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## Behind the scenes at Naval Service headquarters: Bureaucratic politics and the dismissal of Vice-Admiral Percy W. Nelles (John Joseph Connolly)

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**BEHIND THE SCENES AT NAVAL SERVICE HEADQUARTERS:  
BUREAUCRATIC POLITICS AND THE DISMISSAL OF  
VICE-ADMIRAL PERCY W. NELLES.**

By

Richard Oliver Mayne  
BA, University of Toronto, 1995

Thesis  
Submitted to the Department of History  
in partial fulfilment of the requirements  
for the Master of Arts degree  
Wilfrid Laurier University  
1998

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0-612-40495-1

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## **List of Abbreviations**

ACNS	Assistant Chief of the Naval Staff
A/S	Anti-Submarine
ASW	Anti-Submarine Warfare
C group	Canadian escort group
Capt. [D]	Captain Destroyers
C.inC. CNA	Commander in Chief Canadian North-West Atlantic
C.inC. W.A.	Commander in Chief Western Approaches
COAC	Comanding Officer Atlantic Coast
COMINCH	Commander in Chief (United States Navy)
Commodore [D] W.A.	Commodore of Destroyers Western Approaches
CNMO	Canadian Naval Mission Overseas
CNS	Chief of the Naval Staff
CNES	Chief of Naval Equipment and Supply
CNEC	Chief of Naval Engineering Construction
Comm. [D]	Commodore Destroyers
Dhist	Directorate of History (National Defence Headquarters)
DM	Deputy Minister
DOD	Director of Operations Division
DSD	Director of Signals Division
DWT	Directorate of Warfare and Training
FONF	Flag Officer Newfoundland
HF/DF	High Frequency Direction Finding
HMS	His Majesty's Ship
HMCS	His Majesty's Canadian Ship
HX	Fast eastbound convoy
K.R. and A.I.	King's Regulations and Admiralty Instructions
MCM	Maritime Command Museum
MOEF	Mid-Ocean Escort Force
MP	Member of Parliament
NOIC	Naval Officer In Charge
NSHQ	Naval Service Headquarters
ONS	Slow westbound convoy
PAC	Public Archives of Canadian
PANS	Public Archives of Nova Scotia
RAF	Royal Air Force
RCAF	Royal Canadian Air Force
RCN	Royal Canadian Navy
RCNR	Royal Canadian Naval Reserve
RCNVR	Royal Canadian Naval Voluntary Reserve
RDFO	Radio Direction Finding Officer (Radar Officer)
RN	Royal Navy
RNR	Royal Navy Reserve

SC	Slow eastbound convoy
SCFO (O)	Senior Canadian Flag Officer (Overseas)
SCNO (L)	Senior Canadian Naval Officer (London)
Sec. N.B.	Secretary Naval Board
USN	United States Navy
USNR	United States Naval Reserve
VCNS	Vice Chief of the Naval Staff
VR	Voluntary Reserve

## Preface

John Joseph Connolly was born in Ottawa on October 31, 1906. He received his Bachelor of Arts at the University of Ottawa, a Master of Arts at Queens, and completed some post-graduate work at the University of Notre Dame in Indiana. After working at Notre Dame as a professor of Philosophy between 1928-1931, he received a law degree at the University of Montreal and was called to the Quebec Bar in 1933, and the Ontario Bar in 1934. Practicing law for a number of years, Connolly eventually became a partner at the law firm of Clark, Macdonald, Connolly, Atfleck, Brocklesby, and Gorman. To round out an already impressive career, Connolly was summoned to the Canadian Senate on June 12, 1953. Historically speaking, perhaps the most interesting period of Connolly's life occurred during the Second World War.

Shortly after Canada declared war on Germany, Connolly found that he wanted to serve his country. His opportunity would not arrive until the Summer 1941. When the Minister of National Defence for Naval Services, Angus L. Macdonald, assumed his cabinet post July 12, 1940, a number of people recommended that he should employ Connolly as his executive assistant. Instead, Macdonald selected James Ilsley's Assistant private secretary, S.P. Wheelcock. In the summer of 1941 Wheelcock joined the Navy, at which point Macdonald asked Connolly to become his new executive assistant.<sup>1</sup> Connolly agreed, and at the age of thirty five he found himself embroiled in the bureaucracy of a government at war.

This study is devoted to the work which Connolly performed for Macdonald while he was the minister's executive assistant between 1941 and 1945. Its focus will be on the role Connolly played in shaping the history of the Royal Canadian Navy. While this thesis is not a political study, it will naturally comment on the relationship between bureaucrats and their political masters. Although Connolly may not have been Macdonald's first choice, he would prove to be an extremely capable bureaucrat. It was very prophetic when Macdonald wrote to one of Connolly's partners, Stanley Clark, on December 31, 1941 and noted: "I believe that he can do work of very high quality and great value in this department."<sup>2</sup> As Macdonald's executive assistant Connolly rarely found himself in the spot light, and instead carried out his duties behind the scenes. It is for this reason that his role in shaping the history of the RCN has been overlooked, since his work and efforts would often be credited to Macdonald. This type of relationship is not uncommon within

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<sup>1</sup> Minister of Munitions and Supply to Macdonald, 12 July 1940, PANS, Macdonald Papers, MG2, F 589/3.

<sup>2</sup> Macdonald to Stanley Clark, 31 December 1941, PANS, Macdonald Papers, MG2, F 589/3.

Canadian bureaucratic politics because the “prestigious bureaucrats stay on forever and that they really control the government of the country.”<sup>3</sup>

Naturally there are many types of bureaucrats who perform various duties. Consequently, it can be difficult to find a consensus on a definition for the term bureaucrat. This thesis has chosen to follow the definition provided by J.W. Pickersgill, who noted during the *W. Clifford Clark Memorial Lectures* in 1972, that:

I do not limit the term ‘bureaucrat’ to conventional civil servants, but intend it to comprehend all those appointed to office either by the Public Service Commission, the Governor - in -Council, or specific ministers, and I include in this category a special breed of demi-bureaucrat demi-politician, the senior members of staff of ministers offices. Starting with the second world war and continuing ever since, the staffs of ministers’ offices have grown to include executive assistants, special assistants, and persons with other titles, all of whom are, to some degree, a buffer between the minister and his department...<sup>4</sup>

Connolly’s tenure as Macdonald’s executive assistant provides one of the strongest examples of a bureaucrat acting as a buffer between the minister and his department.

During 1943, a crisis would emerge within the navy which pitted Macdonald against his top military advisors within the Department. In fact, it would develop into a disruptive confrontation. He lost confidence in the Royal Canadian Navy’s leaders, and even suspected the loyalties of his political subordinates such as the deputy minister, Gordon Mills. Consequently, the only man who he completely trusted to protect his career throughout this confrontation was Connolly. One of the primary duties of any executive assistant is to look after the minister’s interests and protect his cabinet post from any politically dangerous affairs or scandals. The problems within the navy during 1943 represented a serious risk to Macdonald’s political future. Due to the nature of this conflict, protecting Macdonald’s career proved to be a Herculean task for Connolly. Fortunately for Macdonald, Connolly rose to the challenge and surpassed all of the minister’s expectations.

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<sup>3</sup> J.W. Pickersgill, “*Bureaucrats and politicians: Responsible government in a federal state.*” *The Journal of the Institute of Public Administration of Canada* 15, no. 3 (Fall 1972): 3.

<sup>4</sup> *ibid.*, 4-5.

# 1 Introduction and Historiography

For the last two hundred years, British naval historical writing has been filled with accounts of naval heroes and leaders. Beginning with the great Horatio Nelson, the trail of British naval historiography has immortalized other men such as Sir John Arbutnot “Jacky” Fisher, Sir David Beatty, Sir Andrew Cunningham, and Sir Max Horton.<sup>1</sup> This aspect of naval writing is almost non-existent within Canadian historical literature. One reason which explains this discrepancy involves the fact that the Royal Navy has existed for hundreds of years, while the Royal Canadian Navy became a separate institution only in 1910.<sup>2</sup> For much of its early formation the RCN was a small organization and therefore relied heavily on the RN for guidance. Consequently, the Battle of the Atlantic proved to be the first true test of the leadership ability of the RCN’s highest ranking officers. Individuals such as J.D. Prentice, H.G. Dewolf, R. Mainguy, and D.W. Piers, proved that Canada’s sea-going navy produced some truly excellent and unparalleled naval talent during the Second World War. On the other hand, the leadership-style and overall success of Canada’s top admirals is perhaps a little more questionable. This is certainly true for the RCN’s highest ranking officer, Vice-Admiral Percy W. Nelles, who was relieved of his duties as the Chief of the Naval Staff [CNS] in January 1944 by the Minister of National Defence for the Naval Services, Angus L. Macdonald. Nelles’ dismissal is worth closer examination because it offers considerable insight into the problems and antagonisms which existed between the highest ranking officers within the RCN on the one hand, and the politicians and bureaucrats who were responsible for the Navy Department on the other. Wrapped in a veil of secrecy for much of the post-war period, the story of Nelles’ dismissal exposes some of the more clandestine political activities within the navy, and the “behind the scenes” role that certain individuals played in shaping the history of the RCN. As more sources have become available over the past fifty years, historians have begun slowly to piece together many of the events as well as

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<sup>1</sup> There are a number of outstanding biographies on British Admirals. Some of these include: Richard Hough, First Sea Lord: an authorized biography of Admiral Lord Fisher (London: Seven House, 1977); Stephen Roskill, Admiral of the Fleet Earl Beatty: the last naval hero (London: Collins, 1980); and William Clamers, Max Horton and the Western Approaches: a biography of Admiral Sir Max Horton (London: Hodder and Stoughton, 1954). In comparison, James Cameron’s biography of Admiral L.W. Murray is the only current example of a book devoted to the study of a Canadian Admiral. Unfortunately, Cameron’s book does not aptly cover Murray’s naval career since the war-time period receives a very cursory treatment. Instead, Cameron focuses on Murray’s role in the Halifax riots on V-E Day. For more information see; James Cameron, Murray, the Martyred Admiral (Hantsport, N.S.: Lancelot Press, 1980).

<sup>2</sup> Marc Milner, “*The Historiography of the Canadian Navy: The State of the Art*,” in A Nation’s Navy, eds. M.L. Hadley, Rob Hubert and Fred Crickard (Kingston: McGill-Queen’s University Press, 1996), 26.

the individuals who were responsible for Nelles' replacement as CNS by Rear Admiral George C. Jones. There is one individual whose role in Nelles' dismissal is worth closer investigation. This was John J. Connolly, who was acting as a top bureaucrat within the Navy Department; and his part in this affair has been greatly underestimated within Canadian naval historiography.

Connolly was Angus L. Macdonald's executive assistant, and his personal papers, which have recently been declassified at the National Archives of Canada, provide incredible new insight into the reasons and manner in which Nelles was relieved as CNS in January 1944. After practicing law in Montreal before the war, Connolly became the minister's "right hand man" soon after Macdonald's appointment to cabinet. As such, he was privy to many of the details which surrounded Nelles' dismissal and was in fact a major player in Nelles' fate. The standard interpretation within the modern literature has been that Nelles was "fired" because it was discovered that RCN ships were going to sea inadequately equipped to fight an anti-submarine war.<sup>3</sup> While there is much justification with this interpretation, the Connolly Papers divulge that there was another driving force which led to Nelles' dismissal. This involves the fact that the primary concern within Macdonald's office was saving his political career, rather than immediately correcting the problems which were affecting the efficiency of the RCN's escort fleet.

As a result, the remainder of this introduction will provide the necessary historical background and historiography regarding Nelles' dismissal. Furthermore, it will be the intention of the historiography to show the reader that the key to understanding the circumstances which surrounded Nelles' dismissal has always involved the availability of sources. Therefore, as the release of the Macdonald papers allowed modern historians to make certain linkages between Nelles' dismissal and the equipment crisis of 1943, the recent release of the Connolly papers has added a new dimension to the story; namely that Nelles' dismissal was politically motivated. This motivation involved Connolly's desire to protect Macdonald's cabinet post from any political fall-out which might have occurred had any of the problems within the RCN ever become public knowledge. The Connolly Papers are a crucial source, and without them it has been impossible for modern historians to fully explore the political factors which led to Nelles' dismissal. Finally, the historiographical discussion will show the reader that one of the elements which is missing from the state of modern naval writing is the role that particular individuals played in the shaping of the

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<sup>3</sup> Two excellent accounts which provide this interpretation include Milner's chapter "Summer of Discontent" in *North Atlantic Run* (Toronto: University of Toronto Press, 1985); and David Zimmerman's chapter "Confrontation and Dismissal" in *The Great Naval Battle of Ottawa* (Toronto: University of Toronto Press, 1989).

history of the RCN. This is an important aspect with regard to this thesis since it was Connolly, more than Macdonald, who led the drive to have Nelles relieved as CNS. Therefore, the power and influence of Connolly, and the role he played in Nelles' dismissal has been greatly underestimated within Canadian naval historiography.

