for overseas reinforcement. Apart from its nuclear role Bomber Command provides a major strike capability with conventional weapons and with a capacity for rapid movement world-wide at short notice.

52. Naval forces based on the United Kingdom at present include an aircraft carrier, cruisers, guided missile destroyers, escorts, submarines and smaller craft.

53. In addition to these operational forces, we maintain in the United Kingdom the principal administrative, training, technical and support facilities for all three Services.

## **Germany**

54. Under the amended Brussels Treaty, we have a commitment to keep on the continent of Europe 55,000 men in the Army and a Tactical Air Force. We also have a commitment to N.A.T.O. to maintain forces there. In the event of an acute overseas emergency we are able to withdraw forces from Germany temporarily. To this extent, the units there can be regarded, within limits, as part of our reserve.

55. At present, against our commitment of 55,000 soldiers, we have about 51,000. In addition there are in Germany Canberra strike and reconnaissance squadrons, Hunter fighter-reconnaissance aircraft, Javelin fighters (which will be replaced by Lightnings in the course of 1965) and Wessex 2 helicopters, The R.A.F. strength in Germany is 8,700 men.

## **Mediterranean**

56. In the Mediterranean we have escort vessels, and some minesweepers ; small Army garrisons at Gibraltar and Malta ; and two maritime and one photographic-reconnaissance squadron. The naval and air forces are principally deployed in support of N.A.T.O. In Libya, the future of our forces is under review with the Libyan Government under the terms of the Anglo-Libyan Treaty.

57. In Cyprus, we normally maintain an Army garrison with supporting troops in addition to the important R.A.F. base at Akrotiri and R.A.F. contingent at Nicosia. At present we have in addition 1,000 men serving with the U.N. Force. R.A.F. units in Cyprus include Canberra bomber squadrons for the support of C.E.N.T.O., these having a nuclear as well as a conventional capacity.

## **Middle East**

58. Aden is the base for a Royal Marine Commando, Army units and R.A.F. ground attack and air defence, reconnaissance and transport squadrons. At Bahrein in the Persian Gulf there is an Army detachment. The Royal Air Force maintain a presence in the Gulf. Naval units on the Middle East station, with base facilities at Bahrein and Aden, include escorts, the amphibious warfare squadron and minesweepers. Carriers and Commando ships cover the whole area East of Suez.

59. One infantry battalion is stationed in Swaziland for internal security duties in the three British Protectorates.

## **Far East**

60. Our largest forces outside Europe are in the Far East, where we have a combined commitment to S.E.A.T.O. and to Malaysia. The deployment of aircraft carriers and Commando ships is flexible as between the Middle East and Far East and we expect to maintain a total of three in the area East of Suez. In the Far East in addition there are guided missile destroyers and a large number of escorts, submarines and coastal minesweepers. The Army has substantial forces engaged in the Borneo operations, and in addition contributes units and individuals to 28 Commonwealth Brigade Group which is permanently stationed in Western Malaysia: this Brigade has units from the United Kingdom, Australia and New Zealand and mainly integrated supporting arms and services including Scout helicopters. R.A.F.

units permanently deployed in the Far East include Canberra bombers and reconnaissance aircraft, Hunter ground attack aircraft, Shackleton maritime patrol aircraft, Hastings, Beverley and Argosy transport aircraft, Whirlwind and Belvedere helicopters, and Javelin fighters. In 1964 a Bloodhound II squadron was deployed to Singapore. Whirlwinds of the Far East Air Force and R.N. Wessex helicopters have been fitted with SS11 wire-guided missiles. We also maintain a military force in Hong Kong.

### **Other Areas**

61. There is a military force in British Guiana ; escort vessels and small ground forces in the Caribbean ; and small naval forces in the South Atlantic and on loan to Australia and Canada.

### **Command Organisation Oversea**

62. Operational control of our forces deployed in the two major theatres East of Suez—the Middle East and Far East—is exercised through Unified Command Headquarters, and responsibility for the command of all British forces allocated to the area and the planning and conduct of all operations is vested in a single Commander, who may belong to any of the three Services. To enable him to discharge his responsibilities the Commander-in-Chief is supported by an inter-Service staff which is co-ordinated by a Chief of Staff. Thus staff work in the fields of operational and administrative planning, of intelligence and of signals is carried out on a unified basis. The Commander in Chief is also responsible for the oversight and co-ordination of administration and finance to the extent necessary to ensure the most effective functioning and efficiency of his command. These arrangements are one of the most important features of the increasing unity of the Services.

## **OPERATIONS AND TRAINING**

### **Cyprus**

63. British forces have shared the peace-keeping role in Cyprus since trouble broke out in December 1963. At first they took part in a joint peace-keeping force of the British permanent garrison from the Sovereign Base areas with Greek and Turkish contingents in Cyprus, and in January and February 1964 Headquarters 3 Division with its signal regiment, six major units, and three armoured car squadrons was flown to Cyprus by R.A.F. Transport Command with reinforcements of administrative personnel.

64. This peace-keeping force was superseded at the end of March 1964 by the United Nations Force in Cyprus. The British Army contributes about a thousand men, including one infantry battalion, one armoured car squadron and a large part of the force headquarters. Throughout the operation Headquarters Cyprus District and the administrative units within the Sovereign Base areas have provided all the logistic support for the United Nations Force. The R.A.F. contribution includes helicopters.

65. In November 1964 Her Majesty's Government agreed, at the request of the Secretary-General of the United Nations, to provide air lift, free of charge, for the rotation of the Danish contingent. Britannias of Transport Command carried 1,700 Danish troops, with equipment. It was made clear that, in view of our other contributions to the Force, this was a service that could not be repeated on the same terms.

## South Arabian Federation

66. In 1964 there was an armed insurrection by tribesmen in the Radfan with active support from the Yemen. It became necessary at the request of the Federal Government to mount an operation to restore law and order in the area, and to despatch reinforcements from the United Kingdom. In May Transport Command flew out to Aden the 1st Battalion the King's Own Scottish Borderers, H.Q. 39 Brigade, 1st Battalion The Royal Scots and the 3rd Independent Field Squadron Royal Engineers. The Army, the Royal Marines and Federal Regular Army all provided strong detachments in the operational area, and despite the extremely rugged nature of the Radfan the British troops fighting with the Federal Regular Army soon showed that they could move freely throughout the area. The R.A.F. Regiment squadron in Aden also took part in the operations.

67. Throughout the operation ground troops were supported by aircraft of the Royal Air Force and Royal Navy. Canberras and Hunters carried out reconnaissance sorties, and Hunter ground attack aircraft provided close support for the forward troops, attacking rebel strongholds in the mountains. When H.M.S. *Centaur* returned to the Aden area in June, Sea Vixens joined the Royal Air Force in the air strikes.

68. Helicopters and light aircraft of the Royal Air Force, the Royal Navy, and the Army gave continuous support to the ground forces and moved troops as well as large quantities of food, water and ammunition. The main operations came to an end in October 1964, by which time most of the Radfan tribes had ceased hostilities. Activity by the dissidents still continues in various parts of the Federation and it is known that every effort is being made by those who are behind them to promote the spread of disaffection by stock-piling arms and recruiting more rebel forces.

## Far East

69. The main task of the Services in the Far East during 1964 has been operations in support of Malaysia. Operations in Eastern Malaysia (Sabah and Sarawak) have consisted mainly of extensive patrolling of the 1,000-mile frontier with Indonesia. A number of British and Gurkha battalions and two Royal Marine Commandos have been engaged in operations there, and there have been numerous clashes, in which a number of British and Gurkha officers and men have been killed and wounded, and many casualties inflicted on the Indonesian raiders. The R.A.F. Regiment has also operated in Eastern Malaysia, both on the ground and in helicopters. Throughout the year Whirlwind, Wessex 1 and Belvedere helicopters of the Royal Air Force and the Royal Navy have been based on Sabah and Sarawak and increased the mobility of the Army and the Royal Marines.

70. At sea H.M. ships and craft manned by officers and men of the Royal Navy have patrolled the coastal and inland waters of Eastern Malaysia and R.A.F. Shackletons have undertaken coastal patrols. These patrols have had success against infiltrators from Indonesia and are a deterrent to increased activity. H.M. ships and R.A.F. aircraft have carried very substantial numbers of passengers and amounts of freight, as well as vehicles and light aircraft, from Singapore to Eastern Malaysia. In addition to the helicopters, R.A.F. Twin Pioneers provided tactical and transport support for the ground forces operating in the forward areas.

71. These operations have successfully contained the threat to Eastern Malaysia. They have notably demonstrated the value of inter-Service co-operation, and the value of and the need for more helicopters.

72. On the Malayan mainland Gurkha and Commonwealth troops have taken part in mopping-up operations and H.M. ships have carried out anti-infiltration patrols in the Malacca straits. After the Indonesian landings in September the theatre forces were quickly reinforced by four escorts and by detachments of V-bombers, Canberras, Shackletons and Javelins. The main value of these reinforcements, particularly of aircraft, has been as a deterrent, but reconnaissance operations have also been undertaken to locate the invaders, and Hunters carried out air strikes in support of the ground forces. The role of the Javelins is the air defence of Malaya.

73. Air transport, reconnaissance, and casualty evacuation missions have been flown by Valettas, Canberras and Sycamores.

### East Africa

74. Early in 1964 there were mutinies in local forces in East Africa and Commonwealth Governments sought the assistance of the British Government. There was an immediate response from British forces; two infantry battalions and one light regiment were already stationed in Kenya, 45 Commando was embarked in H.M.S. *Centaur* in East African waters and 41 Commando was despatched from the United Kingdom.

75. In Kenya the 3rd Light Regiment Royal Horse Artillery dealt with a Kenya Army mutiny, and the 2nd Battalion Scots Guards covered possible trouble in the Nairobi area. Shackletons and Canberra reconnaissance aircraft, as well as Hunters, were deployed to Kenya, and 38 R.A.F. Regiment field squadron from Aden also took part in the Kenya operations. Medium range transport aircraft of the Middle East Air Force took other Army units to Kenya and Uganda. The Uganda mutiny was contained by the 1st Battalion The Staffordshire Regiment with one company 2nd Battalion Scots Guards under command.

76. In Tanganyika H.M.S. *Centaur*, supported by H.M.S. *Cambrian*, landed 45 Commando with a large amount of stores and ammunition within a few hours of the President's call for assistance; order was quickly re-established. Subsequently 41 Commando with vehicles and freight was flown to Nairobi by Britannias of R.A.F. Transport Command and went to Tanganyika to relieve 45 Commando R.M. H.M.S. *Centaur* was relieved by H.M.S. *Victorious* and H.M.S. *Bulwark* arrived from the Far East in support. Throughout the operation Wessex helicopters from the squadrons on board the carriers acted in support and R.A.F. Belvedere helicopters assisted in the landings. Sea Vixen aircraft also supported the Royal Marines. Off the coast of Tanganyika H.M.S. *Owen* and the Royal Fleet Auxiliary *Hebe* evacuated British subjects from Zanzibar.

77. The last British troops left Kenya in December 1964 on the final winding-up of the British base there. During 1964 British Army and R.A.F. units provided logistic support for Kenya's forces in their internal security operations in the North East of Kenya, and air transport support is continuing. R.A.F. Beverley and Twin Pioneer aircraft, Army Air Corps

Beavers and Alouettes, 34 Field Squadron Royal Engineers, and 16 Air Despatch Company, Royal Army Service Corps, have given most of this support.

### **British Guiana**

78. In British Guiana law and order could not have been maintained without the presence of British troops, since the police were not strong enough to contain a highly explosive situation; British troops helped with patrols and searches. In May 1964 the garrison was reinforced by 1st Battalion Devon and Dorset Regiment which was flown out by Transport Command; later a battery of 20 Medium Regiment R.A. (in an infantry role) was flown out and a Royal Marines detachment from H.M.S. *Whirlwind* was landed. Once again helicopters of all three Services made possible the rapid deployment of patrols to troubled areas; a combined force of Army and R.A.F. helicopters has been established to help in operations.

### **Inter-Allied Exercises**

79. In addition to taking part in active operations in these theatres our forces have participated in a large number of inter-allied exercises under the auspices of the three regional alliances. All three Services have taken part in N.A.T.O. training exercises including one carried out by the Allied Command Europe Mobile Force in Norway in which Javelins of R.A.F. Germany also took part. In the N.A.T.O. exercise *Teamwork*, SACLANC's major four yearly exercise, forces from all the N.A.T.O. countries took part including ships from the Royal Navy and aircraft from Bomber, Fighter and Coastal Commands. In the annual AIRCENT reconnaissance competition No. 80 Canberra Squadron, R.A.F. Germany, won the award for the premier squadron in 2nd Allied Tactical Air Force.

80. The annual C.E.N.T.O. exercise *Midlink* again took place in the Indian Ocean; 3 escorts, 1 submarine and 4 coastal minesweepers, and 4 Shackletons took part. Australian, Canadian, Indian, Malaysian, New Zealand and U.K. forces co-operated in the large scale maritime exercise *Jet 64* in the Indian Ocean from 29th February to 21st March. In April Canberras, Hunters and transport aircraft took part in a tactical air exercise held in Thailand in which elements of Far East Land Forces were also concerned. In May and June ships of the Royal Navy, and Shackletons and Canberras took part in an amphibious and airborne exercise on the island of Mindoro in the Philippines.

### **Fishery protection**

81. Home fishery limits were extended in September 1964, and fishery protection work was carried out not only by the ships of the Fishery Protection Squadron but also, from time to time, by R.A.F. helicopters and Shackletons of Coastal Command.

### **Goodwill Visits**

82. H.M. ships continued to visit ports all over the world. A special squadron visited certain South American countries and there have been visits to Trade Fairs. In September 1964, H.M.S. *Lion* and four escorts with 3 Shackletons, 9 Canberras, 8 Javelins, 2 Hunters and 1 Vulcan took part in the Independence celebrations in Malta. R.A.F. aircraft including V aircraft have also flown to visit foreign countries.

### **Aero-medical Service**

83. The Royal Air Force has continued to provide regular aero-medical service from Germany, Cyprus, Aden and Singapore. During 1964 there were 342 flights.

### **Help to Civil Authorities**

84. The Services have also provided emergency assistance to civil authorities in many parts of the world on many occasions. The British forces gave swift help after Typhoon Ruby struck Hong Kong; after the recent cyclone in Ceylon; and in the South Arabian Federation, where severe flooding in Lower Aulaqi caused a local economic and agricultural disaster, the Army carried out much urgent reconstruction work using plant flown in by the Royal Air Force.