Nelles' removal has often been treated as the dramatic conclusion to an intensive year where many of the deficiencies within the RCN were finally brought to the surface. Most of these deficiencies were caused by the remarkable rate at which the RCN expanded throughout the war. When Canada first declared war on Germany in September 1939, the RCN had only 3,600 personnel and thirteen commissioned ships.<sup>4</sup> In order to meet the rising threat from Germany's U-boat force the RCN expanded at such a rate that by March 31, 1942, there were 542 ships of various types in commission or under construction and 32,067 personnel in its service.<sup>5</sup> During the first half of the war the demand for escort vessels was enormous. The Allies' basic logic during this stage of the war appeared to be that even a poorly-equipped and inadequately trained escort was better than no escort at all.<sup>6</sup> Through a combination of the rapid expansion and over-taxed operational commitments, RCN escorts were going to sea under-equipped and without the necessary training to effectively fight an anti-submarine war. The men at sea were exhausted, and it was only a matter of time before the effects of this rapid expansion finally reached the breaking point.

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<sup>4</sup> Gilbert Tucker, The Naval Service of Canada (Ottawa: King's Printer, 1952), 21; and C.P. Stacey, Arms, Men and Governments (Ottawa: Queen's Printer, 1970), 315.

<sup>5</sup> Annual Departmental Reports, Report of the Department of National Defence for the Fiscal Year Ending March 31, 1942 (Ottawa: Edmond Cloutier, 1943), 8. Also see: Dan van der Vat, The Atlantic Campaign: World War II's Great Struggle at Sea (London: Harper & Row, 1988), 135. van der Vat draws an interesting comparison between the rate at which other Allied navies expanded and the RCN. While the RCN's expanded 50 times its original size by the end of the war, the USN only expanded by 20 times, the RN by 8 times, and the Australians by 14 times. Therefore, van der Vat notes that "it is hardly surprising that such a phenomenal expansion brought severe growing pains."

<sup>6</sup> Michael L. Hadley. "Inshore ASW in the Second World War: The U-Boat Experience," in The RCN in Transition, 1910-1985, ed. W.A.B. Douglas (Vancouver: The University of British Columbia Press, 1988), 126. The most common escort throughout the war was the British designed "Flower Class" corvette. Originally a civilian whale catcher, this vessel formed the back-bone of the RCN's escort force. The original corvettes were 205 feet long, 33 feet in breadth, and displaced 950 tonnes. With their single shaft engine, the corvette could maintain a top speed of 16 knots, and had an endurance of 3,450 miles. The ideal weaponry by 1943 consisted of: one 4 inch gun, two 20 mm Oerlikons, one 2 pound gun aft, four additional 20 mm positions, one complete hedgehog depth charge mortar, and four depth charge throwers and two depth charge rails with 72 depth charges. Despite constant upgrades, the basic electronic gear included: Gyroscopic, (rather than unstable magnetic) compasses, Type 271 Radar (which was essential for detecting surfaced U-boats), and Type 123A Asdic (a type of Sonar critical for detecting submerged submarine). The problem for the RCN was that many of its corvettes either did not possess this equipment or were fitted with inferior versions. For more information see: Ken Macpherson and Marc Milner, Corvettes of the Royal Canadian Navy 1939-1945 (St. Catharines, Ont: Vanwell Publishing Ltd, 1993.)

The effect of the RCN's rapid expansion became extremely evident during the autumn of 1942. Beginning in September 1942, there were a series of disastrous Canadian-escorted convoys. After the results of the ill-fated convoy SC 107, which was escorted by the Canadian group C.4, Nelles finally appealed to the Royal Navy for help in November 1942. This request did not surprise the British, who had long suspected that the Canadians were suffering from acute training problems.<sup>7</sup> While the British were willing to help the Canadians, they wanted to provide it on their own terms. Nelles was not pleased with these terms, which proposed that all four Canadian escort groups be transferred to RN control, withdrawn from the Mid Ocean Escort Force [MOEF], and placed on the easier U.K. to Gibraltar routes where they could receive more training.<sup>8</sup> In his defence, Nelles attempted to counter the British proposal by noting that the major problem with the RCN was not a lack of training, but rather that Canadian ships did not possess the necessary equipment to deal successfully with the U-boat offensive.<sup>9</sup> Unfortunately, the results of the Christmas convoy ONS 154 took the wind out of Nelles' sails. This Convoy was one of the worst Canadian disasters of the war, and by the time it finally arrived alongside in St. John's, Naval Service Headquarters (NSHQ) was coming to the conclusion that they had no choice but to accept the British offer.

The transfer of all four Canadian escort groups for re-training was accepted by the War Cabinet on January 6, 1943. Although Canadian escorts did not disappear from the Mid-Ocean Escort Force altogether, or all at once, the simple fact was that the Canadians largely sat on the sidelines during the climax of the Battle of the Atlantic. Much Canadian blood had been spilt protecting North Atlantic trade in the first few years of the war, but when it came to the dramatic defeat of the U-boat peril during the Spring of 1943, the laurels went to their British counterparts. The transfer was significant because it provided definite proof that there was something wrong with the RCN. There were many sea-going officers, both British as well as Canadian, who did not accept the Admiralty's interpretation that the major problem with the RCN was the inadequate training of its personnel.<sup>10</sup> Instead, they believed that that the RCN was hindered by a lack of modern equipment, such as type 271 radar, type 123 (later type 144) asdic, gyroscopic compasses,

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<sup>7</sup> Donald Macintyre, *U-Boat Killer* (London: Weidenfeld & Nicholson, 1956), 157.

<sup>8</sup> Marc Milner, "Royal Canadian Navy Participation in the Battle of the Atlantic Crisis of 1943," in *The RCN in Retrospect*, ed. James Boultiler (Vancouver: The University of British Columbia Press, 1982), 169.

<sup>9</sup> *Ibid.*, 168. This conclusion was from a Naval Staff investigation. It concluded that the poor results attained by the RCN was due to its ships lacking proper equipment which did not allow them to be "competitive" with their British counterparts.

<sup>10</sup> Macintyre, *U-boat Killer*, 115.

and hedgehog depth charge mortars. Slowly, these officers began to voice their opinions both vocally and on paper throughout the first half of 1943. The major problem for Nelles was that he had informed Macdonald that the training plan was designed to improve the “killing efficiency” of all the Allies’ escort groups, and not just the Canadians. While this was not entirely true, since the British and Americans never intended to withdraw their escort forces, the War Cabinet was led to believe that once the training problem was rectified all would be well with the navy.<sup>11</sup> On the other hand, these new complaints revealed that there was an altogether different problem with the RCN, namely that the navy did not possess the necessary equipment to properly combat the U-boat threat. Throughout 1943, the Naval Staff attempted to remedy the equipment crisis themselves, and subsequently little information was passed on to Macdonald. Unfortunately for Nelles, one of these complaints finally reached Macdonald in August 1943, and the drive to have him replaced as CNS began.

From the available evidence, modern historians have pieced together many, but not all, of the events and factors which led to Nelles’ dismissal in January 1944. Most of these accounts trace the roots of the decision to replace Nelles as the CNS to one of the most notorious memoranda in the history of the Royal Canadian Navy. Written by Lieutenant-Commander William Strange, who was the Assistant Director of Information, this memorandum by-passed the normal chain of command and was sent directly to Connolly who then presented it to Macdonald. While Strange admitted that he was not an expert on the matter, his memorandum noted that many British and Canadian officers believed that there was a serious problem with the state of equipment within the RCN. On August 21, 1943, Macdonald informed Nelles that he wanted a report on the “completeness of our Anti-submarine equipment as compared to similar equipment on UK escort vessels on the North Atlantic Run.”<sup>12</sup> Nelles responded that such a comparison was impossible to formulate. Shortly afterwards, Macdonald approved a secret investigation into the state of equipment within the RCN. In October 1943, Connolly traveled overseas and began questioning both RN and RCN officers on the state of equipment within the RCN, and how this equipment crisis had effected Canada’s effort to combat the U-boat threat. After returning to Canada, Connolly presented a report to the Naval Staff on November 15, 1943, where he noted, amongst

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<sup>11</sup> Milner, *North Atlantic Run*, 210. Milner correctly notes that the suggestion that the RN was also going to withdraw some of its forces for re-training made the idea of the RCN’s transfer more palatable to both the Naval Staff and the War Cabinet. The misconception was that the Canadian groups were merely the first of a series of escort groups to be withdrawn for re-training; this, of course, proved to be false.

<sup>12</sup> Minister to CNS, 21 August 1942, PAC, RG 24, 3995.

many other facts and recommendations, that “RCN Corvettes were 15 to 20% modern.”<sup>13</sup> This was a deplorable revelation, especially since almost 100 % of the RN’s escort fleet had already been modernized. From this juncture, Macdonald’s and Nelles’ professional relationship quickly began to disintegrate. Between November and December 1943 they exchanged correspondence in which they essentially blamed the other for the poor state of equipment within the RCN. It was a truly remarkable affair, as neither of the RCN’s top two decision makers would accept responsibility for the problems within the RCN, and instead their relationship developed into a disruptive feud. Finally, one year and eight days after the transfer of RCN escort groups was first accepted by the War Cabinet, Vice-Admiral Percy Nelles was relieved of his duties as the Chief of the Naval Staff.

It is an incredible fact that for almost forty-two years the particulars of Nelles’ dismissal were largely kept secret. It was not until the publication of Marc Milner’s North Atlantic Run that many of the details surrounding Nelles’ dismissal were finally made public. Despite Milner’s excellent account, many of the details of this intensive affair have still remained outside the purview of modern historians and interested students of history. Therefore, the remainder of the introduction will look at how Nelles’ dismissal has been treated within the literature, as well as explaining why it has escaped full analysis by modern historians.

The birth of Canadian naval historical writing occurred during the 1950’s with two separate official histories written by Gilbert Tucker and Joseph Schull. Both Tucker’s The Naval Service of Canada, and Schull’s The Far Distant Ships reveal a number of inherent problems with official histories; namely that they tend to be very uncritical and often avoid controversial issues. Undoubtedly, both men may have felt restrained by the fact that their employer, the Department of National Defence, had a political agenda when they commissioned the official histories. It was the department’s goal to have an official history which would hopefully “drum up” public support for post-war naval expansion plans.<sup>14</sup> Therefore, in both these accounts, little attention was given to the transfer of the RCN’s escort fleet, and even less was said of Nelles’ dismissal as CNS in January 1944.<sup>15</sup>

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<sup>13</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN ships Part 1 nd, 1943.’

<sup>14</sup> Milner, “*The Historiography of the Canadian Navy*,” 28.

<sup>15</sup> Tucker, The Naval Service of Canada, 457; and Joseph Schull, The Far Distant Ships (Ottawa: Queens Printer, 1952).

While Schull avoided the topic of Nelles' transfer overseas altogether, Tucker does mention the dismissal in one brief passage. Tucker's account of Nelles' dismissal is interesting because it contradicted the navy's official version of how the decision to transfer Nelles overseas was made. According to the official navy press release of January 14, 1944, Nelles was being sent overseas because "realizing the great importance of the Overseas post, and bearing in mind the tasks that lie ahead of the Canadian Navy, it has been decided that Vice Admiral Percy Nelles, C.B., RCN should assume the post of Senior Canadian Flag Officer Overseas. [SCFO(O)]."<sup>16</sup> The message conveyed to the Press was that, with the upcoming invasion of Europe, the Navy Department had created the position of SCFO(O) first, and then decided that they would require their top admiral to fill this position.<sup>17</sup> However, Tucker informs the reader that:

The growth of Canadian forces in the United Kingdom in preparation for the invasion of northern Europe made it desirable to have an officer of flag rank in close touch with British and American chiefs of staff in the United Kingdom, and *since Nelles was about to be replaced as Chief of the Naval Staff, it was decided to appoint him as Senior Canadian Officer Overseas.* [Italics added]<sup>18</sup>

Therefore, unlike the navy's interpretation, Tucker makes clear that the decision to relieve Nelles as CNS was made before the position of SCFO (O) had been created. Tucker's interpretation naturally leads to the question of why Nelles was "about to be replaced as the Chief of the Naval Staff?" Whether this contradiction was intentional or not is uncertain, but it is interesting to note that Tucker's interpretation was much closer to the truth. As will be seen in Chapter Four of this thesis, the reality was that Connolly had created the essentially meaningless and powerless position of SCFO(O) in an attempt to get Nelles out of Ottawa and away from the Press.<sup>19</sup> In fact, this was one of the pillars of Connolly's plan to keep the details of the dismissal from becoming public knowledge.

Tucker suggests that the position of SCFO(O) was not as straight forward as the Navy Department implied. Although he does not elaborate, Tucker notes that Nelles' original terms of references for the position of SCFO(O) duplicated many of the responsibilities of the liaison organization already in place in London. In Tucker's opinion this might have caused Nelles to become "...a scapegoat had serious disaster befallen Canadian naval ships or personnel [involved

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<sup>16</sup> Royal Canadian Navy Press Release, 14 January 1944, MCM, Nelles Collection.

<sup>17</sup> *The Globe and Mail*, 15 January 15, 1944.

<sup>18</sup> Tucker, *The Naval Service of Canada*, 461.

<sup>19</sup> David Zimmerman, *The Great Naval Battle of Ottawa*, (Toronto: University of Toronto Press, 1989), 146.

in the invasion].”<sup>20</sup> While it almost appears that Tucker teases the reader with tantalizing insight into Nelles’ dismissal, he never expands upon these implications, nor does he provide any other relevant details. As has been noted, Tucker probably felt confined by the fact that he was writing official history, but even his limited account leaves the impression that there was much more to Nelles’ dismissal than the original Navy Department’s version. Unfortunately, for the next three decades there were few historians who were willing to explore any topic related to the history of the RCN.

In a recent historiographical article, British authority and librarian Derek G. Law made the interesting observation that “a curious feature of the Battle of Atlantic history writing is that it took Canadians some 35 years to begin seriously to address their contribution.”<sup>21</sup> Law’s observation was an accurate depiction of the state of Canadian naval historical writing during the first three decades following the war. Between Tucker and Schull’s official histories and Marc Milner’s 1985 publication of the North Atlantic Run, there were very few published works on the history of the RCN. It is difficult to explain why this lack of interest in the history of the RCN occurred throughout this period. One of the best answers was provided by Milner who noted in a recent article that “In the end, however, perhaps the most compelling reason for the dearth of published material on the RCN in the generation after 1945 is that the files were still closed to every one except official historians.”<sup>22</sup> This was particularly true for those who wanted to study the dismissal of Vice-Admiral Nelles. While there were a number of historians who suspected that there was more to the story than the limited details provided in the official histories, there were simply not enough sources to document what actually happened to Nelles in January 1944.

It appears that there was at least one individual during the 1960’s who wanted to document Nelles’ dismissal in more detail. In September 1965, the Director of the Historical Section, Charles, P. Stacey, made a request to his executive officer, E.C. Russell, for any information their collection had “on the relations between the admiral and his minister, the Honourable Angus L Macdonald, specifically relating to the period immediately prior to Admiral Nelles being relieved of his appointment as Chief of the Naval Staff.”<sup>23</sup> Stacey was in the process of conducting research for his official history of Second World War defence policy, Arms, Men and Governments.

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<sup>20</sup> Tucker, The Naval Service of Canada, 462.

<sup>21</sup> Derek G. Law, “*The Historiography of the Battle of the Atlantic*,” in The Battle of the Atlantic 1939-1945: The 50th Anniversary International Naval Conference, ed. Stephen Howarth (London: Greenhill Books, 1994), 600.

<sup>22</sup> Marc Milner, “*The historiography of the Canadian Navy*,” 29.

<sup>23</sup> C.P. Stacey to E.C. Russell, 27 September 1965, Dhist, Nelles Papers, Folder A.

Unfortunately, Russell's response after his search for material was completed revealed an inherent problem which has affected the study of Nelles' dismissal to the present day. This problem involved the availability of sources. Replying to Stacey's request for information, Russell noted that his comprehensive search had "met with very disappointing results", and then offered the remarkable opinion that "... My own guess is that is that Admiral Nelles *removed or destroyed* papers, if not from this file then from his office."<sup>24</sup> In his final analysis Russell commented that "I have always felt there was a personal clash between Mr. Macdonald and Admiral Nelles but this is almost impossible to document."

This correspondence between Russell and Stacey shows that there were individuals who suspected that there was more to Nelles' dismissal than the story provided by the Navy Department in 1944. However, the factors and events behind Nelles' dismissal remained known only to a select group of individuals. Perhaps still researching for Stacey, or possibly out of his own personal interest, Russell continued his quest for information on Nelles' dismissal but his efforts usually led to disappointing results. In a 1967 interview with Captain Eric Brand, who had been a member of the Naval Staff during the Second World War, Russell commented on some of the difficulties he had encountered in his attempt to discover the entire story. During this interview he noted that :

. ...It seems to me that Admiral Nelles, certainly, as CNS had to carry the responsibility but in talking to officers who had a hand, or who had knowledge, I should say, in the events that led to his *being kicked upstairs* [italics added], as it were, I've found a certain reluctance to discuss the matter. I've talked to Commander Strange and he was quite open about it. He openly admitted his part in it. I talked to Admiral Adams who was a senior officer Escort Group at sea and he would have nothing to say. I have not talked to Mr. Connelly [sic] who was the Executive Assistant, I believe, to Mr. Macdonald, who went to Britain and investigated affairs over there; talked to Commodore (D) in Londonderry [Simpson] and so on. But the general impression we have today and I have to say this because *Tucker glosses over it* [italics added], is that some where Admiral Nelles failed.<sup>25</sup>

It is evident that Russell encountered many obstacles in his quest for information on the circumstances which surrounded Nelles' dismissal. Despite some promising leads, Russell was unable to uncover the entire story. As with any historical topic, the key to unraveling the truth

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<sup>24</sup> E.C. Russell to Director, 27 September 1965, Dhst, Nelles Papers, Folder A. note: In this letter Russell also makes the interesting comment that it was a well known fact that Nelles had destroyed documents to protect his actions as CNS in the past. In specific Russell notes that "We know he ordered the destruction in 1939 of papers pertaining to Sir Charles Kingsmill." On 7 September 1965 Russell tasked the Chief of Records Management at Dhst to research the relationship between Nelles and Macdonald "for the departmental volume on defence policy during the Second World War."

<sup>25</sup> Captain Eric Brand, interview by E.C. Russell, tape recording, 22 February, 1967. Dhst, Brand Papers, 84/147, vol 7.

behind Nelles' dismissal involved the availability of sources. Quite simply, as the Russell correspondence indicated, these sources were not available at this time.

Nevertheless, Stacey's account in Arms, Men and Government did offer some new insight into the factors which surrounded Nelles' dismissal. Working from what sources were available at the Directorate of History and the National Archives, Stacey was able to outline many of the major events which ultimately led to Nelles' removal. However, it was Stacey's main intention to discuss the equipment crisis rather than the Nelles' dismissal. As a result, he never made the link, although it was definitely implied, that Nelles was relieved due to the poor state of equipment within the RCN in 1943. In his final analysis Stacey comments on the effect that the equipment crisis had on NSHQ by noting that:

...the reorganization of Naval Staff headquarters and the RCN establishments in the United Kingdom, already undertaken was carried further. In January 1944 Vice Admiral Nelles... relinquished the office of Chief of the Naval Staff and was sent to London.<sup>26</sup>

As with Tucker, Stacey might have felt confined in his ability to analyze critically Nelles' dismissal because he was writing an official history on behalf of the government. It seems more likely, however, that Stacey's analysis was affected by the availability of sources. In the preface to Arms, Men and Governments, Stacey notes that he "was unable to gain access to the papers of the late Mr. Angus L Macdonald..." As a result, the reader is left with the impression that Stacey suspected that these papers contained information which might have shed some light on the circumstances which surrounded Nelles' dismissal. However, without any direct evidence Stacey could do little more than imply that Nelles had been held responsible for the state of equipment within the RCN, and therefore relieved as CNS. Stacey's analysis was important because he was the first individual to suggest that Nelles' dismissal was related to the equipment crisis. This would have important ramifications on how future historians would interpret Nelles' dismissal once more sources became available.

Likewise, in his 1977 article "*Conflict and Innovation in the Royal Canadian Navy*", W.A.B. Douglas also believed that there was a link between Nelles' dismissal and the equipment crisis. What was truly significant about Douglas' article was that he openly admitted that the availability of sources at the Directorate of History and the National Archives of Canada were not sufficient to re-evaluate Nelles' dismissal as he noted that:

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<sup>26</sup> Stacey, Arms, Men and Governments, 318-19.

Although it is not possible from available evidence to demonstrate a direct relationship between the equipment crisis of 1943 and the replacement of Nelles as CNS by Rear Admiral Jones, the coincidence is difficult to overlook.<sup>27</sup>

It was Douglas' opinion that "the Angus L Macdonald Papers, when they are opened to scholars, should provide an important additional source" to the circumstances which surrounded Nelles' dismissal.<sup>28</sup> This observation was very prophetic as the Macdonald papers did shape the manner in which modern historians have interpreted Nelles' dismissal. Also, up until the 1980's, all individuals who had investigated Nelles' dismissal (Tucker, Stacey and Douglas) had been Directors at the Directorate of History. This pattern would change in the mid-1980's as academic scholars, with greater access to new sources, took over the investigation.

Following Stacey's and Douglas' lead, and with access to the Macdonald papers, there were two historians who finally linked the equipment crisis to Nelles' dismissal. The first of these historians was Marc Milner who published the North Atlantic Run in 1985, and the second was David Zimmerman and his 1989 book The Great Naval Battle of Ottawa. It was not the intention of either of these authors to focus on Nelles' dismissal. Instead, Milner's study focused on explaining the deficiencies which effected the RCN's performance at sea throughout the first four years of the war. While Milner discusses many of the problems which faced the RCN, such as the effects that the rapid expansion had on the RCN's manning policy, and inadequate training arrangements, his main argument centered on the equipment crisis.<sup>29</sup> Likewise, Zimmerman's main thesis was to analyze "how officers, scientists, and politicians tried to come to grips with the harsh realities of this war of advanced technology."<sup>30</sup> For both authors, Nelles' dismissal and his feud with Macdonald provide the dramatic climax to their discussion on the equipment crisis and the problems which the RCN faced in 1943. This was reflected by the fact that both these authors devoted one of their concluding chapters to linking the problems within the RCN (specifically the equipment crisis) to Nelles' dismissal. This was even more apparent in Milner's second book, The U-boat Hunters, in which he noted that:

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<sup>27</sup> W.A.B. Douglas. "Conflict and Innovation in the Royal Canadian Navy 1939-1945." (Toronto: copy of article reproduced by Robarts Library, University of Toronto, 1977), 23.

<sup>28</sup> *Ibid.*, 31.

<sup>29</sup> Milner, North Atlantic Run.

<sup>30</sup> Zimmerman, The Great Naval Battle of Ottawa, 4-5.

The dismissal of Admiral Percy Nelles as Chief of the Naval Staff on 1 January 1944 marked an end to the most traumatic year in RCN history. For twelve long months the navy had wrestled with the debris of unbridled growth...<sup>31</sup>

As a result, both Milner and Zimmerman have developed a trend within the literature which views Nelles' dismissal as a product of the equipment crisis as well as the other problems within the RCN.