85. In the United Kingdom the forces have helped in a variety of civil emergencies. There have been extensive search and rescue operations; during 1964 R.A.F. aircraft, helicopters, mountain rescue teams and marine craft were involved in 508 search and rescue operations in and around the United Kingdom; in all 276 people were rescued.

### **Joint-Service Training; Training with the Commonwealth and Allies**

86. Throughout 1964 the emphasis on joint Service and inter-Allied training has continued. For example Transport Command took part in 155 exercises involving all three Services. New developments, such as the coming into service of the new Assault and Logistic ships, and the new generation of transport aircraft, will further this process.

87. Joint training has been carried out in Germany, Denmark, Norway, Canada, Libya, Cyprus, Aden, Kenya, Singapore, the West Indies and New Zealand. There have been a number of Army exercises in Italy, Holland and Denmark. Overseas camps have again been held for Royal Military Academy Sandhurst in Germany and Libya. The Reserve Army has taken part in overseas exercises, including one in which 3,000 members of the Territorial Army, Territorial Army Emergency Reserve and Army Emergency Reserve practised mobilisation procedures and trained in the British Army of The Rhine. The Territorial Army Emergency Reserve practised two smaller exercises in Aden. Tanker aircraft of Bomber Command have taken part in flight refuelling exercises in which fighters and tankers practised rapid deployment to the Near and Far East, and in 1964 the first Lightning refuelling exercise to the Persian Gulf took place. Individual V-bombers have made over 500 overseas training flights, and a number of V-bombers recently flew to Darwin to exercise with the Royal Australian Air Force.

88. Training facilities have been provided in the United Kingdom for German and Belgian forces, and a Danish battalion will be exercising in this country in March 1965 in exchange with a British unit. Ships from a number of countries including Canada and the U.S.A. have continued to visit Londonderry for joint anti-submarine exercises.

89. In 1965 some 530 Commonwealth officers and men will undergo training in the United Kingdom, and some 600 officers and 800 men of all three Services will be assisting in the training of Commonwealth forces overseas. There is also continued cooperation in flying training with the

Commonwealth and other countries as well as between the Services themselves. All Naval pilots receive their basic flying training at R.A.F. Linton-on-Ouse and Army personnel are given parachute training at R.A.F. Abingdon. From the Commonwealth and elsewhere abroad 780 officers and men from thirty countries undertook flying or technical training at R.A.F. establishments.

## **PERSONNEL**

90. The strength of the Royal Navy increased from 89,146 adult males on 1st January, 1964 to 91,078 on 1st January, 1965 and is expected to have increased to 93,550 by April 1966.

91. The strength of the Army rose during 1964 from 170,678 adult males to 175,991 (including 1,429 Young Soldiers) and the deficiency against the planned target of 180,000 was reduced to 2.2 per cent.

92. Progressive reductions are taking place in the establishment of the Royal Air Force and the adult male strength fell from 127,276 to 123,051 during the year.

### **Officers**

#### **Entries to Dartmouth, Sandhurst, Cranwell and Henlow**

93. 229 cadets entered the Britannia Royal Naval College, Dartmouth last September, compared with 171 in 1962 and 198 in 1963. 134 of the cadets had held R.N. scholarships or reserved cadetships, the balance of 95 entered through the 1964 direct entry cadetship competition. This is the first year since 1957 that the requirement has been fully met; the increase was partly attributable to a larger number of candidates under the Scholarship Scheme. However, there was a very slight drop in the number of candidates applying for direct entry, and although 78 R.N. and R.M. scholarships, and 142 R.N. reserved cadetships were awarded in 1964, considerably fewer candidates are now applying for awards under the next competition; 49 candidates who failed to qualify for the General List accepted appointments on the Supplementary Lists.

94. The number of United Kingdom cadets entering the Royal Military Academy, Sandhurst, in 1964 was 448 compared with 402 in 1963. Both the January and September entries were fully subscribed. Applications for Welbeck College increased considerably, more coming from Scotland and the North of England. Under the Army Scholarship Scheme, which has operated since 1959, 73 candidates have so far graduated from Sandhurst.

95. In 1964 recruiting for Cranwell the entry requirements were fully met. A total of 125 cadets entered compared with 116 in 1963 and 105 in 1962. Recruiting for Henlow has also been good in 1964 with 47 entrants against a target of 48. The Scholarship Scheme continued to attract applications from a large number of boys from all types of school, and there was no difficulty in selecting the full annual quota of 75 for these awards.

### **Royal Marines**

96. The Royal Marines continue to obtain all the General List officers required through the direct entry competitions, the Scholarships scheme and Corps Commission promotions. There is also very keen competition for

the Short Service Commissions entry which was introduced this year. An additional number of Royal Marines officers is being enlisted next year for duty as helicopter pilots. The Civil Service Commissioners Entrance Examination is being discontinued and new entrants for the General List will have to qualify by obtaining five G.C.E. passes including two at Advanced Level.

## **Other Commissions**

### *Royal Navy*

97. *Supplementary List.* The number of Seaman Officer entries to the Supplementary List continues to be satisfactory, but there are still difficulties in obtaining officers for both fixed-wing aircraft and helicopter pilot duties. The shortage is increased by the number of Aircrew officers on the Supplementary List who are exercising their option to leave the Service at break-points during their commission. 210 applications were received for the R.N. Flying Scholarships introduced for the first time in 1964 and 68 awards made; next year it is hoped to award up to 100 scholarships. From next year also, a Supplementary List scheme of entry for professionally qualified Mechanical Engineers will be introduced, similar to the existing scheme for qualified Electrical Engineers.

98. *Instructor : Medical : Dental : Chaplains Branches.* In the Instructor Branch the requirement for 68 officers was met, including 50 graduates, mainly in the sciences. The Medical Branch still requires more qualified doctors, and it is hoped to increase the number of awards made under the medical scheme. Dental Branch entries were sufficient. The Chaplains Department is at present having some difficulty in obtaining sufficient recruits.

### *Army*

99. Applications for Short Service Commissions for the Army continue to fall short of requirements: 200 were granted in 1964 compared with 207 in 1963. Under the Limited Service Regular Commission scheme introduced during 1964, 10 commissions have been granted, and 16 applicants are undergoing training at Mons Officer Cadet School.

100. Progress is being made with the reorganisation of the Royal Army Medical Corps by which three types of non-Medical Officer—Administrative, Technical and Quartermaster—are being established. Fourteen Technicians have been commissioned as Technical Officers. The administrative type of commission will be introduced on 1st April, 1965.

### *Royal Air Force*

101. It is becoming more difficult to recruit direct entry aircrew. Although the flying training schools are still working to capacity, the numbers of recruits have started to fall slightly below the requirement; advertising has therefore been increased. Recruiting for ground branches was generally satisfactory, but some branches still need qualified entrants, especially the Technical Branch, which faces constant competition with industry for professionally qualified men and women; the Medical Branch; and the Education Branch where W.R.A.F. officers are urgently needed.

## **University Graduate Entrants and University Training Schemes**

102. The response to the new graduate entry in the Royal Navy for the Seaman specialisation and existing entry to the Engineering (Mechanical) Specialisation of the General List was a little disappointing, and a University Cadetship scheme is being introduced for entry into the Seaman and Engineering specialisations. In addition, a Reserved Place Scheme for graduate candidates for R.N. engineering commissions is being introduced. A scheme for entering electrical engineering graduates is being reintroduced.

103. There has been an increase in the interest shown by University students in the Army since the appointment of a University Liaison Officer in 1963. During 1964 29 (including 2 short service) University candidates were commissioned into the Regiments and Corps which receive officers from Sandhurst, compared with 18 in 1963. A scheme was introduced for up to 20 young men from civilian life to be granted regular commissions on probation and to study for science or engineering degrees, half of them at the Royal Military College of Science and the remainder at universities at which they have gained a place.

104. The R.A.F. University Cadetship Scheme for the General Duties and Technical Branches has proved successful both in the numbers and quality of applicants. In the first year, 1963, 23 awards were made, against a target of about 25, and in view of the increasing need for graduates in these branches, 44 awards were made in 1964. The R.A.F. Medical and Dental Cadetships, which have been running for some years, are now firmly established. In addition to officers entering the Royal Air Force through the various university cadetship schemes, the recruitment of other graduates was good; 80 men and 12 women graduates were appointed to commissions, excluding doctors, dentists, and chaplains.

## **Officers Training Corps and University Air Squadrons**

105. The strength of the Officers Training Corps has remained at about 75 per cent. of establishment. One new University sub-unit affiliated to an existing contingent has been started. An improvement in recruiting is expected as a result of a new scheme for attaching officer cadets to regular units overseas.

106. University Air Squadron facilities were extended to five more universities during 1964—Sheffield, Leicester, Keele, York and Strathclyde. The 18 squadrons now serve 24 universities. Besides providing a most valuable association between Universities and the Royal Air Force, the Squadrons continue to provide recruits of high quality.

## **Officer Training and Degree Courses**

107. In addition to comprehensive professional and academic training, there are opportunities for officers of all three Services to follow degree and post graduate courses at Service colleges and elsewhere. Officers of the Royal Navy can now take degree and diploma courses in engineering and post graduate scientific courses at the R.N. colleges at Manadon and Greenwich. Courses in atomic physics and nuclear propulsion are held at Greenwich for Naval and civilian personnel; and the College provides professional courses for Naval architects and electrical and mechanical engineers. There are also schemes for sending Naval officers to universities; the latest is for Seamen and Supply Officers and the first four officers under this scheme have

been accepted for Oxford this year. Army officers read for degrees at universities as well as at the Royal Military College of Science at Shrivenham and now go to a wider range of universities; a new scheme has been introduced for up to twenty short Service Commission Officers a year to study for science and engineering degrees at Shrivenham. There are now 168 Army officers reading for such degrees, and 29 reading for arts degrees. After the amalgamation at Cranwell later this year of the functions of the Royal Air Force College Cranwell and the Royal Air Force Technical College, Henlow all cadet training, together with initial and post graduate training of R.A.F. Technical Officers, will be undertaken at Cranwell; and the present arrangements under which technical cadets study for a Diploma in Technology or a higher national diploma in either electrical or mechanical engineering will continue. R.A.F. officers undertake post graduate courses elsewhere, for example at Southampton University and the College of Aeronautics, Cranfield.

### **Staff Colleges**

108. An important element of joint training has always been undertaken at the Imperial Defence College and the Joint Services Staff College. The Service Staff Colleges now devote over 20 per cent. of their syllabuses to joint staff training. Many places at the Staff Colleges are taken by Commonwealth and foreign students.

### **Ratings, Soldiers and Airmen**

#### *Royal Navy and Royal Marines*

109. *Recruitment.* For several years the Royal Navy and Royal Marines have been recruiting rather less than 8,000 a year (except for a few months in the winter of 1962-63). But to achieve the expansion indicated above, it will be necessary (unless there is a marked improvement in the rate of re-engagement) to recruit in the next few years at a rate of over 9,000.

110. There are signs, however, that it will be difficult to improve beyond a rate of 8,000. Nearly three-quarters of rating recruits are young men under 17½ years of age. The numbers will decrease, now that the population bulge has moved into higher ages. In view of this, intensive efforts have been made to publicise the attractions of a naval career, and the careers organisation has been strengthened.

111. *Re-engagement.* The rate of re-engagement has been steadily falling. The proportion of R.N. ratings re-engaging on completion of 12-year engagements, for example, for the first nine months of 1964 was about 52 per cent. as against 54 per cent. in 1963 and 65 per cent. in 1959. The effect of the fall in re-engagements is particularly felt in certain skilled categories. The trend is largely attributable to the separation from home associated with naval service, which has been accentuated by the increase in the size of the Fleet serving in the Far East.

#### *Army*

112. The past year has shown a welcome improvement over 1963. Recruiting publicity has continued to rely strongly on the personal testimony of serving soldiers. The Army Youth Teams have proved successful, particularly in dispelling the false image of Army life among those who have no acquaintance with the modern Army.

113. Recruiting was also stimulated by the introduction with effect from 1st April, 1964 of the "Young Soldier" scheme, under which young men aged 17-17½ were allowed to enlist with their parents' consent. This measure closed the gap between the maximum age for enlistment as a boy and the minimum age for enlistment as an adult. 4,488 young soldiers aged 17-17½ were enlisted up to the end of 1964 representing 25 per cent. of all enlistments from 1st April 1964.

114. An encouraging feature of recruiting was the high proportion, 51.1 per cent., of men enlisting on an initial engagement of nine years. This should help to provide increased stability in the Army of the future.

115. Normal run-out at the end of the soldiers' terms of service during 1964 amounted to 9,225 compared with 6,186 in 1963, and 5,635 in 1962. This higher number is mainly due to the large number of men who enlisted in 1958 on the minimum six-year initial engagement introduced in October 1957, and who completed their terms of service in 1964. Wastage was 13,735 compared with 13,342 in 1963, and 12,946 in 1962.

116. As the target strength of about 160,000 soldiers is approached the achievement of a proper balance between the various corps and trades becomes increasingly important. Efforts are being made to achieve this balance without imposing restrictions on the recruitment of any men of the right quality who wish to join the Army. The main proportionate shortfall against requirements arises in certain brigades of the infantry and in the R.A.M.C. and R.A.D.C. Even when the overall target is attained difficult problems will remain not only in maintaining the Army's strength but in building up the required numbers in each Corps, trade and skill.

117. The recruitment of boys has continued successfully. At the end of 1964 including those serving on adult engagements there were 4,170 apprentices, 4,301 junior leaders, 1,615 junior tradesmen and 1,515 junior bandsmen under training, a total of 11,601. The Junior Army Association was introduced during the year with the aim of retaining the interest in the Army of the many boys for whom it is not possible to allot vacancies in one of the junior soldier units. These boys are given their own badge and are kept in touch with the Army in a variety of ways. It is hoped that many of them will join the Army when they reach the age of 17.

#### *Royal Air Force*

118. The number of adult vacancies in the R.A.F. Ground Trades continued to be very low until the beginning of July 1964 when normal recruiting was resumed. The new requirements are being generally met except in certain categories notably Trade Assistant General, Steward and Nursing Attendant. Young men aged between 17 and 17½ years may now be recruited with their parents' consent for R.A.F. service. These "young airmen" are accommodated and trained in the same way as recruits over 17½ but are not posted from training until reaching that age.

119. The new Youth Entry Scheme was successfully launched in September 1964. The high quality of the Youth Entry has been maintained and the requirement for Craft and Administrative Apprentices has been substantially met. The first intake of Technician Apprentices came to within 80 per cent.

of the requirement ; and, as this was the first entry of these well qualified boys (4 G.C.E.'s at "O" level including mathematics and a science subject) it was satisfactory.