It now appears that there is a consensus amongst Canadian military historians that Macdonald relieved Nelles because of the deplorable state of equipment within the RCN. For example Tony German noted in his popular history, The Sea is at our Gates, that Macdonald's lack of interest in the navy allowed the equipment crisis to fester, while Nelles "fell far too short in his failure to achieve the unachievable."<sup>32</sup> Likewise, David Bercuson argues that Nelles "had great difficulty in coming to grips with the fact that anti-submarine warfare had changed dramatically since the First World War." In his final conclusion Bercuson makes the acute observation that "Though at least as culpable as Nelles for the RCN's problems Macdonald kept his cabinet post to the end of the war."<sup>33</sup> Although it has not been fully explored, it appears that some historians recognize that the equipment crisis was also a reflection of poor leadership at NSHQ. In the final analysis, however, Nelles' dismissal is viewed as a larger effort to rectify the problems caused by the equipment crisis.

As has been noted, Milner's and Zimmerman's access and effective use of the Macdonald papers allowed many of the details behind Nelles' dismissal to finally be made public. Once again, it appears that the interpretation of Nelles' dismissal will be shaped by the declassification of a new source of information. This source is the recently-declassified John J. Connolly papers at the National Archives of Canada. These papers not only offer new insight into the reasons why Nelles was relieved, but they also provide a missing element to the present state of Canadian naval historical writing. This missing element was best described by Milner who has noted that, "If there is a major gap in the current state of Canadian naval historiography, it would be on the role of individuals."<sup>34</sup> While Milner's and Zimmerman's interpretation of Nelles' dismissal and its links to the equipment crisis are accurate, the Connolly papers clearly indicate that Nelles' dismissal was

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<sup>31</sup> Marc Milner, The U-Boat Hunters: The Royal Canadian Navy and the Offensive against Germany's Submarines (Toronto: University of Toronto Press, 1994), 96.

<sup>32</sup> Tony German, The Sea is at our Gates: the history of the Royal Canadian Navy (Toronto: McClelland & Stewart, 1990), 148.

<sup>33</sup> David Bercuson, Maple Leaf Against the Axis: Canada's Second World War (Toronto: Stoddart Publishing Co., 1995), 144.

<sup>34</sup> Milner, "The Historiography of the Canadian Navy.", 31.

also greatly affected by political factors. These factors involved Connolly's desire to protect Macdonald's cabinet post. More importantly, it appears that the role, power, and influence that Connolly had over Macdonald, with regard to Nelles' dismissal, has greatly been underestimated within Canadian naval historical writing.

Within the literature Connolly has often been treated as an "errand boy" or investigator. His overseas investigation in October 1943 usually receives only a paragraph of an analysis, and much of what he discovered on this trip has been deduced from his report to the Naval Staff on November 15, 1943.<sup>35</sup> As a result, some historians have drawn the conclusion that Connolly's investigation provided "the evidence Angus L. Macdonald was looking for" to relieve Nelles as CNS.<sup>36</sup> However, as will be shown in Chapter Three of this thesis, the Connolly papers provide a full account of what he discovered during his overseas trip. While Connolly did discover that there was a significant equipment crisis within the RCN, his papers show that the drive to have Nelles relieved as CNS was also politically motivated. Convinced that the entire affair would become public knowledge in the near future, Connolly began to devise a strategy in late November 1943 which was designed to protect Macdonald. At the focal point of Connolly's strategy was his belief that Macdonald would have to relieve Nelles in order to show both the government and the public that he took strong action to correct the problems within the RCN.<sup>37</sup> Therefore, the Connolly papers make it abundantly clear that the primary aim behind relieving Nelles as CNS was to protect Macdonald from any possible political fall-out associated with the state of equipment and morale within the navy; and that it was Connolly, more than Macdonald, who led the drive to have Nelles replaced.

In conclusion, while many Canadian naval historians have shown an interest in the circumstances which surrounded Nelles' dismissal, revealing the entire story behind this topic has always been shaped by the availability of sources. For over forty years some historians have

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<sup>35</sup> Stacey, Arms, Men and Governments, 316; Milner, North Atlantic Run, 256; Zimmerman, The Great Naval Battle of Ottawa, 137.

<sup>36</sup> Zimmerman, The Great Naval Battle of Ottawa, 138. To date, only Zimmerman has emphasized the fact that there might have been political motives behind Nelles' dismissal. For example, he notes that, "the naval minister was not interested in the workings of his department as long as the problems did not run the risk of becoming political ones..." and that, "Macdonald dealt with the equipment situation too late really to affect the RCN's performance in the war, and for the wrong reasons..." While, this shows incredible insight on Zimmerman's part, he unfortunately does not expand or provide much evidence to support these claims. As Zimmerman's end notes show, it appears that while he had suspicions that there were political motives behind Nelles' dismissal, he unfortunately did not have any new sources which could prove these claims. (see page 146).

<sup>37</sup> Connolly to Macdonald. 30 November 1943, PAC, Connolly Papers, MG 32 C71, Vol 3, "equipment on RCN ships."

suspected that there was more to Nelles' removal than the Navy Department's claim that his "expertise" was required overseas for the preparation of the invasion of Europe. Without the necessary documentation, the interpretation of Nelles' dismissal remained in a state of stasis, or involved conjecture and speculation on the part of historians. With the release of the Macdonald papers, this situation dramatically changed. For the first time, this source allowed historians to make certain linkages between Nelles' dismissal and the equipment crisis of 1943. Furthermore, individuals such as Milner and Zimmerman were not writing official histories, and therefore their analysis was not biased by the fact they had to keep the prejudices of governmental employers in mind. Since this time, a consensus has formed within the Canadian naval scholarly world that Nelles was relieved because he was ultimately held responsible for the state of equipment within the RCN. The release of the Connolly Papers show that this interpretation is only one part of the story. These papers reveal that Nelles' dismissal was also politically motivated and was part of a strategy, designed by Connolly, to protect Macdonald's cabinet post. Therefore, instead of concentrating only on the equipment crisis, this thesis will focus on the political motives and factors which led to Nelles' removal. Moreover, it is the intent of this thesis to analyze the role that Connolly played in the dismissal of Vice-Admiral Percy W. Nelles as the Chief of the Naval Staff in January 1944.

## 2 The Gathering Storm: “I think this covers the situation.”

No one onboard HMCS *Orillia* understood the significance that passed when John Connolly crossed the brow of their ship on October 10, 1943. As executive assistant to Angus L Macdonald, Connolly was not considered a dignitary, and to the sailors of *Orillia* the presence of this top bureaucrat was unremarkable. Although the Commanding Officer, Lieutenant Jim Mitchell, was one of Connolly's former legal colleagues, it is unlikely that even he could have predicted what had been set in motion once the executive assistant began his trip to Londonderry. Little did these sailors realize that their ship was transporting a man whose overseas investigation into the state of equipment within the RCN would eventually result in the downfall of the Chief of the Naval Staff and lead to one of the greatest “shake ups” of Naval Service Headquarters during the war.

If there was one thing in common between Connolly and the crew of the *Orillia* it was that they were all aware of the fact that the Royal Canadian Navy's escort fleet did not possess the required equipment to fight in an anti-submarine environment. In fact, there were a number of naval officers in Canada who had long been unsatisfied with the state of equipment within the RCN well before Connolly's investigative trip to Newfoundland, Londonderry, and London in October 1943. In particular there were three officers who wrote independent memoranda between May 1 to June 22, 1943 in which they voiced their concern that poor equipment within the escort fleet was effecting the efficiency of the RCN. These memoranda were written by Captain (D) Newfoundland, Captain J.M. Rowland RN, the Chief of Staff to Commander in Chief Canadian North-West Atlantic, Captain R.E.S. Bidwell, and the Commanding Officer of HMCS *Restigouche*, Acting Lieutenant-Commander Desmond Piers. While these “criticisms” were not ignored, Naval Service Headquarters was slow to respond to them. Furthermore, they were never brought to Macdonald's attention until the Rowland and Bidwell memoranda were discovered by Connolly in November 1943. As a result, these memoranda would later be used against Nelles by Macdonald, who charged that NSHQ had failed to keep him informed on the seriousness of the equipment crisis. Caught in the bureaucracy of NSHQ, these memoranda caused much debate but little action was taken to correct the equipment crisis throughout the Summer, and Fall of 1943.

The situation might have persisted had it not been for a memorandum written by Lieutenant-Commander William Strange. After a trip to Great Britain, Strange, who was the

Assistant Director of Naval Information at NSHQ, submitted a memorandum in August 1943 in which he recorded that Canadian and British seagoing officers were extremely concerned that the RCN was failing in its primary aim of sinking U-boats due to a lack of modern equipment on its ships. Strange's memorandum differed from Rowland's, Piers', and Bidwell's because it circumvented the normal chain of command and was sent directly to Connolly, who then passed it on to Macdonald. The standard historical interpretation within Canadian naval historical circles has been that it was this memorandum which convinced Macdonald that there was an equipment crisis within the RCN, and that it was necessary to send Connolly overseas to investigate the matter. In reality, the availability of new sources reveal that this interpretation is only partially true. It appears that, unlike Rowland, Piers, and Bidwell, there was a group of Royal Canadian Naval Voluntary Reserve officers who had direct access to Connolly and informed him throughout late 1942 and 1943 that there was an equipment problem within the RCN. These men included Lieutenant Louis Audette, Lieutenant Barry O'Brien, and Lieutenant Jim Mitchell. All three commanded Canadian corvettes, and had been either friends or legal colleagues with Connolly at the same law firm before the war. With direct access to the Minister's executive assistant, these relatively junior Voluntary Reserve officers played a crucial role in helping Connolly develop, plan, and organize his investigative overseas trip. Therefore, this chapter will consist of two segments. The first segment will show how permanent force officers, such as Rowland, Piers, and Bidwell, attempted to inform NSHQ that the RCN suffered from an equipment crisis, and how their efforts were frustrated by the bureaucratic process of NSHQ. The second segment will demonstrate that, through his contacts in the Voluntary Reserves, Connolly was aware of the state of equipment within the RCN well before the Strange memorandum. More importantly, it will be shown that the concept of the overseas investigation was developed by Audette when Connolly visited him in Newfoundland in late October 1942. Devised almost eleven months earlier than originally believed, it was this investigation which ultimately began the process which led to Nelles' dismissal.

As the Battle of the Atlantic reached a climax during the Spring of 1943 few officers or men in Canada's seagoing navy were happy with the state of equipment on their ships. For example, Cliff Hatch, who was an officer on HMCS *Napanee* and later commanded HMCS *Ville de Quebec*, noted that "... our equipment was far inferior to that of the RN and we received it from six months to two years after they had theirs." Likewise, Able Seaman Rick Collins felt that the RCN seemed to be last of the three major Allied navies to receive modern equipment as he noted

that “It is common knowledge now that the RN and USN got all the latest equipment. I was in the asdic department and how we ever had any success against the U-boats with the sets is beyond me.” Comments such as these were common amongst the officers and men of Canada’s sea going navy throughout 1943. The transfer of the RCN’s four escort groups to the RN in January 1943 had provided Canada’s corvette fleet better access to training facilities in the UK; but the harsh reality of the war at sea was that training alone was not enough to sink U-boats. Even the best trained crew in the fleet found it extremely difficult to locate submarines without the proper equipment. What should have been more of a concern to NSHQ was the effect that the lack of modern equipment was having on the morale of its seagoing navy. Many sailors shared the views of *Charlottetown*’s Lieutenant Dave Jeffrey who noted that “The Canadian radar set fitted to early corvettes was a menace. A target presumably on the starboard bow could just as well be on the port quarter. This sort of erratic information does not lead to confidence.”<sup>1</sup> For the men at sea it was a frustrating experience. The foul weather of the North Atlantic made life miserable for the sailors crammed into the small corvettes, but confronting the U-boat threat without modern equipment was the ultimate affront.

There were officers, however, who attempted to inform NSHQ that the state of equipment within the fleet was having a direct effect on the morale of the navy. One of these officers was Lieutenant Commander W.E.S. Briggs, RCNR. Appointed to the Tactical School in Londonderry, Briggs was disturbed by what he found upon his arrival, and felt that he needed to write “a personal reaction to the situation over here regarding R.C.N. ships.” Briggs was born in Canada, but with the exception of one year at Upper Canada College, the rest of his schooling was in Great Britain. Briggs felt compelled to stress this point in his report to NSHQ, which was written on April 23, 1943, since these factors placed him “in a position to take a fairly impartial view.” In the first part of this report, Briggs noted that many Canadian seaman resented the fact that the RN saw the average Canadian sailor as a “ruddy colonial.” Part of this problem was that some RN personnel had been shaped by their sea-going experience with the RCN, and as Briggs noted “Our inefficient ones [ships] are very bad.” To Briggs there was not a “happy medium”; Canadian ships were either as good as the best ships in the RN, or they were terribly inefficient. The key to explaining this discrepancy, according to Briggs, was the state of equipment on RCN ships. In

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<sup>1</sup> Mac Johnston, *Corvettes Canada: Convoy veterans of WW II tell their True Stories* (Toronto: McGraw-Hill Ryerson, 1994), 231-232.

other words, the “good” ships had modern equipment, the “bad” ones did not.<sup>2</sup> In turn, the attitude of RN sailors towards Canadian ships which suffered from equipment shortages naturally had an adverse effect on morale.

Likewise, after visiting a number of Canadian ships during the Spring of 1943, the Historical Records Officer, Lieutenant J. George, found his seagoing countrymen to be a surly and bitter bunch. As a result, he filed a report entitled “Summarizing RCN wardroom technical grouses” to NSHQ. Although bitter, George found that these sailors were united in their belief that NSHQ and the Naval Staff were responsible for the state of the fleet’s equipment.<sup>3</sup> Equipment was not the only problem these men saw with the RCN, but it was by far their most pressing complaint. George’s report listed ten major equipment-related criticisms which he had heard from seagoing personnel. His most important conclusion involved how the state of equipment was affecting morale. In his report George concluded that:

I have visited one or two ships in all groups, met Commanding Officers and had long talks with several of them. My impression is that the failure to equip these ships with modern equipment is keenly felt by all their Officers and widely discussed, and is tending to discourage them. It is axiomatic that if they are to achieve a similar standard of efficiency as British and American Escort Groups they must have similar equipment. ...For these reasons it seems particularly important to hasten modern equipment so that this enthusiasm may have no tendency to wane.<sup>4</sup>

George’s report was significant for two reasons. First, it informed NSHQ that there was an equipment problem within the RCN which was having an adverse effect on morale. Second, his report was unsolicited. In a similar fashion to Brigg’s account, George saw a serious problem developing within the RCN and felt that it was his duty to report it to NSHQ. Unbeknownst to both George and Briggs, there were more senior permanent force officers on the Canadian side of the Atlantic who began to file independent memoranda which were intended to enlighten NSHQ to the seriousness of the equipment crisis. Unfortunately, NSHQ appeared to be insensitive to the fact that the morale of the men at sea was being severely effected by the lack of modern equipment on their ships. At no time during the war did the men at sea feel so distant from their leaders in

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<sup>2</sup> Briggs to NSHQ, “*Personal Appreciation of the Situation for RCN Ships in the United Kingdom*,” 23 April 1943, PAC, RG 24, 3997, NSS 1057-3-24 Vol 1.

<sup>3</sup> Milner, *North Atlantic Run*, 245.

<sup>4</sup> George to NSHQ, “*Summarizing RCN Wardroom technical grouses*,” nd. (June 1943), Dhst, 77/467 M-11, “Criticisms”. Some officers vented their frustration at NSHQ through humour. For example, Commander Roger P. Hawkey, who was the Anti-Submarine Maintenance Officer at St. John’s, posted a “port order” which listed the enemies to the Allied cause. In order of importance and priority this list read: (1) The German Reich (2) Naval Service Headquarters (3) Imperial Japan. For more information see: *Salty Dips*, Vol 2 ed. Mac Lynch (Ottawa: Privately Printed, 1985), 200.

Ottawa. To them there was a major problem within the fleet which was directly threatening the safety of convoys and the men assigned to protect them. But throughout the first half of 1943 it appeared that no one at NSHQ was seriously attempting to remedy the state of equipment within the fleet.

Historian W.A.B. Douglas has noted that “By December [1942] it should have been absolutely clear that deficiencies in training, fitting of equipment and engineering maintenance in RCN ships had reached crisis proportion.”<sup>5</sup> In fairness to NSHQ, there were legitimate reasons why the RCN found itself in this predicament in early 1943. The previous year had witnessed some of the most intense convoy battles of the entire war. It was a simple fact that the enemy had a large U-boat force which was seriously threatening Britain’s lifeline from North America. The threat was so serious that the Allies believed that even a poorly equipped escort had the potential to scare off a U-boat, and was therefore better than no escort at all. Until the climax of the Battle of the Atlantic during the Spring of 1943 the Allies’ defences were swamped. Due to this pressure, NSHQ was in a constant state of reacting to one emergency after another throughout 1942. For example, in mid-1942 it was estimated that the RCN required two hundred escorts in order to fulfill its commitments, however, the navy had only 117 sea going escorts at this time.<sup>6</sup> Considering the unbelievable pressure to get more ships to sea, the priority was quantity not quality. This situation was alleviated during the Spring of 1943 when the Royal Navy finally had a surplus of ships which could be formed into “hunter-killer” support groups.<sup>7</sup> While the escort groups protected the convoys, the support groups would actively hunt U-boats. Also, with the aid of special intelligence (ULTRA), the closing of the air gap, and the appearance of escort aircraft carriers, the Allies were now on the offensive; the hunter suddenly became the hunted.<sup>8</sup>

Unfortunately, NSHQ had spent the first three years of the war attempting to build enough escorts to cover the demands of defending convoys. Unlike the RN, the Canadian ships lacked the support network and equipment to suddenly take an offensive posture against the U-boat threat. This point was best described by Marc Milner who noted that:

...reorienting the whole RCN was no easy matter. NSHQ had to alter a jury rigged organization, erected primarily to produce men and ships, into a responsive, well-integrated, well-supported and - supplied, efficiency-oriented A/S service - and to do so almost overnight. It could not be done.<sup>9</sup>

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<sup>5</sup> Douglas, *Conflict and Innovation*, 14.

<sup>6</sup> German, *The Sea is at our Gates*, 123.

<sup>7</sup> Milner, *North Atlantic Run*, 244.

<sup>8</sup> Peter Padfield, *War beneath the Sea: Submarine Conflict 1939-1945* (London: Random House, 1995), 327.

<sup>9</sup> Milner, *North Atlantic Run*, 244.

As noted earlier, Canada's escort force had been transferred to the RN for retraining on January 6, 1943. While the British wanted to reassign the Canadian escort groups to the UK to Gibraltar convoy route, the RCN did not disappear from the MOEF altogether or all at once. The ships that did remain on the MOEF were used to protect convoys rather than specifically to hunt U-boats. While they had received more training under British control, the overall state of equipment within the RCN remained poor.<sup>10</sup> The Canadians had responded to the emergency situation of 1942 by sending as many ships, even poorly equipped ones, to sea as quickly as possible. To expect this fleet to take offensive action during the Spring of 1943 was unrealistic. This was reflected by the fact that, with the exception of HMCS *Drumheller's* partial victory with HMS *Lagan* over *U-753* in May 1943, all the stunning victories over Germany's U-boats in the mid-Atlantic during the Spring of 1943 went to the RN, Coastal Command, or the RCAF.<sup>11</sup> The central issue of the transfer had been training, but once more Canadian ships returned to the MOEF it appeared that there was still a significant problem with the RCN. This does not excuse the manner in which the Naval Staff dealt with the equipment crisis once it had been exposed during the Spring of 1943.

It was at this time that many senior RN and RCN officers began to comment on the state of equipment within the Canadian navy. While the Naval Staff had been strained by the demands of war during 1942, their response to these important memoranda during 1943 can best be characterized as slow and indecisive. Despite the problems of 1942 these memoranda raised important equipment issues which required immediate action during the Spring of 1943. Instead of attempting to rectify these problems in the most expedient manner, the Naval Staff engaged in almost endless debate which resulted in delay and inaction. More importantly, the chain of command failed, as these memoranda were never forwarded to Macdonald. As a result, this left NSHQ open for criticism once Connolly began his investigation into the state of equipment within the RCN in October 1943, and eventually contributed to the dismissal of Nelles in January 1944. Therefore, it is worth examining the content of these memoranda, and how the chain of command failed to disseminate the magnitude of the equipment crisis to the upper echelons of the RCN.

The first of these memoranda was written by Captain J.M. Rowland, RN. After replacing Captain H.W. Grant, as Captain (D) Newfoundland in April 1943, Rowland was disturbed by the

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<sup>10</sup> Zimmerman, *The Great Naval Battle of Ottawa*, 102, 108.

<sup>11</sup> Robert A. Darlington and Fraser M. McKee, *The Canadian Naval Chronicle* (St. Catherines: Vanwell Publishing Ltd, 1996), 101.

state of equipment on the ships under his command. On May 1, 1943, Rowland sent a memorandum to his immediate superior who was Flag Officer Newfoundland Force (FONF), Commodore H.E. Reid. Although this was only a one page memorandum with two short appendices, Rowland made some startling conclusions involving the inadequacy of equipment on Canadian ships. Rowland's most important observation was that the RCN had received much of its new equipment through the efforts of Commodore (D) Londonderry, Commodore G.W.G. Simpson RN, and not by NSHQ. As a result, Rowland believed that the state of equipment within the RCN had reached such serious proportions that:

This much [fitting of 271 Mark III Radar] was achieved by piece-meal methods and it is suggested that the time has come for the *approval of a definite policy* [italics added] of fitting the Mid-Ocean Escort Force with the latest and best equipment at whatever cost. It is felt this must be done whenever the equipment and the ship become available at the same time, be it in Canada, the United Kingdom or the United States. When the time does not permit fitting or completion the equipment should be placed on board for fitting at the very first opportunity.<sup>12</sup>

Although stated implicitly, Rowland's memorandum indicated that NSHQ was to blame for this situation since they had not yet produced a plan or policy on how to modernize the RCN. In his opinion the chief cause of NSHQ's delay in responding to the equipment shortfall involved "the question of who is to pay" for the refitting of RCN ships. It was Rowland's belief that RCN ships were missing valuable opportunities for refits overseas, because each ship had to request permission from Ottawa when an opportunity for refit arose in Londonderry. In many cases this opportunity was missed because the ships would be required to return to sea before permission was finally granted by NSHQ.<sup>13</sup> In fairness to NSHQ, the Naval Staff had approved Naval Order 2587 on February 27, 1943. This order allowed all RCN ships to acquire any additions and alterations which had been approved for RN ships with the exception of new radio and radar equipment. Despite this Naval Order, Rowland's main contention was that confusion still existed between Ottawa and the British naval yards in Londonderry over who would pay for Canadian refits. There was some justification in this view since this Naval Order placed the initiative for requesting refits from the British yards with the individual ship rather than NSHQ.<sup>14</sup>

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<sup>12</sup> Rowland to Reid, *Proposed Alterations and Additions - Ships of the Mid-Ocean Escort Force*, Memorandum No. 222, 1 May 1943, PANS, Macdonald Papers, MG 2, F 276/10.

<sup>13</sup> Briggs to NSHQ, *Personal Appreciation of the Situation for R.C.N. ships*, 23 April 1943, PAC, RG 24, 3997, NSS 1057-3-24 Vol.1.

<sup>14</sup> NSHQ to Price, 18 May 1943, Dhst, Nelles Papers, B:6.

Rowland proposed that NSHQ should clarify the question of cost by providing *carte blanche* approval to finance all refit opportunities for RCN ships in British yards. It was his belief that Canadian ships would then be in a better position to take advantage of these opportunities if the British yards had the assurance that the Canadian government would pay for all refits. Although this would cost more money, Rowland correctly believed that “expense... should not matter as being so much less than the losses being suffered in Mid-Atlantic.” As will be shown, this was not the chief reason which explains why NSHQ was slow to respond to the equipment crisis. Nevertheless, Rowland placed NSHQ’s inactivity into perspective when he noted that “with the Battle of the Atlantic in its present critical stage, questions like these [cost] should not be allowed to cause even a moment’s delay”<sup>15</sup> With Canadian sailors risking their lives at sea, immediate action was required by NSHQ. Unhappy with the piece-meal efforts of NSHQ to modernize Canadian ships, Rowland wanted to affect change, but as with any good naval officer, he knew that he had to use the chain of command. The problem with the chain of command was that it was slow, and involved a litany of paperwork and debate amongst the various members of the Naval Staff. More importantly, it appears that once at NSHQ, this important memorandum was not immediately forwarded to Nelles, and was never given to Macdonald.