### **Training of Ratings, Other Ranks and Airmen**

120. In all three Services the technical training given to junior personnel though designed for Service purposes provides wherever possible for the attainment of nationally recognised qualifications and experience which will be valuable later in civilian life. Some courses for junior personnel lead to the Ordinary National Certificate, others to City and Guilds qualifications, and there are opportunities to read for G.C.E. (O) level. Completion of many Service technical courses followed by experience in the trade is recognised by Trade Unions as a qualification for membership on leaving the Services. Dockyard Technical Colleges provide courses for civilian dockyard apprentices leading to O.N.C. and H.N.C. and to City and Guilds qualifications.

### **Women's Services**

121. The authorised number of 250 W.R.N.S. officers has been maintained with a satisfactory balance between promoted ratings and direct entries.

122. In order to maintain a strength of about 3,000 W.R.N.S. ratings some 1,000 enrolments are needed each year. The minimum age has been lowered from 17½ to 17, and the intake in 1964 was 963.

123. The W.R.A.C. serve with all major Arms and Services in 28 different trades and employments. 25 per cent. of the Q.A.R.A.N.C. and W.R.A.C. are stationed abroad. Both of these Corps require more officers, although the officer strength of the Q.A.R.A.N.C. increased during 1964 from 700 to 720, and the officer strength of the W.R.A.C. from 281 to 301. The other rank strength of the Q.A.R.A.N.C. fell from 909 to 899 and the other rank strength of the W.R.A.C. fell from 4,682 to 4,639.

124. As the size of the Royal Air Force has reduced, so have the numbers of W.R.A.F. personnel fallen during the year from 446 officers and 5,411 airwomen to 438 officers and 4,585 airwomen. Recruiting has been generally satisfactory. The W.R.A.F. serve in a wide variety of posts both at home and overseas. During the year the strength of the Princess Mary's Royal Air Force Nursing Service rose from 390 officers to 410.

125. The three Services all need more women to serve longer than the normal initial engagement. As an inducement to longer service, schemes were introduced towards the end of 1964 for bonus payments to new entrants who undertake to serve for six years and who do so, and for smaller bonuses to women already serving who undertake and complete two years' extra service.

### **Reserve and Auxiliary Forces**

#### **Royal Naval Reserve/Royal Fleet Reserve**

126. Estimates provision has been made for a Royal Naval Reserve strength of about 4,000 officers and 4,200 ratings. For the Royal Marine Forces Volunteer Reserve, the figures are 150 officers and 920 other ranks ; for the Women's Royal Naval Reserve, 160 and 925. Numbers of officers

are also enrolled in the Royal Naval Volunteer Supplementary Reserve, but these have no training commitment. Apart from the latter, all the Reserves have carried out normal training in 1964-65, including periods in H.M. ships.

127. A scheme initiated in 1962 whereby medical and dental students and pre-registration doctors enter the R.N.R. with a view to accepting R.N. Short Service or Permanent commissions after registration has attracted 28 medical and 8 dental officers so far.

128. Although the number of men committed to service in the Royal Fleet Reserve following active service is reducing temporarily, the fall in strength is being countered by voluntary re-engagement and enrolment in the Reserve of ex-regular sailors with no Reserve liability.

### **Army Reserves**

129. A preliminary examination of the availability of Reserve forces has indicated that a large part of the Reserves cannot be utilised except under restrictive and archaic conditions. Though there has been recent legislation on the Reserves the essential difficulty of matching the liabilities of Reservists against the operational requirement has been left unresolved. This failure to grapple with this problem leaves open the possibility of serious prejudice to our capacity to deploy the necessary forces at the right time. When the review of roles and commitments of the Forces as a whole is completed it is intended to bring forward legislative proposals aimed at securing the maximum availability of Reserves consistent with the operational need.

### **Territorial Army**

130. The Territorial Army is now at about 90 per cent. of its peacetime ceiling and is maintaining itself at that level. During 1965 detachments of volunteers totalling about 7,000 men from a wide range of T.A. units will carry out their annual camp training with the regular army in North-West Europe. Steady progress is also being made in providing modern equipment for the Territorial Army.

131. There has been an increase in the number of men volunteering for the Territorial Army Emergency Reserve, which has now reached a strength of some 6,600 all ranks. The role of the force will be reconsidered as part of the Home Defence Review mentioned in Part III.

### **Army Emergency Reserve**

132. Category I of the Army Emergency Reserve, intended to provide backing for the strategic reserve in a limited war, is now recruited to over 80 per cent. of establishment.

133. There is still a need to recruit more men for Category II. This category provides certain specialists required for general war; it involves no pre-proclamation liability for service overseas.

### **Royal Auxiliary Air Force**

134. The Royal Auxiliary Air Force now consists of Maritime Head-quarter Units which have the task of reinforcing the operational control organisation of Coastal Command in emergency.

## The Navy, Army and Air Force Reserves Act 1964

135. The provisions of the Navy, Army and Air Force Reserves Act 1954 were extended by the 1964 Act to 30th June, 1969, but its main effect has been to release a million or so men who had completed their period of National Service in 1962 or earlier, from all Reserve obligations.

### Cadet Forces

136. The Combined Cadet Force has been reorganised and reduced to a maximum of 56,500 cadets made up as follows:

|                 |     |     |     |     |     |        |
|-----------------|-----|-----|-----|-----|-----|--------|
| Royal Navy      | ... | ... | ... | ... | ... | 6,000  |
| Army            | ... | ... | ... | ... | ... | 40,000 |
| Royal Air Force | ... | ... | ... | ... | ... | 10,500 |

There have also been improvements to the training syllabus, to make it more demanding, and in the officer to cadet ratio.

137. Total strength of the Sea Cadet Corps has dropped slightly, in phase with the post-war birthrate; seven new units were formed during the past year, however, bringing the total to 397. During the year, the Girls' Nautical Training Corps was affiliated to the Sea Cadet Corps.

138. A steady proportion of the recruits for the Royal Navy come from the C.C.F. and S.C.C., and the Navy will continue to provide realistic naval training for the cadets. In 1964 nearly 1,600 boys went to sea in H.M. Ships including 125 who took part in the R.N.R. exercise *Rockhaul II* to Gibraltar and Lisbon. Another 7,400 visited Naval establishments for a variety of courses.

139. The Army Cadet Force has continued to flourish in 1963-64, despite a slight decrease in numbers. This success is due to the untiring work of the volunteer officers and other adults. The training of the older boys has been improved and the Territorial Army has been able to assist, particularly by providing instructors for training sessions.

140. The total strength of the Air Training Corps is 2,700. Both the Combined Cadet Force and the Air Training Corps contribute much to the regular recruitment to the Royal Air Force, and in the twelve months up to 30th June, 1964, over a third of direct entry Aircrew and nearly half of all Officer Cadets were former members of the A.T.C. or C.C.F. In addition, nearly half the youth entry and nearly a quarter of the adult entry into the Royal Air Force consisted of former cadets. Flying Scholarships for private pilot training were awarded to 350 cadets and 2,250 cadets were trained to glider pilot proficiency standard. Over 7,000 cadets too young to pilot gliders were given passenger flights in gliders.

## EQUIPMENT

### Research and Development

141. Work is in hand on the revised Aircraft Research and Development Programme in view of decisions recently announced. Drawing up a revised programme consistent with our needs and resources will take time. It will be facilitated by the strengthening which has taken place in the central Defence scientific machinery under the Chief Scientific Adviser, who has now two Deputies, one dealing with Projects and the other Research.

## Equipment Programme

142. As stated in Part I, in planning an equipment programme for the three Services we must avoid the dangers of, on the one hand, giving them inadequate and out-dated equipment, and on the other, aiming at such a degree of sophistication that the equipment is far too late in time and far too expensive. Operational Requirements and technological advances must be examined critically in order to seek to strike the most effective balance possible. As stated in Part I, machinery is being developed (e.g. in the field of Operational Requirements and Operational Analysis) in order to tackle this problem. Careful attention must also be paid to questions of reliability, serviceability and ease of maintenance.

143. Where it has been decided to introduce very sophisticated equipment, research and development will take a long time. New weapons may run into teething problems before they can be brought into service. Moreover, when the new weapons are in service, their complex nature, which may be a product of new and little tried techniques, makes accurate forecasting of defects in operation, and the future need for spares, a most difficult task. Thus, problems may continue to arise and full reliability of new weapons may often be difficult to secure. The growing complexity of new equipment and shortcomings of the equipments already in service make heavy demands on those who may have to fight in the front line and on those whose duty it is to maintain in full serviceability the equipment which the fighting man uses. Each advance in the complexity of new weapons underlines the importance of reliability and ease of maintenance. While sophisticated equipment is under development we must always be ready to re-appraise it. This will require effective arrangements for time and cost control. When timely review, based on such arrangements, indicates that an equipment is no longer likely to be worth the effort, we must be prepared to scrap it and go for something simpler which will arrive in time.

144. Continued intensive staff effort on the equipment programme will be needed, from the earliest stage right through until the equipment is in service—or, indeed, until it has finally gone out of service. Lessons from experience must be studied for future application and every technique that can be evolved must be used as fully as possible.

## Royal Navy

145. In the Royal Navy's equipment programme for 1965–66 provision for the construction of new ships and the purchase of new aircraft is £133m in 1965–66 compared with £105m in 1964–65. New naval construction includes the continuance of the Polaris programme, and the second nuclear-powered hunter-killer submarine H.M.S. *Valiant*, will be completed during 1965–66. H.M.S. *Fearless* and H.M.S. *Intrepid*, the two new assault ships, are expected to enter service in the coming year and the escort fleet will be strengthened by the addition of four more Leander Class Frigates and of a fifth County Class guided missile destroyer equipped with the Sea Slug Mark 2 surface-to-air guided weapon system. Three more fast replenishment tankers and three survey vessels are also expected to enter service in 1965–66. The conversion of H.M.S. *Blake* to carry anti-submarine helicopters is due to start in April. Delivery of the Mark 2 versions of the Buccaneer and Sea Vixen will continue.

## **Army**

146. Typical examples of the difficulties encountered by the Army in the development of complex new equipment are to be found in the new range of armoured vehicles now coming into service. These are being overcome but have led to delays. The multi-fuel engines used for the Chieftain, Abbot and tracked armoured personnel carrier have been slow to develop because they are technically very advanced and therefore difficult to progress.

147. Production of new equipment for the Army continues to increase. Provision in estimates for deliveries of fighting equipment in 1965-66 is about £114m compared with £97m in 1964-65. The new Chieftain main battle tank should enter service during the year, initially in training establishments. The tracked armoured personnel carrier, which entered service in 1964-65 will be produced in larger numbers and with a multi-fuel engine. The self-propelled 105 mm. Abbot close support gun and the American M.107 self-propelled gun will both be issued to units during the course of the year. Deliveries of the Vigilant anti-tank guided weapon started in 1964 and there will be continued deliveries of the Wombat and Carl Gustaf anti-tank weapons and the new 81 mm. mortar and general purpose machine gun. The Stalwart high mobility load carrier, which has now passed its acceptance trials, will start full production. The second and third logistic ships will be completed during the year and there will be further deliveries of new radio equipment.

148. As to the equipment of the fighting soldier, it is recognised that he should carry no more than a 55 lb load, and it is planned to provide lighter yet robust equipment. Trials of lighter personal weapons are taking place, and in the Far East we are also experimenting with lighter ration packs and trying to improve the type of jungle boots issued to troops operating there.

## **Royal Air Force**

149. The problems posed by the development and maintenance of sophisticated equipment apply particularly to the Royal Air Force. The grounding of the entire Valiant force and its subsequent complete withdrawal from service because of fatigue problems have already been announced. These problems, the first evidence of which appeared last August, have presented the Royal Air Force with difficulties in respect of its in-flight refuelling and long range photographic reconnaissance capabilities. Steps are in hand to accelerate the conversion of Victor aircraft for these roles. Meanwhile adjustments have been made in the deployment of our fighters so as to permit overseas reinforcement, and Canberra photographic reconnaissance aircraft are being used to carry out as much as possible of the survey work which would have fallen to the Valiants. There is no evidence to suggest that the more recent types of V Bomber are likely to be affected by similar fatigue problems.

150. As stated in Part I, a decision on a replacement for the Canberra has been deferred. The Hunter is to be replaced by the United States Phantom which has a high capacity both as a fighter and as a ground strike aircraft (and which is also being bought for the Royal Navy), together with a developed version of the vertical take-off Kestrel (the

P.1127). To replace the Hastings, the Beverley, and eventually the Argosy aircraft it is proposed to order the United States C.130E, and to replace the Shackleton Mark 2 maritime reconnaissance aircraft an order is being placed for an adaptation of the Comet. All these new aircraft will come into service by the end of the decade. A Kestrel evaluation squadron has been formed as a joint British-American-German unit to investigate various concepts of V./S.T.O.L. operation, and their control and logistics.

151. In 1965-66 expenditure on aircraft and stores will amount to about £281m. compared with an estimate of £244m. in 1964-65. On the aircraft side about £26m. will be devoted to new transport aircraft. This will include payment for the majority of the ten Belfast aircraft which are being delivered in 1965-66 and the following year. A start will also be made on the delivery of the Andover short range military freighter. Delivery of the 20 Basset communication aircraft now on order, which begins in 1964-65, will be completed in 1965-66. (The Basset is the Service name for the Beagle B.206.) Most of the order for the Dominie advanced navigation trainer aircraft (a version of the H.S.125) will also be delivered during 1965-66. Among combat aircraft the re-equipment of the fighter force with the Lightning Mark 3 interceptor will continue.

152. Modern high performance aircraft demand better local control facilities and an extensive equipment replacement programme has been drawn up using modern British radar for airfield surveillance and precision approach. Work is going ahead on the integration of plans for the National Air Traffic Control Service and there will be substantial expenditure on military radars and centralised data handling facilities in 1965-66.

153. For flying training the Lightning 5, which enters service in 1965, will provide dual instruction in the Lightning weapons system. The new Dominie advanced navigation trainer will enter service at the R.A.F. Advanced Navigation School and the College of Air Warfare. Operational training units and squadrons are making increased use of flight simulators, which enable the number of flying hours to be kept to the minimum. Argosy flight simulators of an advanced design are now in operation at Benson and Thorney Island.

### **Helicopters**

154. Although about 300 helicopters are already available to the three Services (excluding training aircraft and reserves), the capability of the force needs to be increased. Steps have already been taken to make maximum use of existing resources. For example, nearly the whole of the long-term reserve of the Royal Air Force helicopter force has been put into the front line, and effective capacity has been improved by an increase of 50 per cent. in flying hours of troop-lift helicopters operating in support of the Army in Malaysia. Troop-lift capability has also been improved in the Royal Navy. Other means of rationalising the use of helicopters are being studied by the three Services jointly.