Commodore Reid submitted this memorandum to the Secretary of the Naval Board on May 13, 1943 with a covering letter which endorsed Rowland’s comments on equipment. Reid had been Vice-Chief of the Naval Staff until October 1942, and therefore part of the very establishment which he was now criticizing. Although Reid undoubtedly understood that modernizing the RCN would not be easy for NSHQ, he realized that immediate action was required to resolve this dangerous situation.<sup>16</sup> As with Rowland, Reid placed this situation into perspective when he noted that, “they [Canadian sailors] are placed in the unacceptable position of having to fight a modern war with outmoded instruments.”<sup>17</sup> The message from the “front lines” was clear; Canadian lives were being lost because of inadequate equipment. Despite this sense of urgency, it was not long before this important memorandum was caught up in the bureaucracy of NSHQ.

Rowland’s memorandum arrived in Ottawa almost at the same time that the Allied Anti-Submarine Warfare Board was touring RCN facilities. This committee was led by Rear Admiral J.M. Mansfield, RN, and Rear Admiral J.L. Kauffman, USN, and consisted of three other officers,

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<sup>15</sup> Rowland to Reid, Memorandum No. 222 Appendix A, 1 May 1943, PANS, Macdonald Papers, MG 2, F276/10.

<sup>16</sup> Milner, *North Atlantic Run*, 247.

<sup>17</sup> Reid to Pennington (Sec.N.B.), 13 May 1943, PANS, Macdonald Papers, MG2, F 276/9. Reid’s comments were included in an covering letter to Rowland’s memorandum.

Group Captain P.F. Canning, RAF, Commander-Paymaster J.P.W. Vest, U.S.N. and Paymaster Lieutenant-Commander M.A. McMullen, RN. The Board arrived in Ottawa on May 7, and its tour included visits to Newfoundland and Halifax. On May 18, 1943, the Board submitted its findings to Nelles. The report was broken into three sections which dealt with operations, training and maintenance. Although the Board did have some criticisms on RCN operations and training, their overall conclusion was that these areas were improving. By far, the Board reserved the vast majority of its criticisms for the state of equipment within the RCN. They presented thirteen separate criticisms which focused on the fact that the RCN's maintenance and refit network was totally unsatisfactory.

The Board's most revealing criticism was that "having regard to the immediate future there can be no doubt that the proportion of escort vessels undergoing or awaiting repair or refit is unacceptably high."<sup>18</sup> The key, in their opinion, was overburdened ship yards, and they also echoed Rowland's contention that there was a serious equipment problem which required an immediate solution. For example, the Board noted "that in view of the amount of work involved in keeping escorts complete with the latest A/S Warfare equipment... it is strongly recommended that on all occasions of Canadian escorts visiting U.K. ports, work should be progressed as far as possible..." The fact that NSHQ did not immediately respond to the majority of recommendations within Mansfield and Kauffman's report was astonishing considering that the Board "was requested by Vice-Admiral Nelles, C.N.S., Ottawa, to embody in their report a full and frank criticism of existing conditions upon completion of their tour."<sup>19</sup> The answer to this discrepancy can be found in the way NSHQ responded to Rowland's memorandum. It was a bureaucratic nightmare, which not only kept Macdonald out of the loop, but at times, Nelles himself.

Rowland's memorandum caused quite a stir at NSHQ. One of the first responses came from Lieutenant Commander T.J. Brown, who was the Radio Direction Finding Officer (RDFO). Considering the tone of his response, it appears that Brown took the criticism as a personal attack against his department. Not only did he counter Rowland's charge that the 271 Mark III radar was "out of date" but also stated that "the fact that approximately 60 ships of the R.C.N. have been fitted with type 271 over a relatively short period of time would hardly indicate piece-meal fitting methods." He also stated that an "...effort is constantly being directed toward improving this

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<sup>18</sup> Allied Anti-Submarine Survey Board to Nelles, *Report on Anti-Submarine Warfare, North Western Atlantic Area*, 18 May 1943, Dhist, 77/467 M-11, "Criticisms," 1088-6-2.

<sup>19</sup> Ibid.

picture. It is considered that the present position is far from being as bad as pictured.”<sup>20</sup> Ironically, this opinion, which was recorded in his memorandum to the Director of Signal Division, Captain G.A. “Sam” Worth, was made only two days after the Allied Anti-Submarine Warfare Board had reported to Nelles that the state of equipment within the RCN was in such an unsatisfactory state that all “new construction must be discontinued or curtailed if the repair and maintenance of escort vessels is to be placed on a satisfactory footing.”<sup>21</sup> Nevertheless, Worth not only believed that Brown’s response successfully answered the points raised in Rowland’s memorandum, but also added that “I think they [Reid and Rowland] are apt to fly off on the type-writer before asking the staff R.D.F. Officer [Brown] what the score is!”<sup>22</sup> Worth’s comment revealed a major problem with NSHQ. Brown and Worth, who were four hundred miles away from Canada’s nearest naval port, concluded that Rowland was exaggerating even though his memorandum was based on “front line” observations of the ships under his command at Newfoundland. Stuck in the bureaucratic world of NSHQ, many senior officers had lost touch with the realities of life at sea and either questioned the validity of reports, such as Rowland’s, or even dismissed them altogether.

Although there were some officers at NSHQ who were less critical of Rowland’s memorandum, their comments also indicated that NSHQ had lost touch with the condition of its ships at sea. For example on June 1, 1943 the Director of Operations Division (DOD), Captain W.B. Creery noted that “Although I agree with all the points mentioned by R.D.F.O. [Brown’s memorandum], I don’t read Captain D’s memorandum [Rowland] in quite the same light.”<sup>23</sup> Creery did not see Rowland’s memorandum as an attack on NSHQ, but rather constructive criticism. As a result, he felt that Rowland “puts his finger on a weakness which is very hard to improve.” This weakness, in Creery’s opinion, was that there was a serious delay between new equipment being “tried out” in Britain and its eventual fitting on RCN ships. Creery’s assessment was accurate, but his response was more significant because it shows that there were numerous opinions at NSHQ. This led to intense debate and delay at NSHQ. Eventually, this process was later criticized by both Macdonald and Connolly, once the seriousness of the equipment crisis was brought to their attention during the Fall of 1943. One of their chief complaints was that Rowland’s memorandum went through “the rounds at NSHQ” while the men at sea continued in

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<sup>20</sup> Brown to Worth, 20 May 1943, PANS, Macdonald Papers, MG 2, F 276/8.

<sup>21</sup> Allied Anti-Submarine Board to Nelles, 18 May 1943, Dhist, 77/467, M-11.

<sup>22</sup> Brown to Worth, 20 May 1943, PANS, Macdonald Papers, MG2, F 276/8. Worth’s comments were added to Brown’s original document before it was forwarded to the Director of Operations Division.

<sup>23</sup> Creery to Worth, 1 June 1943, PANS, Macdonald Papers, MG 2, F 276/7. Captain W. Creery was Director of Operations Division during May 1943. After the reorganization of the Naval Staff he became Assistant Chief of the Naval Staff in early June 1943.

their struggle against the U-boats with outmoded equipment.<sup>24</sup> Although not without blame for the modernization problem, Macdonald's observation was accurate, as the bureaucratic process took its toll on Rowland's memorandum.

Rowland's memorandum was debated throughout June, and by early July the Naval Staff had still not reached a consensus on the validity of the points raised within it.<sup>25</sup> It is ironic that Rowland's memorandum had also addressed the effect that delayed reactions from NSHQ were having on the efficiency of the fleet. Growing impatient with not having received a response to Rowland's memorandum, Reid felt compelled to submit another message on June 30 which read: "request decision may be communicated concerning recommendation [in Rowland's memorandum] for procedure in fitting gear."<sup>26</sup> One reason to explain this delay involved a restructuring at NSHQ in June 1943, of which more will be said later, which witnessed Captain J. Jeffrey replace Captain R.A. Pennington, as Secretary of the Naval Board. Jeffrey finally responded to Rowland's memorandum on July 20. This response was typical of NSHQ's handling of the equipment crisis in that it offered no immediate solutions and found that some of the "details" within Rowland's memorandum were debatable.<sup>27</sup> Even amongst individuals, such as Creery and Jeffrey, who believed that there was an equipment problem within the RCN, it was impossible to form a consensus on how serious the problem was, or how to effectively rectify it. This caused confusion, inaction, and a communication quagmire, as a response from NSHQ to Rowland's memorandum had taken over two and a half months. It did little to improve the equipment crisis, and what was even more disturbing was that the chain of command had failed as Rowland's memorandum was never passed to Nelles or Macdonald.<sup>28</sup>

Meanwhile, on the same day that the restructuring of the Naval Staff took effect, NSHQ received a second critical memorandum on the efficiency of the RCN. This report, written by the Commanding Officer of HMCS *Restigouche*, Acting Lieutenant Commander Desmond W. Piers, was a comprehensive seventeen page analysis on personnel and equipment problems within the RCN. Submitted on June 1, 1943, this report had considerable weight, since Piers was one of the most experienced sea-going officers within the RCN. As a member of the pre-war RCN, Piers had

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<sup>24</sup> Connolly to Macdonald, *Memorandum on the State of Equipment on R.C.N. ships*, nd. PAC, Connolly papers, MG32 C71, Vol 3, "Equipment on RCN ships 10-19 November 1943" part 2.

<sup>25</sup> Rowland to Reid, nd. Dhist, Nelles Papers, Folder B, File 5.

<sup>26</sup> Reid to NSHQ, *Memorandum on the State of Equipment on R.C.N. ships*, nd. (late November 1943), PANS, Macdonald Papers, MG 2, F 276/3.

<sup>27</sup> Jeffrey to Reid, 20 July 1943, Dhist, Nelles Papers, Folder B, File 15.

<sup>28</sup> Connolly to Macdonald, nd., PAC, Connolly Papers, MG 32 C71, Vol 3, "Equipment on RCN ships 10-19 Nov 1943 part 2." Within this document Connolly notes that Reid's June 30 request for a policy statement on Rowland's memorandum was never answered by NSHQ "unless the general reply of July 20th is considered a specific reply."

been a sea-going officer since October 1937, and as Commanding Officer of *Restigouche*, his last two years had been spent on the North Atlantic Run. Furthermore, his report gained more credibility once it had been read by the Vice-Chief of the Naval Staff, Rear Admiral George C. Jones, who endorsed it as “constructive criticism.”<sup>29</sup> Piers’ report followed the chain of command as it was presented to Reid who then forwarded it to NSHQ. Three weeks later, this report, like Rowland’s, was caught up in the bureaucratic quagmire at NSHQ.

Piers’ report was a lengthy indictment of the problems which confronted the RCN. Divided into fourteen separate factors which affected the efficiency of the RCN, Piers’ report made some acute observations on the state of equipment and how it was a chief cause of the RCN’s poor performance throughout late 1942 and early 1943.<sup>30</sup> In his report, Piers noted that “It is a blunt statement of fact that R.C.N. Ships are outdated in the matter of A/S Equipment by 12 to 18 months, compared to R.N. Ships doing the same job of convoy escort.” In Piers’ opinion the key to solving this problem was that NSHQ needed to produce an active policy which ensured that RCN ships could take advantage of refit opportunities as they arose in Londonderry. Piers realized that, largely due to Naval Order 2587, NSHQ had made this process easier by granting overall approval for some refits. As with Rowland, however, Piers found this “system” terribly inefficient since the initiative to take advantage of refit opportunities in Londonderry rested with individual Commanding Officers. The inherent problem with this *ad hoc* system for refits was best described by James Lamb who noted that;

Almost every worthwhile addition or alteration, which converted a corvette from its basic Stone Age beginnings to the sophisticated weapon it ultimately became, was brought about by ship’s officers, at their own expense, bribing dockyard workmen to effect improvements which would not otherwise be made.<sup>31</sup>

Lamb’s description was an accurate portrayal of the situation since the relatively junior officers on Canada’s corvettes often did not have the necessary seniority or authority to acquire the equipment they needed. Without guidance from NSHQ many of these officers resorted to a primitive bartering system to appropriate these additions to their ships.

Like Rowland, Piers correctly believed that the only remedy for this situation was a comprehensive plan, created by NSHQ, to refit all RCN escort ships. Invariably this would consist of a detailed schedule of dates, times, and places, set by NSHQ, in which every ship could go into

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<sup>29</sup> Douglas, *Conflict and Innovation*, 15.

<sup>30</sup> Piers to Rowland, *Comments on the Operational and Performance of H.M.C. Ships, Establishments, and Personnel, in the Battle of the Atlantic*, 1 June 1943, PAC, RG 24, 3997, 1057-3-24 Vol 1.

<sup>31</sup> Lamb, *The Corvette Navy*, 134.

refit. This was a policy which the Naval Staff began to enact in August 1943, but at the time of Piers' report it appeared that NSHQ did not completely understand the seriousness of the situation. This was reflected by the fact that Piers felt that it was his duty to respectfully submit "that *every effort* be made to procure the latest equipment from the Admiralty on an equal basis with R.N. ships."<sup>32</sup> Unfortunately, NSHQ's immediate response to this suggestion was less than satisfactory as it assigned only one man, Captain F.L. Houghton, to deal with the points raised within Piers' report.<sup>33</sup> Considering the magnitude of the equipment crisis alone, one man was not enough to tackle all the problems raised within this report.

Piers' report was also significant because it recognized the fact that the men at sea no longer understood NSHQ, and felt that Ottawa was not acting quickly enough to remedy the state of equipment on their ships. He noted that the men at sea possessed a "superiority complex" over shored-based personnel, but that this "fortunate vanity" was beneficial because "there is little else to help their morale." When discussing NSHQ, Piers felt that the first question which entered the mind of the sea-going sailor was "How is the R.C.N. run?", and that "This query is a genuine bewilderment as to what actually does happen at N.S.H.Q." As a result, he recommended that articles should be published within *RCN Monthly Review* which would explain to the sea-going fleet how NSHQ functioned. However, considering the delay, debate and inaction over a response to Piers' report and Rowland's memorandum it was perhaps fortunate for NSHQ that the average sailor did not understand them.

As with Rowland's memorandum, a response to Piers' report took an excessive amount of time for a problem which required immediate action. For example, on July 15, 1943 the Secretary of the Naval Board sent a copy of Piers' report to the Commander in Chief Canadian North-West Atlantic, Rear Admiral L. Murray, as well as Reid, and noted that it had received consideration at NSHQ. Before acting, however, Jeffrey wanted their comments on the validity of the criticisms contained within this report.<sup>34</sup> The response to this request was made by Reid on September 14, and by Murray on September 27; almost three and a half months after Piers' had originally submitted his report. In the end it was a superfluous exercise since both of these officers agreed with the vast majority of Piers' criticisms and recommendations.<sup>35</sup> Murray had even suggested that there was a feeling amongst the sea-going fleet that "N.S.H.Q. is an impersonal organization far

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<sup>32</sup> Piers to Rowland, Appendix IV, 1 June 1943, PAC, RG24, 3997, NSS 1057-3-24 Vol 1.

<sup>33</sup> Douglas, *Conflict and Innovation*, 16.

<sup>34</sup> Jeffrey to Reid and Murray, 15 July 1943, PAC, RG 24, 3997, 1057-3-24 Vol 1.

<sup>35</sup> Reid to Jeffrey, 27 September 1943, PAC, RG24, 3997, NSS 1057-3-24 Vol 1.

removed from their own particular portion of the war.”<sup>36</sup> This was a sentiment reflected within both Rowland’s and Piers’ accounts since they believed that there were serious problems within the RCN which required an immediate solution. As professional naval officers they both tried to affect these changes through the chain of command, but unfortunately their criticisms were caught up in the bureaucracy of NSHQ.

On the heels of Piers’ report there was another memorandum which attempted to coerce NSHQ out of its apparent lack of action regarding the problems within the RCN. This memorandum was forwarded by Captain R.E.S. Bidwell to Murray on June 22, 1943. Although it was signed by Bidwell, who was Murray’s Chief of Staff, this memorandum was the product of a meeting among six senior officers in Halifax. These officers met to discuss problems which were effecting the efficiency of the RCN. Like Rowland, who happened to be one of the officers present, many of these senior officers had just assumed their posts in Halifax and were disturbed by what they found.<sup>37</sup> The Bidwell memorandum made an interesting comment on the effect that poor equipment was having on the fleet when it noted that:

The Chief of Staff [Bidwell] and S.O.O. [Staff Officer Operations] pointed out that the chief reason leading to the operational emergencies, which had necessitated cutting down on working-up periods, had been that without any exception all refits had taken anything from ten days to six weeks longer than had been scheduled.<sup>38</sup>

This was an important conclusion since it suggested that the state of equipment within the RCN was causing other subsidiary problems. These problems included improper working up periods, and a defunct manning policy.<sup>39</sup> Bidwell’s memorandum was significant, however, because it was drafted by a committee of senior officers, rather than being an individual submission like Rowland and Piers’ accounts. As with the preceding accounts, Bidwell’s memorandum attempted to stress the seriousness of the situation by noting that:

Now that a critical point in the Battle of the Atlantic has been reached... It is felt that our primary consideration must be to keep the present operational ships running, and running efficiently; and nothing should be allowed at this stage to interfere with this. So far we have managed not to fail in any of our commitments, but possibly this has been at the expense of efficiency.<sup>40</sup>

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<sup>36</sup> Murray to Jeffrey, 14 September 1943, PAC, RG24, 3997, NSS 1057-3-24 Vol 1, 4.

<sup>37</sup> Milner, North Atlantic Run, 247.

<sup>38</sup> Bidwell to Murray, *General Discussion on means for maintaining and improving efficiency in R.C.N. Escort Ships*, 22 June 1943, PANS, Macdonald Papers, MG 2, F 276/13,1.

<sup>39</sup> Alan Easton, 50 North; and James Lamb, The Corvette Navy.

<sup>40</sup> Bidwell to Murray, 22 June 1943, PANS, Macdonald Papers, MG2, F 276/13, 2.

Even this memorandum did not lead to immediate action on NSHQ's part, nor did it receive the attention it deserved. The Bidwell memorandum drew NSHQ's attention to the fact that the construction program should be modified in order to correct the existing problems with the RCN. As a result, these senior officers were advocating a drastic change in policy. Once this memorandum was received by the Naval Staff it was "actioned" to the Deputy Director of Warfare and Training Division, Captain H. McMaster, the new Director of Operations Division, Commander G.F. Griffiths, and Creery who had been appointed Assistant Chief of the Naval Staff (ACNS) in June. On August 19, a letter was dispatched to Murray by Jeffrey, with the approval of Griffiths and Creery, which stated that the Bidwell memorandum had led to a draft policy proposal. This "policy" was never disclosed to the fleet, and no further action on the Bidwell memorandum was ever taken.<sup>41</sup> However, it would be incorrect to believe that NSHQ had ignored the equipment crisis altogether. Based on a list provided to them on August 15, by Captain (D) Halifax, Captain J.D. Prentice, Jeffrey sent a memorandum to Murray entitled "*Proposed refitting Program*" on August 20. This proposed program involved refitting sixteen ships and was to begin on August 31 with HMCS *Quesnel*, and end in early 1944 with HMCS *Shawinigan*.<sup>42</sup> Although modest, this program indicated that NSHQ was finally replying to Rowland's and Piers' suggestion that they create a refit schedule for RCN ships. Unfortunately for NSHQ it was a question of too little, too late as Macdonald learned about the seriousness of the equipment crisis from the Strange memorandum on August 19. Nevertheless, there is no evidence that the Bidwell or August 20 refit memorandum were discussed with, or even reached, anyone higher than the ACNS or the Secretary of the Naval Board at this time.

The key to understanding NSHQ's lack of action over Rowland's, Piers', and Bidwell's submissions involves the naval bureaucracy in Ottawa, and the restructuring of the Naval Staff in June 1943 which led to a major failure in the chain of command. This restructuring was designed to make NSHQ more efficient.<sup>43</sup> Captain R.A. Pennington, who was the Secretary of the Naval Board until he was replaced by Jeffrey in June 1943, best described the rationale behind the restructuring when he noted that:

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<sup>41</sup> Connolly to Macdonald, *Memorandum on the State of Equipment on RCN ships*, nd., PAC, Connolly Papers, MG32C71, Vol3, File "Equipment on RCN Ships 10-19 Nov 1943-part 2," 6.

<sup>42</sup> Prentice to Murray, *Proposed refitting Programme*, 15 August 1943, PANS, Macdonald Papers, MG2, F276/16.

<sup>43</sup> Milner, *North Atlantic Run*, 244.

The basic reasons for the [June 1943] reorganization were... two fold. One was lack of co-ordination from the top-level; the other was that no one directorate was charged with the essential responsibility of the fighting efficiency of the Fleet.<sup>44</sup>

Unfortunately, the restructuring could not have occurred at a worse time, as in the short term at least, it caused even more confusion and delay at NSHQ with regard to these memoranda.

Part of the June reorganization involved the creation of the Directorate of Warfare and Training. This directorate was divided into four sections one of which was responsible for the fighting efficiency of the fleet.<sup>45</sup> Later in the war this new Directorate had a significant impact on improving the state of equipment within the fleet; but it took this section time to organize its affairs and therefore it provided little assistance in responding to Rowland's, Piers', and Bidwell's memoranda. More importantly, the terms of reference for this directorate were not approved until August 31, 1943.<sup>46</sup> The establishment of a directorate of this magnitude, which effected almost every aspect of naval activity, caused many problems at NSHQ. As a result, it remained a controversial subject for some time after its establishment since many other directorates resented the power and authority that was being assigned to the DWT.<sup>47</sup> Finally, the Director of this directorate was not filled by Captain K.F. Adams until December 1943. Until this time it was run by the Deputy DWT, Captain H. McMaster. Due to these factors the DWT was not in a position to take control of the equipment crisis, and as a result, the question of the RCN's modernization was debated amongst various officers who each had an independent interpretation on the matter.

As with the ships at sea, the tremendous expansion of the service had caused numerous bureaucratic problems at NSHQ. With the increasing demands of war, NSHQ had evolved into a large and complicated bureaucracy. This development was best described by Gilbert Tucker who noted that: "By the end of the Second World War the organization at N.S.H.Q. was so extensive and complex that a full study of its development would require a volume."<sup>48</sup> As the RCN grew, the work load became too much for the original NSHQ organization to handle. Therefore, on January 22, 1942 a Naval Order abolished the Naval Council and divided its responsibilities between the Naval Board and the Naval Staff. At the beginning of the war the CNS was the sole channel of communication between the navy and the minister. The creation of the Naval Board

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<sup>44</sup> R.A. Pennington to the Naval Historical Section, Naval Historians Collection (NHC), Vol 8000, HMCS Bytown (Voll), Dhst. This letter was in response to the historian's request for Pennington's views on the reorganization at NSHQ in June 1943. I am grateful to Mr. Robert Caldwell for this information.

<sup>45</sup> Milner, North Atlantic Run, 249.

<sup>46</sup> Creery to Jones, 31 August 1943, PAC, RG 24, NS 11700-100/57.

<sup>47</sup> Tucker, The Naval Service of Canada, 423.

<sup>48</sup> *Ibid.*, 418.

removed much of this heavy burden from Nelles' shoulders and enabled him to concentrate on more important affairs. In its simplest form, the Naval Board was an advisory body for the minister, and as such it had no real authority.<sup>49</sup> The Naval Staff on the other hand was charged with the responsibility of devising all naval policy. Once a policy had been created by the Naval Staff it would be passed to the Naval Board who would then advise the minister on whether it should be implemented, amended, or rejected.<sup>50</sup> However, by the Spring of 1943, NSHQ found that it was once again in need of a reorganization due to the volume of work from operational commitments.