155. The introduction of the Wessex Mark 2 twin-engined troop-lift helicopter into Royal Air Force service during 1964 has added considerably to the capability of the front line. More helicopters of this type are to follow. The Royal Navy is receiving further Wessex Mark 5 helicopters

for troop-carrying and will also be acquiring Sioux helicopters (the name for the Bell light helicopter) for reconnaissance. The Army, too, is to have a substantial number of Sioux helicopters for support duties with combat units; and deliveries of the Scout helicopter will continue. New deliveries will continue to increase significantly the size and capability of our helicopter forces over the next few years.

### **Hovercraft**

156. A Joint Service Hovercraft Unit with two SRN5s is now in the Far East. The Inter-Service Hovercraft Trials Unit has continued evaluation of the SRN3 at Lee-on-Solent.

## **ADMINISTRATION : OTHER ACTIVITIES**

### **Services Works Programme**

#### *Works in the United Kingdom*

157. Works services in the United Kingdom in 1965-66 will be maintained at a higher level than in 1964-65.

158. For the Royal Navy work on the Polaris operating base at Faslane will be continued in the coming year. Work necessary to enable Rosyth dockyard to refit nuclear submarines will be largely completed this year.

159. The programme for modernising and redeveloping the accommodation in Fleet Shore Establishments continues. In addition some 8,750 married quarters are now available or under construction and in 1965-66 the first of the estate of 1,000 maisonettes at Gosport will be completed, built on an industrialised system.

160. For the Army 28 large projects will have been completed in 1964-65, including Stanhope Lines, Aldershot, comprising four unit barracks. In all 12 major units, training establishments and other depots will be provided for and 32 large projects will have started, including accommodation for two major units and eight large training establishments. During 1965-66, 22 large projects are due to be completed including Chattenden Barracks, Chatham, part of the Royal School of Military Engineering. At the same time, 58 projects are due to start, including the re-building of Hyde Park Barracks, the School of Infantry, Warminster, and the Guards Depot at Pirbright. Completions of married quarters are expected to reach 1,700 in the current year and 2,400 in 1965-66. Included in the expected completions for 1965-66 and 1966-67 are about 1,200 married soldiers quarters to be built by an industrialised system in the Aldershot and Salisbury Plain areas.

161. For the Royal Air Force work is in hand to enable full effect to be given to redeployments of R.A.F. units on a smaller number of stations. Work continues on the installation of the new air defence radar systems and work will shortly start on the extensive installation of the second Transport Command base for long range transport aircraft.

162. About 1,300 married quarters are expected to be completed in 1964-65 and in 1965-66 it is planned to start construction of a further 1,500.

### *Works Abroad*

163. In the Middle East the bulk of the living accommodation in the Army township at Little Aden is now complete and the whole project will have been finished by mid-1965. Improvements to existing Army and R.A.F. single accommodation, including the installation of air conditioning, are in hand and construction is planned to start on additional air conditioned single accommodation, and on amenities. A new R.A.F. hospital is under construction at Bahrein, and most of the accommodation there for the British troops will be complete by March, 1966. The provision of improved and extended technical servicing facilities for aircraft continues.

164. In the Far East, there is a substantial building programme at Hong Kong, which is being financed by the Hong Kong Government. Additional accommodation is being built at the Singapore naval base to meet the build-up of the Far East Fleet, and will include quarters for a W.R.N.S. unit.

165. In Germany, the emphasis will continue to be on improving the general standard of barracks and on providing additional facilities such as new primary and secondary schools. The construction of blocks of flats by German contractors for hiring to the Army and Royal Air Force as married quarters is going ahead well.

166. In Gibraltar, the rebuilding of the Fleet shore establishment H.M.S. *Rooke* will begin early in 1966 and the R.N. Armament depot is being re-developed. Work will continue on the New Fortress Headquarters and on the barracks for re-housing the garrison. It is hoped to make a start on some 100 Army married quarters mostly for soldiers.

### **Royal Dockyards**

167. The four Royal Dockyards in the United Kingdom at Portsmouth, Devonport, Chatham and Rosyth employ in their productive departments over 35,000 workpeople with a wages bill of nearly £30m. a year. Portsmouth and Devonport, each with 12,000 men, are among the largest industrial undertakings in the country. The Royal Dockyards at Singapore and Gibraltar have an annual wages total of about £2.5m. and the number of workpeople employed is approximately 6,700.

168. The Royal Dockyards are specially laid out, equipped and manned for their main task of repairing, modernising and maintaining the ships of the Fleet. The special facilities enable them to refit the complex equipment, such as weapons and electronic equipment, which is installed in modern warships. Devonport Dockyard, for example, was capable of undertaking the extensive modernisation of H.M.S. *Eagle* which was completed in 1964. Portsmouth, Devonport and Chatham also build new warships. The total value of the productive work carried out in the Royal Dockyards is now upwards of £100m. a year.

169. The Royal Dockyards also provide base support for the Fleet. They contain stores, victualling and armament supply organisations which cater both for the ships and for the Naval establishments ashore in the areas covered by the Dockyard ports.

170. The new dockyard organisation is now in being at Chatham and Rosyth, and is proving its worth. A similar organisation is being introduced at Portsmouth.

## **Royal Ordnance Factories**

171. The Royal Ordnance Factories are being kept up-to-date with technological advances and modern equipment. The number and strengths of the Factories have been reduced in recent years in view of the smaller total munitions needs of the smaller armed forces, but the Factories remain the major U.K. producers of the conventional weapons, ammunition and fighting vehicles that are coming into service. Every effort will be made to secure the optimum number of defence and other contracts for the Royal Ordnance Factories. Concurrently with their main production effort, the Factories will also continue to undertake experimental and design work in aid of the research and development programmes.

## **Maintenance Command**

172. The main engineering and supply support of the Royal Air Force in the United Kingdom is provided by Maintenance Command. Its units undertake major overhauls, modifications and reconditioning of aircraft, the salvage and repair of aircraft, the servicing of complicated electronics equipment, mechanical components and systems instruments and armament and the manufacture of various items required by the Service. The Command also stores and distributes to the whole of the Royal Air Force, complete aircraft and MT vehicles, fuel, explosives, medical supplies and the whole range of technical and domestic equipment used by the Royal Air Force numbering nearly a million separate items. The Command has its own Gas Production Factory which produces oxygen, hydrogen, nitrogen and compressed air and supplies these to units of the Royal Navy and Royal Air Force at home and overseas. Maintenance Command employs some 15,000 civilians with a wages bill of £10,800,000 a year. Its units are spread over England, South Wales and Northern Ireland.

## **Other Activities**

### *Surveying*

173. Survey ships of the Royal Navy have continued to carry out under sea exploration at home and abroad. Of a total of 12 vessels, eight were last year charting sands and shoals in our own coastal waterways while the four larger ships concentrated on deep sea work from the North Atlantic to the China Sea.

174. Most of the present survey ships are dated and are being replaced by newly designed Ocean Survey Ships, H.M. Ships *Hecla*, *Hecate* and *Hydra* (specially designed for the dual role of oceanography and hydrography) of which the first has already been launched. The Government intends to build new Coastal Survey Craft for hydrographic work overseas. Two converted minesweepers entered this service during the year, and there will be further minesweeper conversions by 1967.

175. Other surveys over land included flights by Bomber Command photographic reconnaissance aircraft which undertook aerial surveys of large areas of Southern Rhodesia, Zambia and Bechuanaland, as well as of British Guiana and Trinidad and Tobago, and surveys were made of parts of Sarawak and Sabah. Among the aims of the 1964-65 joint-Service expedition (which is now in progress) are to carry out a traverse of the island of South Georgia, to climb Mounts Paget and Sugar Top and to make surveys of some unmapped areas.

### *Oceanography*

176. The National Environment Research Council is to take over responsibility for the National Institute of Oceanography, but a close association between the Institute and the Ministry of Defence will continue. The Department will continue to rely on the Institute for the conduct of basic research and added emphasis is being given to military oceanography.

### *Royal Observatories*

177. The Science Research Council is to take over responsibility for the Royal Observatories at Herstmonceux and Edinburgh. There has always been a close working arrangement between the Royal Greenwich Observatory and the Navy, which has relied on the Observatory for navigational, time and other information. There will continue to be a defence interest in the work of the Royal Greenwich Observatory, which is responsible for the compilation of the Nautical Almanac, and a close association between the Department and the Observatories.

### *Meteorology*

178. Preparations for installing a faster computer in the Meteorological Office Headquarters at Bracknell are nearly complete. The machine should be in full operation by the summer of 1965 when still further improved methods of calculating the atmospheric pressure 24 and 48 hours ahead will be brought into regular use.

179. Pictures of cloud formations over the British Isles and adjacent areas of the Atlantic were received at Bracknell from the American experimental weather satellite Nimbus A, using equipment assembled in the Meteorological Office workshops. Results were also received from instruments supplied by the Meteorological Office for the Anglo-U.S. satellite Ariel II designed to measure the distribution of ozone in the high atmosphere. Measurements of wind and temperature between heights of 65,000 and 210,000 feet were made by instruments carried on the Skua meteorological rocket launched from the Ministry of Defence range on South Uist. An unmanned meteorological observing station which was interrogated by G.P.O. telephone was successfully tested.

180. The twice-monthly forecasts of the weather for a month ahead have had some success and have proved their value for many purposes.

181. A contract has been placed for an automatic chart plotter. This will first be used to produce the hourly charts which show the weather at about 100 observing stations in the British Isles. The machine completes in about five minutes a chart which takes nearly an hour to plot by hand.

182. The Meteorological Office is extending its observational and research work on the measurement and distribution of rainfall. The Office will co-operate in the programme for the International Hydrological Decade which began on 1st January.

### *Fire Fighting*

183. In 1964 a pilot scheme was introduced to train three units of the Territorial Army in fire fighting during their annual camp at the Army Home Defence Centre. In 1965 the scheme will be expanded to embrace thirteen Territorial Army units, which will be earmarked to mobilise during the following year with fire equipment in support of the civilian fire authorities.

## REORGANISATION AND RATIONALISATION

### Progress of Reorganisation at Ministry of Defence Headquarters

184. The unified Ministry, which came into existence on 1st April, 1964, brought together four major Departments of State under the control of the Secretary of State for Defence. Within the Department, by Act of Parliament, a Defence Council was set up to formulate major Defence policy and exercise the powers of command and administrative control previously exercised by the Board of Admiralty and by the Army and Air Councils, and new Boards were established under the Secretary of State to manage the three Services.

185. The Naval, General and Air Staffs have now been brought together in the Defence Staff; a Defence Operations Centre has been established, under the control of the Defence Operations Executive; a combined Defence Signals Centre has also been built and is in operation; the integration of Signals and Intelligence Staffs has made good progress. A Defence Operational Requirements Staff has been created, and is working successfully to co-ordinate and formulate requirements for weapons and equipment on a Defence, rather than on a single-Service basis. Scientific staffs are being strengthened, and a unified Operational Analysis Staff is being created. A Defence Secretariat has been set up within which a Deputy Secretary, specially appointed for the purpose, is now in full time charge of work on the defence programme and budget. Senior staff, military and civilian, have been appointed so that the rationalisation of the administration of the three Services can be given special attention. A central establishment organisation has been set up whose duties include, in conjunction with the establishment staffs of the Navy, Army and Air Force departments of the Ministry, the central co-ordination of departmental management including the control of overall numbers and the co-ordination of the deployment of civilian administrative and senior scientific staff.

186. The security organisation in the Department has also been improved. The Army and Air Force departments have, in the past year, each formed a centralised Directorate of Security; the Navy department established a Directorate of Naval Security in 1962. This standard form of organisation, working in conjunction with the Security Adviser whose appointment was described in paragraph 88 of Cmd. 2097, will facilitate the co-ordination of security policy, the standardisation of security practices and generally the promotion of maximum efficiency in this vital area throughout the Department and the three Services.

187. The reorganisation of the Department entailed the move into what is now the Ministry of Defence Main Building of some 2,400 staff of the former Ministry of Defence, Admiralty and War Office. A further large-scale programme is now in hand in co-operation with the Ministry of Public Building and Works to reallocate accommodation in the Old Admiralty and Old War Office buildings, and the smaller buildings occupied by the former Defence Departments in the Whitehall area, so that increasingly staffs with similar responsibilities for the three Services will be housed alongside one another.

188. The initial increase in the Central staffs of the unified Ministry required for new tasks and by this major reorganisation was largely offset by

economies elsewhere. Thus the net increase in total Headquarters staff as estimated on 1st April, 1964, was only 70. As already announced, steps have been taken to effect further economies, wherever possible, in Headquarters staff. By comparison with a total of about 24,200 on 1st April, 1964, the total on 1st April, 1965, will have decreased by about 640 to 23,560. It is estimated that there will be a further decrease at Headquarters of approximately 140 by 1st April, 1966. At out-stations, taking both industrial and non-industrial staffs together, there has been a reduction of about 20,500 between 1st April, 1964, and 1st April, 1965, and there is expected to be a decrease of about 1,500 between 1st April, 1965, and 1st April, 1966.

189. Further economies will be realised partly through the normal processes of establishment control, i.e., the inspection of complements and the review of tasks, partly through progressive improvements in departmental efficiency, e.g., the introduction of modern office equipment, and partly through general review of departmental organisation in the light of experience of the Department's working since 1st April. It has been accepted, in accordance with the recommendation in the Fifth Report of the Estimates Committee, Session 1963-64, that there should be a specific enquiry into the organisation and establishments of the Ministry within two years.

#### **Rationalisation of Air Power**

190. As already announced, a Committee has been appointed to undertake a study to determine the most effective and economical organisation for the control of air power in support of national defence policy. This is an important study with wide-ranging terms of reference directed to greater efficiency, economy of resources and the most effective use of air power in modern conditions. The Committee consists of three distinguished and experienced officers. Field Marshal Sir Gerald Templer is the chairman and its other members are Admiral of the Fleet Sir Caspar John and Air Chief Marshal Sir Denis Barnett.

#### **Steps towards Administrative Rationalisation**

191. In recent years inter-Service co-operation in logistic and administrative matters has continuously increased. The creation of the unified Ministry of Defence has made it possible to consider a substantial extension of existing arrangements for inter-Service co-operation.

192. *Communications.* The amalgamation of the Services' strategical communication networks, with the final aim of a single integrated network, is progressing steadily. Joint communications centres are already working at Aden and Bahrein and a study has just been completed on the possibility of amalgamating the Services' communication facilities in Singapore.

193. *Lands.* The unification of the Lands work of the three Services under the Minister of Defence for the Army is now in progress. Joint heads of the Defence Lands Service, an Under Secretary and a Directing Grade Professional Lands Officer, were appointed last June. By mid-September they had formed, with staff from the three Service Departments, one unified branch to deal with all Defence Lands work from overseas and another to implement the Lands reorganisation and co-ordinate estimates for Lands expenditure

in a single Vote to be introduced for the financial year 1965-66. At Overseas Command HQs unification of Lands work is nearly complete. Unified Ministry branches dealing with acquisition and estate management and with disposals of all Defence lands at home will be set up in the course of the year. It will be a longer process to bring together the work of local Lands Offices in the United Kingdom in such a way to combine good service for the forces with maximum economy in the use of lands and of staff; this final stage in the reorganisation is now being planned in detail. The unification of Service lands work is expected ultimately to produce staff savings of the order of 15 per cent. on existing strengths and an annual financial saving on staff salaries of about £250,000.

194. *Airfield Construction.* The responsibilities of the Airfield Construction Branch of the Royal Air Force are to be transferred to the Royal Engineers, and the Airfield Construction Branch is progressively to be wound up. Transfer terms have been offered to as many of the R.A.F. personnel as can fill posts in the Army and wish to be transferred. Compensation will be paid to those airmen who could not be offered transfer when they can no longer be employed in the Royal Air Force in their present trade and engagement, or be remustered in another R.A.F. trade. This merger should eventually save about 250 men or about £300,000 per annum; and it is also expected to lead to savings in administrative costs.

195. *Logistic Services*

- (a) Action is in hand to introduce common supply and logistic procedures in all three Services. An Inspector General of Codification and Standardisation has been appointed to direct the work being done in the Ministry of Defence and the Ministry of Aviation towards the introduction of a single system (based upon that developed in N.A.T.O.) of codifying stores and equipment. Without a common supply language, which will ultimately be developed in this way, the full advantages of integrated supply management, stock control and provisioning procedures cannot be achieved. The magnitude of the task is indicated by the fact that there are more than 2 million items of supply now found in the inventories of the three Services. The Inspector General is also responsible for accelerating progress in inter-Service standardisation of stores and equipment, which should lead to greater flexibility between the Services and considerable economies. Proposals are also being considered for common stock control and requisitioning procedures in all three Services.
- (b) The arrangements for co-ordinating contracts on behalf of the Services and for inspecting the stores and equipment purchased have been strengthened. Common forms and procedures will be introduced as far as practicable. The possibility of delegating to approved firms responsibility for quality control, so eliminating unnecessary duplication between the various Inspectorates is being studied. The development of new inspection methods and equipment, the arrangements for inspecting materials, and the use of common standards of measurement, are also being examined.

- (c) The possibility of bringing the Movements branches of the three Services under unified direction has been studied. The conclusion reached, however, is that the existing central machinery for the co-ordination of movements is so well adapted to operational and logistic needs, that nothing would be gained by replacing it with a single executive organisation.

196. *Supply Services*

- (a) *Accommodation Stores.* The scheme for the rationalisation of the supply of accommodation stores (i.e. furniture and domestic equipment) to the Armed Forces is to be implemented in 1965-66. Under the scheme the Ministry of Public Building and Works will undertake the initial furnishing of new buildings in the United Kingdom, and one Service (the Royal Air Force) will be responsible for the maintenance of accommodation stores in all three Services, and for the initial furnishing of new buildings overseas. The new scheme will enable the building and furnishing of new accommodation in the United Kingdom to be treated as a single task. In addition to establishing a single agency within the Ministry of Defence for dealing with accommodation stores it will standardise scales and designs of furniture and domestic equipment between the Services. In due course savings in staff, storage accommodation, and stockholdings are expected to be substantial.
- (b) *Clothing.* It has been decided that there should be one organisation in the Ministry of Defence responsible for the design, development, procurement and inspection of clothing (other than flying clothing and survival equipment) for all three Services and for the storage of cloth required for making up into Service clothing.
- (c) *Medical and Dental Equipment and Stores.* It has been decided that there should be one organisation in the Ministry of Defence responsible for the procurement, storage and supply of medical and dental equipment and stores to all three Services.
- (d) *Food.* There will also be a single management authority for the procurement, storage and distribution of food to all three Services.
- (e) *Petrol, Oil and Lubricants.* Responsibility within the Ministry of Defence for placing contracts for Petrol, Oil and Lubricants, miscellaneous fuels and solid fuel for all three Services is also to be centralised.
- (f) *Motor Transport.* A study is in hand to assess the advantages of similarly centralising responsibility for the supply, storage and repair of a wide range of Motor Transport in common use in the three Services.

197. *Personnel Administration.* Since the establishment of the unified Ministry of Defence studies have been initiated into the following aspects of personnel administration :

- (a) *Medical Services.* A Committee is examining the scope for some integration of the medical services of the Royal Navy, Army and Royal Air Force.

*(b) Education and Training :*

(1) A Committee has been set up to consider the role of higher defence studies in the education of senior Service officers and civil servants, as a means of providing advice to the Ministry of Defence and as a means of informing and influencing public opinion. The Committee is examining the nature and organisation of higher defence studies in the United Kingdom and is considering what improvements are necessary and what links should be established with the community at large.

(2) A Committee is examining the implications for the Services of the developments foreshadowed in the Robbins Report on higher education and the Newsom Report on secondary education.

(3) The scope for inter-Service rationalisation of various aspects of training, including the major subject of staff training, is also being examined.

*(c) Recruiting.* The scope for closer co-operation between the recruiting organisations of the three Services is being considered.

*198. Accounting and Costing Procedures*

*(a)* Before the unified Ministry of Defence was set up the former Ministry of Defence and Service Departments charged one another for work done or services rendered. It has now been possible to simplify procedures and work by largely eliminating these adjustments.

*(b)* Arrangements have also been made for the closer co-ordination of costing throughout the department so that common methods and procedures can be adopted, new ideas exchanged, the comparison of costs between the three Services made more productive and the use of costing as an aid to management generally encouraged.

**Future Developments in Defence Organisation**

199. The changes, already decided or now contemplated, in organisation and procedures both at Headquarters level in the Ministry of Defence and in the field, as described in this chapter, may lead, in due course, to more fundamental changes in the structure of Service administration as a whole.

## PART III

### 1. CIVIL DEFENCE

### 2. OTHER EXPENDITURE NOT INCLUDED IN THE DEFENCE BUDGET

#### CIVIL DEFENCE

200. For the financial year 1965-66 £22.7m. has been provided in the Estimates for expenditure by civil departments on home defence. Details are set out in Part IV, Annex E. The form of our civil defence preparations in the years ahead is being reviewed in the light of the general reconsideration of defence.

201. Arrangements have been made for an emergency system of control, for the maintenance of law and order and for the marshalling of the available resources—food, water, medical supplies and raw materials.

202. An effective organisation for warning the public of an attack and for monitoring radioactivity has been established, including a communications system for the rapid transmission of warnings, and headquarters and posts for the Royal Observer Corps.

203. Planning for the maintenance of essential supplies and services in an emergency continues. The system of control has been further developed and preparations are proceeding, including preparations by the local authorities.

204. The full effect of the reorganisation of the Civil Defence Corps introduced in 1962 is now becoming apparent, and recruits who are prepared to accept the obligations which membership of the Corps now entails are coming in steadily. The Auxiliary Fire Service has been similarly reorganised.

205. To help the police maintain law and order, plans have been made for the formation of reserve units which would be sent to stricken areas after an attack. Regular training is given for this task and for all other war-time duties of the police.

206. Good progress has been made in stockpiling equipment to fight war-time fires. Planning for emergency fire-fighting continues. Arrangements were made during 1964 for selected Territorial Army units to receive training in a fire-fighting role.

207. Plans for expanded war-time hospital and casualty services have been further developed, and the allocation of medical manpower in war-time is under discussion with representatives of the medical profession.

208. Planning has continued for the procurement, control and distribution of food, for emergency feeding and for agricultural production after an attack. In addition, stocks of food and emergency feeding equipment are being maintained.

209. Plans for the maintenance of other services include the stockpiling of equipment to enable water supplies lost by damage to installations or by contamination to be replaced. Preparations also cover the maintenance of communications and a broadcasting service in war, and the due functioning of transport.

210. A pilot survey of shelter against radio-active fall-out has been carried out, and the results are being studied.

211. To enable the Government of the day to put dispersal arrangements into operation if they considered it right to do so, the broad outline of a scheme was announced in 1962 for the movement of priority classes—mainly children and their mothers—away from the most densely populated parts of the country. The local authorities are engaged in working out the detailed plans. Fresh guidance has been given to them on plans to help the homeless.

### **OTHER EXPENDITURE**

212. Apart from Civil Defence the Financial Secretary's Memorandum on Estimates also classifies under "Defence" some other activities not provided for in the Defence Budget. (The Defence Budget is a block of expenditure which is treated as a whole for the purposes of financial control. It consists of expenditure by the Ministry of Defence and expenditure on military account by the Ministry of Aviation, the Ministry of Public Building and Works and the Atomic Energy Authority.) The items concerned are as follows. Their estimated costs in 1965-66 are summarised at Part IV Annex E.

#### **Purchasing (Repayment) Service Votes**

213. Purchasing (Repayment) Services Votes provide the initial finance for the purchase of military and certain other equipment, primarily for the Ministry of Defence. The expenditure is eventually recovered, in the main as a charge to the Defence Budget, and, taking one year with another, the Votes are roughly in balance. In 1965-66 it is estimated that the Army Purchasing (Repayment) Services Vote will be in debit by £2m. and that the Ministry of Aviation Purchasing (Repayment) Services Vote will be in credit by £31.6m. This credit represents that part of the repayments by customers which will be paid into the Exchequer as Exchequer Extra Receipts.

#### **Military Aid to Overseas Countries**

214. The cost of any military aid given to overseas countries is met from the Vote of the overseas Department concerned. This assistance is estimated to cost £29m. for 1965-66.

#### **Allied Services by Civil Departments**

215. Civil Departments provide the following services and bear the cost involved: civil superannuation, headquarters accommodation, stationery and printing and publicity.

#### **Total Expenditure attributed to Defence in the Financial Secretary's Memorandum**

216. Finally, the Financial Secretary's Memorandum excludes from "Defence" expenditure for meteorological services which, though borne on Defence (Air) Votes and hence included in the Defence Budget for financial control, is primarily for civil purposes. The total expenditure thus attributed to Defence in the Financial Secretary's Memorandum equals the total amount of the Defence Budget plus the estimates for all the items listed above less the estimated cost of expenditure on meteorological services.

## PART IV

### DEFENCE STATISTICS 1965-66

#### Manpower

217. An analysis of the active strengths of the three Services is given in Annex 'A', Table 1. The strengths in Table 2 are additional to those in Table 1 and consist of forces and units enlisted overseas and personnel enlisted into the forces on local service terms.

218. In 1965-66 the Armed Forces will need about 45,500 male entrants. This figure includes men who enter upon regular engagements, young soldiers and young airmen, and those who enter as boys, apprentices and juniors.

219. An analysis of the Volunteer Reserve and Auxiliary Forces and National Service Reserve for the three Services is given in Annex 'A', Table 3.

220. An analysis of recruitment to the three Services during the last four calendar years is given in Annex 'A', Tables 4, 5 and 6.

#### Finance

221. The estimated cost of the defence programme is:

|                                     | <i>£ million</i> |
|-------------------------------------|------------------|
| (a) as estimated for 1964-65 ... .. | 1,998·54         |
| (b) as estimated for 1965-66 ... .. | 2,120·50         |

222. The cost for 1964-65 and 1965-66 is divided as follows:

|                                           | <i>£ million</i> | <i>£ million</i> |
|-------------------------------------------|------------------|------------------|
|                                           | <i>1964-65</i>   | <i>1965-66</i>   |
| Defence (Central) ... ..                  | 25·97            | 28·46            |
| Defence (Navy) ... ..                     | 496·02           | 544·19           |
| Defence (Army) ... ..                     | 525·41           | 555·60           |
| Defence (Air) ... ..                      | 503·80           | 561·77           |
| Ministry of Aviation ... ..               | 274·96           | 254·76           |
| Ministry of Public Building and Works ... | 165·58           | 170·22           |
| Atomic Energy Authority ... ..            | 6·80             | 5·50             |
|                                           | <u>1,998·54</u>  | <u>2,120·50</u>  |

223. The Estimates for 1965-66 provide for various transfers of responsibility between departments which are now coming into effect. An analysis of the 1965-66 Estimates is at Annex 'B' and analyses of the major variations between 1964-65 and 1965-66 in respect of Defence (Central), (Navy), (Army) and (Air) Votes are at Annex 'C' Tables 1-5 respectively.

#### Armed Forces (Housing Loans) Act

224. Subject to Parliamentary approval there will be a sum of £13·565m. drawn from the Consolidated Fund in 1965-66 to finance the construction of married quarters under the Armed Forces (Housing Loans) Act.

#### Functional Analysis

225. Diagrams illustrating the functional division of the 1965-66 Estimates and of Service and civilian manpower on 1st April 1965 are shown at Annex D.

#### Related Expenditure

226. Related expenditure outside the Defence Budget is shown at Annex E.

# ANNEX A

**Table 1—Analysis of Active Strengths (Figures in Thousands)**

|                                                              | 1st April, 1964 (actual) |       |        |       | 1st April, 1965 (estimate) |       |        |       | 1st April, 1966 (estimate) |        |        |       |
|--------------------------------------------------------------|--------------------------|-------|--------|-------|----------------------------|-------|--------|-------|----------------------------|--------|--------|-------|
|                                                              | Royal Navy               | Army  | R.A.F. | Total | Royal Navy                 | Army  | R.A.F. | Total | Royal Navy                 | Army   | R.A.F. | Total |
| Regular Adult Males, Young Soldiers and Young Airmen* ... .. | 89·9                     | 172·5 | 125·9  | 388·3 | 92·3                       | 177·2 | 123·4  | 392·9 | 93·5                       | 181·1† | 124·1  | 398·7 |
| Women ... ..                                                 | 3·5                      | 6·5   | 6·1    | 16·1  | 3·6                        | 6·7   | 5·6    | 15·9  | 3·8                        | 7·0    | 5·6    | 16·4  |
| Boys ... ..                                                  | 4·2                      | 10·4  | 4·1    | 18·7  | 4·5                        | 10·4  | 3·0    | 17·9  | 4·5                        | 10·6   | 2·4    | 17·5  |
| TOTALS ... ..                                                | 97·6                     | 189·4 | 136·1  | 423·1 | 100·4                      | 194·3 | 132·0  | 426·7 | 101·8                      | 198·7  | 132·1  | 432·6 |

\* These figures include:

|                |     |                 |                 |
|----------------|-----|-----------------|-----------------|
|                |     | 1st April, 1965 | 1st April, 1966 |
| Young Soldiers | ... | 1·3             | 1·0             |
| Young Airmen   | ... | 0·1             | 0·1             |
| TOTALS         | ... | 1·4             | 1·1             |

† The Army manpower target will be raised from 180,000 to 181,100 from 1st January 1966 on account of the assumption by the Army of responsibility for airfield construction (see para. 194).

**Table 2—Forces Enlisted Outside the United Kingdom**

| Strengths at 1st January, 1965 |     |     |        |
|--------------------------------|-----|-----|--------|
| Royal Navy                     | ... | ... | 2,100  |
| Army                           | ... | ... | 29,100 |
| Royal Air Force                | ... | ... | 900    |
| TOTAL                          | ... | ... | 32,100 |

# ANNEX A

Table 3—Analysis of Volunteer Reserve and Auxiliary Forces and National Service Reserves

|                                                                                    | Strength at 1st January, 1964 |                                  |                            |         | Strength at 1st January, 1965 |                                  |                            |         |
|------------------------------------------------------------------------------------|-------------------------------|----------------------------------|----------------------------|---------|-------------------------------|----------------------------------|----------------------------|---------|
|                                                                                    | Normal Volunteers             | Volunteers from National Service | Part-Time National Service | Total   | Normal Volunteers             | Volunteers from National Service | Part-Time National Service | Total   |
| <b>ROYAL NAVY</b>                                                                  |                               |                                  |                            |         |                               |                                  |                            |         |
| Royal Naval Reserve ... ..                                                         | 7,180                         | 943                              | 46                         | 8,169   | 7,769                         | —                                | 5                          | 7,774   |
| Royal Marine Forces Volunteer Reserve...                                           | 979                           | 20                               | 13                         | 1,012   | 996                           | 10                               | —                          | 1,006   |
| Royal Naval Special Reserve ... ..                                                 | —                             | —                                | 502                        | 502     | —                             | —                                | 81                         | 81      |
| Women's Royal Naval Reserve ... ..                                                 | 978                           | —                                | —                          | 978     | 1,042                         | —                                | —                          | 1,042   |
| <b>ARMY</b>                                                                        |                               |                                  |                            |         |                               |                                  |                            |         |
| 45 Territorial Army ... ..                                                         | 105,116                       | 1,663                            | 24,703                     | 131,482 | 104,592                       | 913                              | 14,450                     | 119,955 |
| Women's Royal Army Corps (T.A.) ...                                                | 4,443                         | —                                | —                          | 4,443   | 4,277                         | —                                | —                          | 4,277   |
| Queen Alexandra's Royal Army Nursing Corps (T.A.) ... ..                           | 263                           | —                                | —                          | 263     | 264                           | —                                | —                          | 264     |
| Army Emergency Reserve ... ..                                                      | 13,763                        | 305                              | 79,267                     | 93,335  | 12,842                        | 130                              | 41,260                     | 54,232  |
| Women's Royal Army Corps (A.E.R.) ...                                              | 88                            | —                                | —                          | 88      | 97                            | —                                | —                          | 97      |
| Queen Alexandra's Royal Army Nursing Corps (A.E.R.) ... ..                         | 89                            | —                                | —                          | 89      | 80                            | —                                | —                          | 80      |
| <b>ROYAL AIR FORCE</b>                                                             |                               |                                  |                            |         |                               |                                  |                            |         |
| Royal Auxiliary Air Force ... ..                                                   | 354                           | 3                                | —                          | 357     | 303                           | —                                | —                          | 303     |
| Women's Royal Auxiliary Air Force ...                                              | 130                           | —                                | —                          | 130     | 125                           | —                                | —                          | 125     |
| Royal Air Force Volunteer Reserve ...                                              | 1,062                         | 3                                | —                          | 1,065   | 787                           | —                                | —                          | 787     |
| Women's Royal Air Force Volunteer Reserve ... ..                                   | 18                            | —                                | —                          | 18      | 3                             | —                                | —                          | 3       |
| Royal Air Force Reserve of Officers (N.S.) and Class H of the Air Force Reserve... | —                             | —                                | 21,035                     | 21,035  | —                             | —                                | 11,873                     | 11,873  |
| <b>TOTALS</b> ... ..                                                               | 134,463                       | 2,937                            | 125,566                    | 262,966 | 133,177                       | 1,053                            | 67,669                     | 201,899 |

## ANNEX A

Table 4—RN and RM Recruiting 1961, 1962, 1963 and 1964

|                                                       | Annual Totals |       |        |       |        |       |        |       |
|-------------------------------------------------------|---------------|-------|--------|-------|--------|-------|--------|-------|
|                                                       | 1961          |       | 1962   |       | 1963   |       | 1964   |       |
|                                                       | R.N.          | R.M.  | R.N.   | R.M.  | R.N.   | R.M.  | R.N.   | R.M.  |
| 1. Normal Regular Engagements                         |               |       |        |       |        |       |        |       |
| (a) From Civil Life:                                  |               |       |        |       |        |       |        |       |
| (i) Men with no previous service ... ..               | 1,529         | 738   | 1,566  | 632   | 1,749  | 516   | 1,787  | 609   |
| (ii) Men with previous service ... ..                 | 80            | 7     | 80     | 8     | 229    | 14    | 108    | 8     |
| (b) From National Servicemen ... ..                   | 2             | —     | —      | —     | —      | —     | —      | —     |
| (c) Juniors (Age 15–17½) ... ..                       | 3,985         | 275   | 4,373  | 190   | 4,934  | 202   | 4,633  | 215   |
| (d) Artificer Apprentices ... ..                      | 476           | —     | 476    | —     | 606    | —     | 604    | —     |
| Total Males recruited ... ..                          | 6,072         | 1,020 | 6,495  | 830   | 7,518  | 732   | 7,132  | 832   |
| 2. Total Males recruited in terms of Man-years ... .. | 55,738        | 9,149 | 59,667 | 7,453 | 68,674 | 6,544 | 65,727 | 7,471 |
| 3. Women Recruited                                    |               |       |        |       |        |       |        |       |
| (a) Q.A.R.N.N.S. Auxiliaries ... ..                   | 51            |       | 87     |       | 109    |       | 136    |       |
| (b) W.R.N.S. ... ..                                   | 837           |       | 1,025  |       | 822    |       | 963    |       |
| Total Women Recruited ... ..                          | 888           |       | 1,112  |       | 931    |       | 1,099  |       |

## ANNEX A

Table 5—Army Recruiting 1961, 1962, 1963 and 1964

|                                                                                                    | Annual Totals |         |         |         |
|----------------------------------------------------------------------------------------------------|---------------|---------|---------|---------|
|                                                                                                    | 1961          | 1962    | 1963    | 1964    |
| 1. Normal Regular Engagements                                                                      |               |         |         |         |
| (a) From Civil Life:                                                                               |               |         |         |         |
| (i) Men with no previous service                                                                   | 19,059        | 23,113  | 14,494  | 15,780  |
| (ii) Men with previous service ...                                                                 | 2,965         | 3,331   | 1,821   | 1,829   |
| (b) Rejoined Reservists ... ..                                                                     | 966           | 853     | 265     | 232     |
| (c) From serving soldiers:                                                                         |               |         |         |         |
| (i) Men on short service engagements ... ..                                                        | 95            | 94      | 50      | 55      |
| (ii) National Servicemen ... ..                                                                    | 608           | 164     | 12      | —       |
| (d) Total normal regular engagements—men ... ..                                                    | 23,693        | 27,555  | 16,642  | 17,896  |
| (e) Young Soldiers ... ..                                                                          | —             | —       | —       | 4,488   |
| (f) Enlisted Boys ... ..                                                                           | 5,994         | 6,794   | 5,823   | 6,535   |
| Total Men, Young Soldiers and Boys ...                                                             | 29,687        | 34,349  | 22,465  | 28,919  |
| 2. Short Service Engagements                                                                       |               |         |         |         |
| (a) From civil life without previous service                                                       |               |         |         |         |
| (i) Normal short service engagements ... ..                                                        | 1,015         | 1,004   | 856     | 921     |
| (ii) Special Northern Ireland engagements ... ..                                                   | 50            | 29      | 14      | 13      |
| (b) From civil life with previous service                                                          | 763           | 979     | 443     | 490     |
| (c) From serving soldiers                                                                          |               |         |         |         |
| (i) National Servicemen ... ..                                                                     | 51            | 15      | —       | —       |
| (ii) Other than National Servicemen ... ..                                                         | 266           | 231     | 103     | 45      |
| (d) Total Short Service Engagements ...                                                            | 2,145         | 2,258   | 1,416   | 1,469   |
| 3. (a) Total Recruited on Regular and Short Service Engagements (Men, Young Soldiers and Boys) ... | 31,832        | 36,607  | 23,881  | 30,388  |
| (b) Total Recruited in Terms of Man-years ... ..                                                   | 223,511       | 260,173 | 172,494 | 225,420 |
| 4. Women Recruited                                                                                 |               |         |         |         |
| (a) Q.A.R.A.N.C. ... ..                                                                            | 396           | 452     | 382     | 331     |
| (b) W.R.A.C. ... ..                                                                                | 2,360         | 2,785   | 1,951   | 2,225   |
| (c) Total Women Recruited ... ..                                                                   | 2,756         | 3,237   | 2,333   | 2,556   |

## ANNEX A

Table 6—Royal Air Force Recruiting 1961, 1962, 1963 and 1964

|                                                             | Annual Totals |        |        |        |
|-------------------------------------------------------------|---------------|--------|--------|--------|
|                                                             | 1961          | 1962   | 1963   | 1964   |
| 1. Normal Regular Engagements                               |               |        |        |        |
| (a) From Civil Life:                                        |               |        |        |        |
| (i) Men with no previous service                            | 7,550         | 7,263  | 1,161  | 2,906  |
| (ii) Men with previous service ...                          | 882           | 866    | 63     | 179    |
| (b) From National Servicemen ...                            | 146           | 38     | 1      | —      |
| (c) Total normal regular engagements<br>—men ... ..         | 8,578         | 8,167  | 1,225  | 3,085  |
| (d) Young Airmen ... ..                                     | —             | —      | —      | 229    |
| (e) Enlisted Apprentices and Boy En-<br>trants ... ..       | 3,716         | 3,487  | 2,338  | 1,324  |
| Total Men, Young Airmen and Boys ...                        | 12,294        | 11,654 | 3,563  | 4,638  |
| 2. Total Recruited in terms of Man-years ...                | 103,532       | 96,906 | 35,321 | 33,850 |
| 3. Women Recruited                                          |               |        |        |        |
| (a) W.R.A.F. Normal Service ...                             | 2,318         | 2,655  | 1,358  | 1,421  |
| (b) W.R.A.F. Local Service ...                              | 168           | 343    | 58     | 59     |
| (c) P.M. R.A.F. N.S. (Non-commis-<br>sioned element) ... .. | —             | —      | 8      | 30     |
| Total Women Recruited ...                                   | 2,486         | 2,998  | 1,424  | 1,510  |

# ANNEX B

## Division of the Defence Budget under the Principal Headings (vi)

Financial Year 1965-66

(£ million)

| 1<br>Item                                                                                          | 2<br>Ministry of Defence |      |       |          |       |        |          |        |        |         |       |        | 3<br>Ministry of<br>Aviation |        |          | 4<br>Ministry of<br>Public<br>Building and<br>Works |       |        | 5<br>Totals |        |          |
|----------------------------------------------------------------------------------------------------|--------------------------|------|-------|----------|-------|--------|----------|--------|--------|---------|-------|--------|------------------------------|--------|----------|-----------------------------------------------------|-------|--------|-------------|--------|----------|
|                                                                                                    | (a) Central              |      |       | (b) Navy |       |        | (c) Army |        |        | (d) Air |       |        | Gross                        | AinA   | Net      | Gross                                               | AinA  | Net    | Gross       | AinA   | Net      |
|                                                                                                    | Gross                    | AinA | Net   | Gross    | AinA  | Net    | Gross    | AinA   | Net    | Gross   | AinA  | Net    |                              |        |          |                                                     |       |        |             |        |          |
| 1. Pay, etc, of Service Personnel ...                                                              | 9.90                     | —    | 9.90  | 93.89    | 2.34  | 91.55  | 177.06   | 10.66  | 166.40 | 147.56  | 7.35  | 140.21 | 1.95                         | —      | 1.95     | —                                                   | —     | —      | 430.36      | 20.35  | 410.01   |
| 2. Pay, etc, of Reserve, Territorial and Auxiliary Forces, and grants for administration, etc. ... | —                        | —    | —     | 1.38     | —     | 1.38   | 21.59    | 0.17   | 21.42  | 1.10    | 0.33  | 0.77   | —                            | —      | —        | —                                                   | —     | —      | 24.07       | 0.50   | 23.57    |
| 3. Pay, etc, of Civilians                                                                          | 4.40                     | —    | 4.40  | 65.27    | 2.44  | 62.83  | 127.14   | 1.46   | 125.68 | 54.34   | 3.74  | 50.60  | 31.76                        | —      | 31.76    | —                                                   | —     | —      | 282.91      | 7.64   | 275.27   |
| 4. Movements ...                                                                                   | 0.50                     | —    | 0.50  | 10.90    | 0.17  | 10.73  | 24.22    | 0.90   | 23.32  | 22.87   | 3.27  | 19.60  | 2.97                         | —      | 2.97     | —                                                   | —     | —      | 61.46       | 4.34   | 57.12    |
| 5. Supplies:—                                                                                      |                          |      |       |          |       |        |          |        |        |         |       |        |                              |        |          |                                                     |       |        |             |        |          |
| (a) Petrol, oil and lubricants ...                                                                 | 0.01                     | —    | 0.01  | 16.32    | 2.12  | 14.20  | 7.58     | 0.62   | 6.96   | 28.50   | 2.15  | 26.35  | 1.18                         | —      | 1.18     | —                                                   | —     | —      | 53.59       | 4.89   | 48.70    |
| (b) Food and ration allowance ...                                                                  | —                        | —    | —     | 13.58    | 2.52  | 11.06  | 28.62    | 2.86   | 25.76  | 17.10   | 1.20  | 15.90  | —                            | —      | —        | —                                                   | —     | —      | 59.30       | 6.58   | 52.72    |
| (c) Fuel and light ...                                                                             | —                        | —    | —     | 5.32     | 0.17  | 5.15   | 13.28    | 2.82   | 10.46  | 9.41    | 2.68  | 6.73   | 1.36                         | —      | 1.36     | —                                                   | —     | —      | 29.37       | 5.67   | 23.70    |
| (d) Miscellaneous ...                                                                              | 0.21                     | —    | 0.21  | 0.64     | —     | 0.64   | 2.94     | 0.16   | 2.78   | 1.99    | 0.22  | 1.77   | —                            | —      | —        | —                                                   | —     | —      | 5.78        | 0.38   | 5.40     |
| Item 5 Total ...                                                                                   | 0.22                     | —    | 0.22  | 35.86    | 4.81  | 31.05  | 52.42    | 6.46   | 45.96  | 57.00   | 6.25  | 50.75  | 2.54                         | —      | 2.54     | —                                                   | —     | —      | 148.04      | 17.52  | 130.52   |
| 6. Production and Research:—                                                                       |                          |      |       |          |       |        | (v)      |        |        |         |       |        | (v)                          |        |          |                                                     |       |        | (iii)       | (iii)  | (iv)     |
| (a) Production ...                                                                                 | —                        | —    | —     | 322.38   | 25.32 | 297.06 | 208.84   | 96.38  | 112.46 | 295.00  | 14.00 | 281.00 | 418.31                       | 375.02 | 43.29    | —                                                   | —     | —      | 852.38      | 118.57 | 739.31   |
| (b) Research and Development ...                                                                   | 0.10                     | —    | 0.10  | 20.47    | 0.37  | 20.10  | 9.08     | 2.62   | 6.46   | —       | —     | —      | 188.86                       | 14.87  | 173.99   | —                                                   | —     | —      | 218.51      | 17.86  | 200.65   |
| 7. (a) Works, Buildings and land ...                                                               | 12.22                    | 4.88 | 7.34  | 6.07     | 2.44  | 3.63   | 29.19    | 21.22  | 7.97   | —       | —     | —      | 4.13                         | 6.42   | Cr. 2.29 | 170.40                                              | 25.42 | 144.98 | 222.01      | 60.38  | 161.63   |
| (b) Associated Expenditure ...                                                                     | —                        | —    | —     | —        | —     | —      | —        | —      | —      | —       | —     | —      | —                            | —      | —        | 26.97                                               | 1.73  | 25.24  | 26.97       | 1.73   | 25.24    |
| Item 7 Total ...                                                                                   | 12.22                    | 4.88 | 7.34  | 6.07     | 2.44  | 3.63   | 29.19    | 21.22  | 7.97   | —       | —     | —      | 4.13                         | 6.42   | Cr. 2.29 | 197.37                                              | 27.15 | 170.22 | 248.98      | 62.11  | 186.87   |
| 8. Miscellaneous effective services ...                                                            | 6.15                     | 0.15 | 6.00  | 5.74     | 2.20  | 3.54   | 12.28    | 2.19   | 10.09  | 10.93   | 9.70  | 1.23   | 1.02                         | 0.47   | 0.55     | —                                                   | —     | —      | 36.12       | 14.71  | 21.41    |
| 9. Non-effective charges                                                                           | —                        | —    | —     | 22.37    | 0.05  | 22.32  | 36.20    | 0.36   | 35.84  | 17.80   | 0.19  | 17.61  | —                            | —      | —        | —                                                   | —     | —      | 76.37       | 0.60   | 75.77    |
| Totals ...                                                                                         | 33.49                    | 5.03 | 28.46 | 584.33   | 40.14 | 544.19 | 698.02   | 142.42 | 555.60 | 606.60  | 44.83 | 561.77 | 651.54                       | 396.78 | 254.76   | 197.37                                              | 27.15 | 170.22 | 2,379.20    | 264.20 | 2,120.50 |

- NOTES: (i) Includes the costs of the Royal Ordnance Factories and the Ministry of Aviation Special Materials Vote.  
(ii) Includes the cost of development work undertaken by industry under contract and the purchase of stores for research and development establishments.  
(iii) To avoid double counting of payments by the Defence Departments to the Ministry of Aviation and Defence (Army) Purchasing (Repayment) Services Votes the cross totals of columns 2-4 have been reduced by £392.15 million.  
(iv) Includes estimated expenditure of £5.5 million by the Atomic Energy Authority on Defence Research.  
(v) Includes defence expenditure on behalf of, and receipts from Defence Departments and non-Exchequer Customers carried on the respective Purchasing (Repayment) Services Votes (Civil Estimates Class IV, 8 for Ministry of Aviation).  
(vi) These figures exclude £13.565 million issues from the Consolidated Fund under the Armed Forces (Housing Loans) Acts for the construction of additional married quarters.

ANNEX C  
Analysis of Major Variations between 1965-66 and 1964-65  
Table 1—Defence (Central)

| Service                                                                                            | Estimates<br>1965-66<br>(Net) | Estimates*<br>1964-65<br>(Net) | Increase +<br>Decrease— | Main Causes of Variations                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------|-------------------------------|--------------------------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| HEADQUARTERS AND OUTSTATIONS:<br>Administrative Services (Subheads<br>A.1-5).                      | £<br>10,244,500               | £<br>9,671,000                 | £<br>+ 573,500          | Higher rates of civilian pay and national insurance contributions;<br>increased cost of overtime, travelling and telecommunication<br>rentals; increased costs of United Kingdom Central Codification<br>Authority; partly offset by reduction in expenditure on tele-<br>communications capital equipment. |
| INTERNATIONAL DEFENCE<br>ORGANISATIONS:                                                            |                               |                                |                         |                                                                                                                                                                                                                                                                                                             |
| (i) British elements of N.A.T.O.,<br>C.E.N.T.O. and S.E.A.T.O.<br>(Subheads B.1-4).                | 6,500,000                     | 6,344,000                      | + 156,000               | Increased expenditure resulting from a change in the basis of<br>adjustment with single-Service Votes for the emoluments of<br>seconded personnel, and additional provision for travel costs<br>and local labour, partly offset by reduction in expenditure on<br>hirings.                                  |
| (ii) International Subscriptions<br>(Subheads C.1-3).                                              | 4,451,000                     | 3,743,000                      | + 708,000               | Increase in total common expenses of International Defence<br>Organisations.                                                                                                                                                                                                                                |
| (iii) N.A.T.O. Infrastructure (Sub-<br>head D.1).                                                  | 7,120,000                     | 7,210,000                      | — 90,000                | Decreased expenditure on Infrastructure projects.                                                                                                                                                                                                                                                           |
| (iv) C.E.N.T.O. Infrastructure<br>(Subhead D.2).                                                   | 100,000                       | 130,000                        | — 30,000                | Decrease in expenditure on equipment, partly offset by increased<br>expenditure on works.                                                                                                                                                                                                                   |
| MISCELLANEOUS ASSISTANCE:                                                                          |                               |                                |                         |                                                                                                                                                                                                                                                                                                             |
| (i) Military Training Assistance<br>(Subhead E).                                                   | 33,000                        | 30,000                         | + 3,000                 | Increased expenditure on military training assistance to C.E.N.T.O.<br>Forces.                                                                                                                                                                                                                              |
| (ii) Mutual Defence Assistance<br>Agreement with the United<br>States of America (Sub-<br>head F). | 8,000                         | 80,000                         | — 72,000                | Decrease in the amount due to be paid as the U.K. contribution<br>towards the sterling expenses of the U.S.A.                                                                                                                                                                                               |
| (iii) Scott Polar Research Insti-<br>tute (Subhead G).                                             | 2,500                         | 2,000                          | + 500                   | Increase in the amount of the contribution towards the expenses<br>of the Institute.                                                                                                                                                                                                                        |
| TOTALS... ..                                                                                       | 28,459,000                    | 27,210,000                     | +1,249,000              |                                                                                                                                                                                                                                                                                                             |

\* Adjusted, for purposes of comparison, to take account of the transfer of certain services between Defence Votes and to and from Civil Votes.

ANNEX C  
Table 2—Defence (Navy)

| Vote | Service                                                                 | Estimates<br>1965-66 (Net) | Estimates*<br>1964-65 (Net) | Increase+<br>Decrease— | Main Causes of Variations                                                                                                                                                                                                                                                                                                          |
|------|-------------------------------------------------------------------------|----------------------------|-----------------------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      |                                                                         | £                          | £                           | £                      |                                                                                                                                                                                                                                                                                                                                    |
| 1    | Pay, etc., of the Royal Navy and Royal Marines.                         | 86,955,000                 | 84,122,000                  | + 2,833,000            | Increased rates of London and lodging allowances and local overseas allowances; higher national insurance contributions; increased strengths and provision for an additional pay week for ratings.                                                                                                                                 |
| 2    | Royal Naval Reserves ...                                                | 1,377,000                  | 1,293,000                   | + 84,000               | Increases in bounty rates and national insurance contributions.                                                                                                                                                                                                                                                                    |
| 3    | Navy Department Headquarters.                                           | 11,856,000                 | 10,704,000                  | + 1,152,000            | Increased national insurance contributions and civil pay.                                                                                                                                                                                                                                                                          |
| 4    | Research and Development and other Scientific Services.                 | 27,680,000                 | 26,336,000                  | + 1,344,000            | Increased pay and national insurance contributions; increased provision for Research and Development programmes.                                                                                                                                                                                                                   |
| 5    | Medical Services, Education and Civilians on Fleet Services.            | 15,492,000                 | 14,287,000                  | + 1,205,000            | Increased national insurance contributions and civil pay.                                                                                                                                                                                                                                                                          |
| 6    | Naval Stores, Armament, Victualling and other Material Supply Services. | 191,120,000                | 170,323,000                 | +20,797,000            | Increased pay of personnel in Supply Establishments; higher prices, increased provision of electronic etc., equipment for Polaris submarines; increasing cost of maintenance of modern aircraft; increased provision and cost of armament stores, partly offset by lower provision for Royal Fleet Auxiliaries under construction. |
| 7    | H.M. Ships, Aircraft and Weapons, New Construction and Repairs.         | 177,993,000                | 149,248,000                 | +28,745,000            | Increased pay of Dockyard personnel, increased provision for New Construction, modernisations, conversions and contract refits and increased provision for the purchase and repair of aircraft by contract.                                                                                                                        |
| 8    | Miscellaneous Effective Services.                                       | 9,391,000                  | 9,341,000                   | + 50,000               | Increased cost of telecommunications; increased travel costs and subsistence rates; partly offset by increased receipts.                                                                                                                                                                                                           |
| 9    | Non-Effective Services ...                                              | 22,324,000                 | 22,036,000                  | + 288,000              | Increase in number of pensions and commutations.                                                                                                                                                                                                                                                                                   |
|      | TOTALS ... ..                                                           | 544,188,000                | 487,690,000                 | +56,498,000            |                                                                                                                                                                                                                                                                                                                                    |

\* Adjusted, for purposes of comparison, to take account of the transfer of certain services between Defence Votes and to Civil Votes.

## ANNEX C

Table 3—Defence (Army)

| Vote | Service                                            | Estimates<br>1965-66 (Net) | Estimates and<br>Supp. Estimate<br>1964-65 (Net)* | Increase +<br>Decrease — | Main Causes of Variations                                                                                                                                                       |
|------|----------------------------------------------------|----------------------------|---------------------------------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      |                                                    | £                          | £                                                 | £                        |                                                                                                                                                                                 |
| 1    | Pay, etc., of the Army ...                         | 166,400,000                | 155,917,000                                       | +10,483,000              | Mainly higher strengths, higher average rates of pay and allowances, increased rates of national insurance contributions, and provision for 53 weekly pay days during the year. |
| 2    | Reserve Forces, Territorial Army and Cadet Forces. | 24,140,000                 | 21,555,000                                        | + 2,585,000              | Increased provision for the Territorial Army.                                                                                                                                   |
| 3    | Army Department Headquarters                       | 6,600,000                  | 6,073,000                                         | + 527,000                | Higher rates of pay and national insurance contributions, partly offset by lower strengths.                                                                                     |
| 4    | Civilians at Outstations                           | 117,140,000                | 112,875,000                                       | + 4,265,000              |                                                                                                                                                                                 |
| 5    | Movements ...                                      | 23,320,000                 | 22,573,000                                        | + 747,000                |                                                                                                                                                                                 |
| 6    | Supplies ...                                       | 45,960,000                 | 43,345,000                                        | + 2,615,000              |                                                                                                                                                                                 |
| 7    | Stores and Equipment ...                           | 115,000,000                | 98,800,000                                        | +16,200,000              | Increased requirements, mainly for liquid fuels, and higher prices.                                                                                                             |
| 8    | Miscellaneous Effective Services.                  | 5,000,000                  | 5,573,800                                         | — 573,800                | Increased deliveries of fighting vehicles, weapons, ammunition and aircraft.                                                                                                    |
| 9    | Non-Effective Services ...                         | 35,840,000                 | 35,140,000                                        | + 700,000                | Increased receipts mainly in respect of occupation of married quarters.                                                                                                         |
| 10   | Defence Lands and Buildings.                       | 14,700,000                 | 13,091,000                                        | + 1,609,000              | Higher rates of awards.                                                                                                                                                         |
| 11   | <i>Additional Married Quarters</i>                 | —                          | 1,000                                             | — 1,000                  | Increased provision for purchase of land, etc., overseas; and lower receipts from sales.                                                                                        |
|      | TOTALS ...                                         | 554,100,000                | 514,943,800                                       | +39,156,200              |                                                                                                                                                                                 |

\* Adjusted, for purposes of comparison, to take account of the transfer of certain services between Defence Votes and to Civil Votes.

Table 4—Royal Ordnance Factories

| Vote   | Service                                             | Estimate<br>1965-66 (Net) | Estimate†<br>1964-65 (Net) | Increase +<br>Decrease — | Main Cause of Variation                                                 |
|--------|-----------------------------------------------------|---------------------------|----------------------------|--------------------------|-------------------------------------------------------------------------|
|        |                                                     | £                         | £                          | £                        |                                                                         |
| R.O.F. | Expenses of operating the Royal Ordnance Factories. | 1,500,000                 | 4,100,000                  | — 2,600,000              | Higher receipts resulting from increased deliveries from the Factories. |

† Includes Supplementary Estimate (H.C. 80 of 1964-65) of £1,700,000.

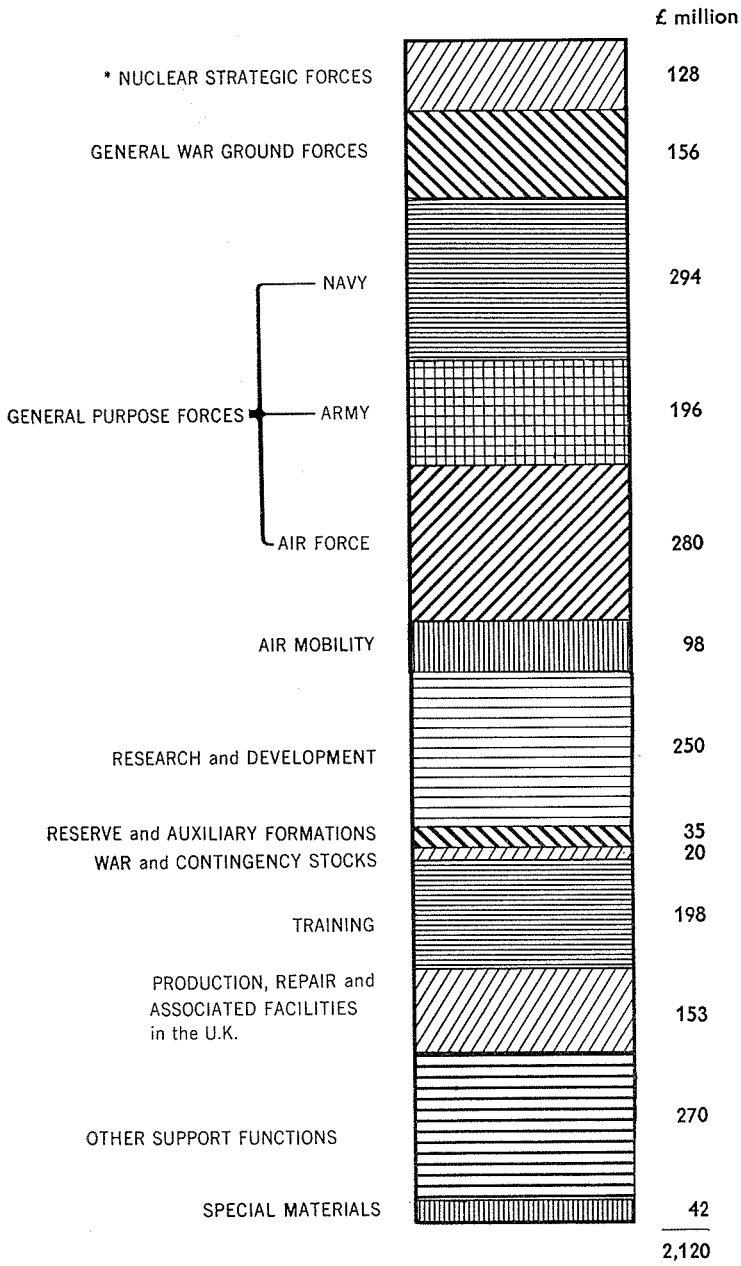
ANNEX C  
Table 5—Defence (Air)

| Vote | Service                                                   | Estimates<br>1965-66 (Net) | Estimates and<br>Supplementary<br>Estimate<br>1964-65<br>(Net)* | Increase +<br>Decrease - | Main Causes of Variations                                                                                                                                                                                         |
|------|-----------------------------------------------------------|----------------------------|-----------------------------------------------------------------|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 54   | 1 Pay, etc., of the Air Force                             | £ 140,210,000              | £ 136,927,000                                                   | + 3,283,000              | Increased rate of National Insurance contributions, a higher married content of the force and provision for an additional pay week for other ranks.                                                               |
|      | 2 Reserve and Auxiliary Services.                         | 770,000                    | 804,000                                                         | - 34,000                 |                                                                                                                                                                                                                   |
|      | 3 Air Force Department Headquarters.                      | 4,780,000                  | 4,680,000                                                       | + 100,000                | Pay awards and increased National Insurance contributions, partly offset by lower average strengths.                                                                                                              |
|      | 4 Civilians at Outstations and the Meteorological Office. | 45,820,000                 | 44,655,000                                                      | + 1,165,000              | Pay awards, increased National Insurance contributions and an additional pay week, partly offset by lower average strengths.                                                                                      |
|      | 5 Movements ... ..                                        | 19,600,000                 | 19,059,000                                                      | + 541,000                | Lower provision for receipts for emergency operations by Transport Command.                                                                                                                                       |
|      | 6 Supplies ... ..                                         | 50,750,000                 | 50,672,000                                                      | + 78,000                 | Increased duty on liquid fuels and lubricants, higher consumption of ground fuels and increased rates of ration allowance, partly offset by lower prices for liquid fuels and reduced consumption of electricity. |
|      | 7 Aircraft and Stores ...                                 | 281,000,000                | 241,584,000                                                     | +39,416,000              | Increased expenditure on airframes, engines, armament, radio and other technical equipment, partly offset by reduced expenditure on airframe spares.                                                              |
|      | 8 Miscellaneous Effective Services.                       | 1,230,000                  | 1,144,000                                                       | + 86,000                 | Increased provision for telecommunications, partly offset by reduced provision for equipment for the Airfield Construction Branch and increased recoveries from the occupation of married quarters and hirings.   |
|      | 9 Non-Effective Services ...                              | 17,610,000                 | 16,739,676                                                      | + 870,324                | Normal growth of the retired pay and pensions list, partly offset by lower expenditure on short-service gratuities.                                                                                               |
|      | TOTALS ... ..                                             | 561,770,000                | 516,264,676                                                     | +45,505,324              |                                                                                                                                                                                                                   |

\* Adjusted, for purposes of comparison, to take account of the transfer of certain services between Defence Votes and to and from Civil Votes.

# ANNEX D

## Defence Expenditure 1965-66

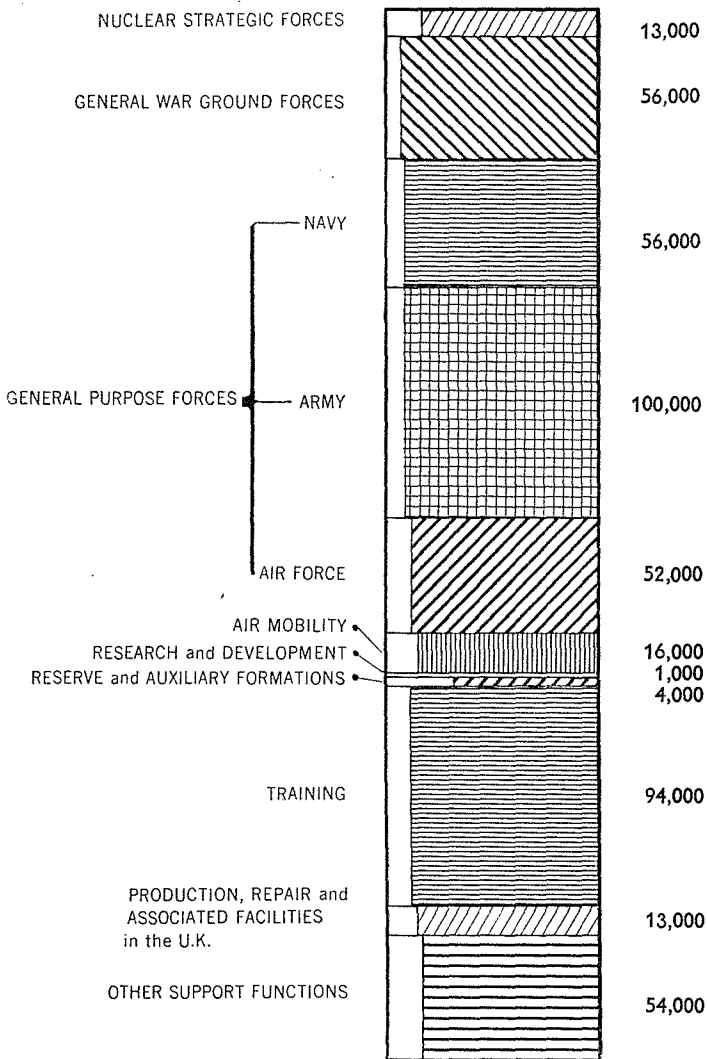


\* Excludes Special Materials and R. & D.

## ANNEX D

### Military Personnel 1965-66

( Strengths at 1st. April 1965 )



OFFICERS



OR's



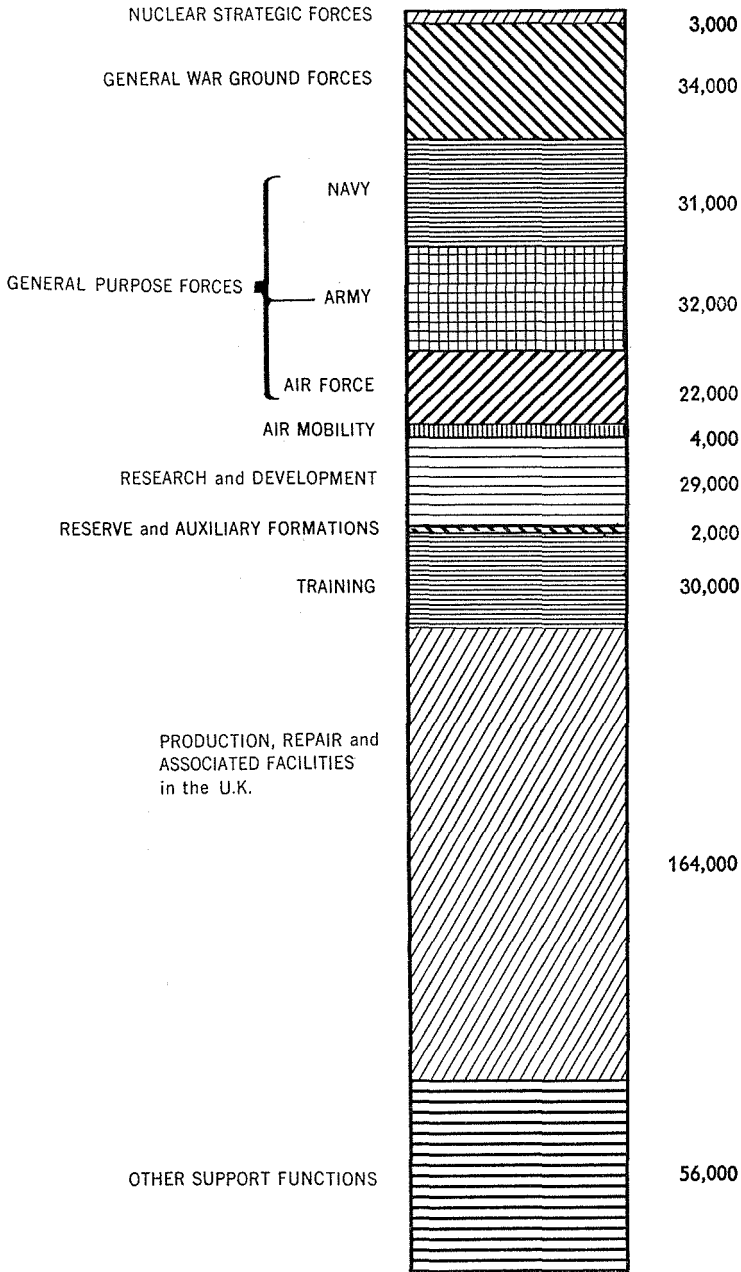
#### MILITARY PERSONNEL INCLUDE:-

392,900 U.K. Adult Males  
15,900 Women  
17,900 Boys  
32,100 Non U.K. Forces

# ANNEX D

## Civilian Personnel 1965-66

( Strengths at 1st. April 1965 )



CIVILIAN PERSONNEL INCLUDE:- INDUSTRIAL 260,200  
NON-INDUSTRIAL 146,400

ANNEX E

**Related Expenditure not included in the Defence Budget**

**I. Home Defence Expenditure by Civil Departments (Net)**

| Department                      | Item                                                                                                                                | Class and Vote        | 1965-66 Estimate (£ million) |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------------|
| Home ... ..                     | Grants to local authorities, production of equipment and materials, etc.                                                            | Class III, 3<br>4     | 15.4                         |
| Trade ... ..                    | Maintenance and turnover of stocks and materials.                                                                                   | Class IV, 2           | 0.1                          |
| Transport ... ..                | Due functioning of railways and shipping; port facilities.                                                                          | Class IV, 15          | 0.4                          |
| Power ... ..                    | Oil storage and distribution; grants to gas and electricity industries.                                                             | Class IV, 17          | 0.7                          |
| Agriculture, Fisheries and Food | Handling, storage, etc. of food stocks; grants to local authorities; storage and maintenance of equipment and vehicles, etc.        | Class V, 7<br>8       | 0.5                          |
| Housing ... ..                  | Grants to local authorities, etc.; production of equipment and materials.                                                           | Class VI, 1<br>2<br>3 | 1.2                          |
| Health ... ..                   | Grants to local authorities; maintenance of medical services including stocks of equipment and materials; emergency hospitals, etc. | Class VI, 16<br>18    | 1.1                          |
| Public Building and Works       | Storage and accommodation ...                                                                                                       | Class IX, 2           | 1.9                          |
| Various ... ..                  | Miscellaneous ... ..                                                                                                                | Various Votes         | 1.4                          |
|                                 |                                                                                                                                     | Total ...             | 22.7                         |

**II. Purchasing (Repayment) Services Votes 1965-66 (£ million)**

|                             | Purchases | Repayments By Customers | Net  |
|-----------------------------|-----------|-------------------------|------|
| Defence (Army) ... ..       | 140.5     | 138.5                   | 2.0  |
| Ministry of Aviation ... .. | 356.3     | 387.9                   | NIL* |
| Totals ... ..               | 496.8     | 526.4                   | 2.0* |

\* £31.6 million to Exchequer Extra Receipts (see Part III, paragraph 213).

# ANNEX E

## III. Other Related Expenditure 1965-66 (£ million)

|                                                                 |     |     |     |     |     |     |     |    |
|-----------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|----|
| Military Aid to Overseas Countries                              | ... | ... | ... | ... | ... | ... | ... | 29 |
| Accommodation                                                   | ... | ... | ... | ... | ... | ... | ... | 28 |
| Stationery and Printing                                         | ... | ... | ... | ... | ... | ... | ... | 10 |
| Central Office of Information                                   | ... | ... | ... | ... | ... | ... | ... | 3  |
| Civil Superannuation                                            | ... | ... | ... | ... | ... | ... | ... | 20 |
| Miscellaneous                                                   | ... | ... | ... | ... | ... | ... | ... | 1  |
|                                                                 |     |     |     |     |     |     |     | 91 |
| Less Cost of Meteorological Services included in Defence Budget | ... | ... | ... | ... | ... | ... | ... | 5  |
| Net Totals                                                      | ... | ... | ... | ... | ... | ... | ... | 86 |

Annex "E" Grand Total (Net) ... £111 million.