The most serious problem with NSHQ at this time was a lack of coordination from the top level; in other words a failure in the chain of command. Unfortunately, rather than rectifying this problem, the June reorganization only accentuated it. In an attempt to elevate the impossible work load placed on some members of the Naval Staff, new directorates and positions were created. Therefore, authority was delegated to certain members of the Naval Staff which allowed them to act independently on "minor" points of policy. For example, the June reorganization created the position of Assistant Chief of the Naval Staff, who was subordinate to the CNS and VCNS but had the Director of Operations, Plans, Warfare and Training, and Trade placed under his immediate supervision. According to the terms of the reorganization, the ACNS was responsible not only for the conduct of anti-submarine warfare, but was also tasked with the responsibility of organizing all Staff proposals and deciding which matters should be put before the Naval Staff for consideration. The scope of his power was broadly based as indicated in the reorganization order which stated that:

He [ACNS] exercises discretionary power in determining Naval requirements in the matter of minor import, but refers major questions for the consideration of a group of the "Naval Staff" as a whole"<sup>51</sup>

On the surface at least, this position would reduce the work load which was overburdening the CNS and the Naval Staff, since the ACNS was given the authority to act independently on minor points of policy. Unfortunately, Creery, who was the first ACNS, had decided that the Rowland, Piers, and Bidwell memoranda were minor points of policy and therefore did not warrant the attention of the Naval Staff as a whole.

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<sup>49</sup> Ibid., 422.

<sup>50</sup> Sec N.B. memorandum, 1 June 1943, PAC, RG24, NS 1070-1-30.

<sup>51</sup> Ibid.

In a similar fashion, the Secretary of the Naval Board was charged with the responsibility of reviewing all the major correspondence which were submitted to NSHQ. He was also tasked with ensuring that all the branches of the Naval Staff acted harmoniously. As with the ACNS, he was given the broadly based power to sign letters "By Order" of the Naval Board, which invoked the Ministers' authority, provided that such memoranda "conformed to established policy, and did not exceed the legal powers of the Department..."<sup>52</sup> The decision as to what degree of executive authority was required to sign a memorandum "By order" was left to the Naval Secretary and his deputies. Although these measures were designed to make NSHQ more efficient, its fatal flaw was that it concentrated too much power to Creery as the ACNS, and Jeffrey, who became the Secretary of the Naval board in June 1943. Deciding that the Rowland, Piers and Bidwell memoranda did not warrant attention of the entire Naval Staff, Creery and some of his directors enacted minor policy changes in an attempt to improve the state of equipment within the RCN. Furthermore, since these changes did not involve a significant alteration in policy, Jeffrey had the authority to approve Creery's edicts. This process was best exemplified by the July 20 response given to Rowland's memorandum, which noted that, "This reply was specially approved by the *Staff members concerned* [italics added] and by the A.C.N.S. (Creery) and V.C.N.S. (Jones) There is no indication that C.N.S. [Nelles] was consulted."<sup>53</sup> Nevertheless, Jeffrey signed the memorandum "By Order of the Naval Board", thereby providing the minister's authority to a relatively minor solution for a problem which required a significant change in policy.

As a result, the Rowland, Piers, and Bidwell memoranda were mainly discussed between the officers who were directly concerned, and in many instances the highest authorities who commented on them were Creery, and Jeffrey, or at most Jones. This was complicated by the fact that many of the senior officers at NSHQ were in the process of assuming new posts at the same time that they were confronted by these memoranda. With barely enough time to adjust to their new posts, these officers were placed in a position of responding to a problem which had been developing since the beginning of the war. This produced a leadership vacuum since all these officers, who each had a different interpretation of the equipment crisis, engaged in endless debate over how to deal with the situation. What was even more curious was that the one man who could have provided this leadership and direction, Vice-Admiral Nelles, appears to have been largely unaware of the seriousness of the situation. His name was conspicuously absent from much of the

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<sup>52</sup> Tucker, *The Naval Service of Canada*, 423

<sup>53</sup> Jeffrey to Reid, 20 July 1943, Dhist, Nelles Papers, Folder B, File 5, 7.

litany of paper work and debate which occurred at NSHQ over the equipment crisis. Nelles' subordinates had clearly failed to keep him totally informed as to the nature of these memoranda, and in the case of the Bidwell's and Rowland's submission he was not consulted at all. Nelles had lost control of his immediate subordinates, and for this he deserved to be dismissed. However, as will be seen in Chapter Four, this was not the primary reason why Macdonald decided to replace Nelles. Fearing the political implications that the state of equipment within the RCN might have on his career, Macdonald would follow Connolly's advice and use these memoranda, and the equipment crisis as fodder against Nelles. Unfortunately for Nelles, the bureaucratic quagmire at NSHQ provided Macdonald with plenty of ammunition.

Furthermore, it appears that NSHQ lacked vision and direction since they responded to these criticisms by stating that staff officers were reacting to the situation as best they could given the resources at hand.<sup>54</sup> During the Spring and Summer of 1943, NSHQ had maintained that it could not spare staff officers who could cooperate with the Admiralty and focus on the modernization problems within the RCN, but that in the future "a proportion of Commodore (D) W.A.'s staff will... be Canadian officers and ratings."<sup>55</sup> It interesting to note that the Naval Staff had recently sent Captain H.N. Lay to Great Britain to investigate the possibility of Canada acquiring aircraft carriers and an air fleet arm. This bizarre twist was noticed by Piers who made the prudent observation that "if officers can be spared for this necessary new development, it might be possible to give even greater attention to the outstanding problem of A/S [Anti-Submarine] Warfare."<sup>56</sup> Lacking a sense of direction and leadership, NSHQ left itself open to criticism after Connolly's return to Ottawa in November 1943. Although not without blame for this situation, Macdonald made the accurate assessment in November 1943 that:

I am not satisfied that more equipment could have been obtained from the U.K. had we pressed for it. There has been here, as in many other instances, too much of a lackadaisical attitude at N.S.H.Q. Much of our failure to secure this equipment, therefore, is to be laid at the doors of N.S.H.Q. I regard the handling of this whole question of provision of equipment as reflecting seriously on the energy and capacity displayed at N.S.H.Q.<sup>57</sup>

The chain of command had clearly broken down, as the reorganization of the Naval Staff enabled Creery and Jeffrey the power to act on these memoranda without always taking the matter to Nelles

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<sup>54</sup> Douglas, *Conflict and Innovation*, 18.

<sup>55</sup> Ibid.

<sup>56</sup> Piers to Rowland, 1 June 1943, PAC, RG24, 3997, NSS 1057-3-24, Vol 1.

<sup>57</sup> Macdonald to Nelles, *Memorandum on the State of Equipment R.C.N. ships*, nd., PAC, Connolly Papers, MG32C71, Vol3, "Equipment R.C.N. Ships 10-19 Nov. 1943-part 2," 13.

or the Naval Staff as a whole. This resulted in a piecemeal effort to correct a problem which required the concentrated effort of the entire RCN. This would have disastrous consequences for Nelles once Macdonald confronted him in November.

There is also evidence which indicates that the relationship between the Nelles and some of the officers on the Naval Staff began to sour during the Spring of 1943. The leader of this group of disaffected officers was Rear Admiral G.C. Jones, who initiated a “whispering campaign” against Nelles in an attempt to assume the position of CNS. Although it is difficult to gauge, this situation undoubtedly affected the Naval Staff’s ability to deal with the equipment crisis. At a time when the RCN need to pool all its resources to correct its modernization problems, the working atmosphere within the Naval Staff began to fragment as Jones and his supporters often reported Nelles’ faults directly to Macdonald.

The change within the working atmosphere at NSHQ can be identified from the accounts of Lieutenant Commander Eric Downton, RCNR, who was with naval intelligence, and the Director of Operations Division, Captain H. Nelson Lay. Until he left Ottawa in late 1942 Downton had worked closely with the Naval Staff. He had fond memories of the relationships between the officers on the Naval Staff as he noted in late 1942 that:

Looking back, even if I try to be objective, I think they come out very well in memory. The Brass on the Staff always seemed very unpopular with the people at the sharp end... But the spirit in Ottawa was quite different... until I left Headquarters Staff in ‘42, there was the overcrowding, the improvisation, nevertheless, I cherish the memoirs of people like Houghton, Nelles, Dewolf and Lay, their approach to the whole thing. They weren’t plotting for anyone’s stripe...<sup>58</sup>

When asked in a interview after the war what the working atmosphere at NSHQ was like at this time, Lay supported Downton’s interpretation when he noted that “I think the atmosphere was fine.”<sup>59</sup> However, in Memoirs of a Mariner, Lay described an incident which indicated to him that this atmosphere had changed by March 1943.

It was during this month that Lay had a confrontation with Nelles who had accused him of “talking to the Minister behind my back about the lack of efficiency in the training of the new Canadian escort vessels.” Lay immediately denied this charge and informed Nelles that he had reported the matter only to Jones who was his immediate superior. According to Lay, Nelles did not accept this excuse and therefore:

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<sup>58</sup> “Report of interview with Lieutenant -Commander Eric J. Downton, RCNVR,” 20 November 1982, Dhist, BIOG (Downton, Eric J), 21.

<sup>59</sup> Captain H.N. Lay, interview by Mark Yeo, taped interview transcript, 14 January 1974, PAC, Lay papers, MG 30 E420, Vol2, File 12, 21.

He [Nelles] got Jones in, repeated the conversation to him. Jones, a bit red in the face said, 'That is quite true. Lay has reported to me on several occasions that he doesn't feel the training of the new escort vessels is adequate and I am trying to do something about it now.'<sup>60</sup>

At the time, this incident puzzled him; however, after the war Lay would admit that he was used by Jones against Nelles.<sup>61</sup> Although Lay felt that Nelles was not the right man to be CNS because of his lack of sea time, he kept this opinion to himself throughout the war. Since Lay reported directly to Jones it is conceivable that the VCNS would then use this information against Nelles by reporting it directly to Macdonald. This was reinforced by the fact that Lay found that he "was frequently sent for by the Minister to discuss problems about the navy as a whole."<sup>62</sup> In his final assessment Lay believed that he was placed in this awkward position because:

I found out later that there was a move afoot to have Nelles replaced as CNS. It seems the Minister felt that because of his lack of sea time, Nelles was not the right person to remain as CNS. I imagine that Jones and Angus Macdonald had been discussing the matter and this is the reason that Nelles felt I had been telling Angus Macdonald all the shortcomings of the training establishment.<sup>63</sup>

Where ever he could, Jones would use information to discredit Nelles. However, Jones had to be careful as he risked incriminating himself if he presented Macdonald with too much information. As the VCNS, Jones still shared the responsibility for the efficiency of the fleet. This was particularly true with regard to the fleet's modernization. While Lay's account indicates that Jones shared information on training deficiencies, there is no evidence that he informed Macdonald that the RCN's escort fleet had an equipment problem. This interpretation was supported by another member of the Naval Staff, Captain Eric Brand, who was the Director of Trade. In a postwar interview with E.C. Russell, Brand noted that:

Going back to Nelles, I think there was undoubtedly a movement against him, an underground movement. Frankly I think Jones was very much in it. He was a great politician... Now in my own view, of course, Murray was a far, far the better [sic] officer than "Jetty" Jones, who was a politician to his fingertips. He never did anything without thinking how it was going to affect him and although I have no real evidence I'm pretty sure that he had quite a hand in the Nelles business. Quite a hand -- just quiet remarks you know.<sup>64</sup>

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<sup>60</sup> H. Nelson Lay, *Memoirs of a Mariner* (Ottawa: Lowe-Martin, 1982), 148.

<sup>61</sup> I am grateful to Mr. Robert Caldwell at Dhist, and Mr. Timony Dube at PAC for this information.

<sup>62</sup> Rear Admiral H.N. Lay, interview by Hal Lawrence, June 1984, Dhist, Lay Collection, BIOG L, 13.

<sup>63</sup> Lay, *Memoirs of a Mariner*, 148.

<sup>64</sup> Captain Eric S. Brand, interview by E.C. Russell, taped interview transcript, 22 February, 1967, Dhist, Brand Papers, 84/145, Vol 7, 26.

As with Lay, Brand also felt that Jones' actions had a significant impact on Nelles' career. It was Brand's opinion that Nelles' ultimate dismissal was due to a conspiracy inspired by Jones. Besides Jones, Brand never named any of the other officers who might have been involved in this attempt to discredit Nelles, but instead consistently referred to them as the "skids under Nelles party."<sup>65</sup> In November 1943, Brand was very disturbed by the fact that it appeared as though this group was going to be successful in its attempt to oust Nelles. After becoming "good friends" with Connolly during a trip to Newfoundland in October 1942, Brand made several attempts throughout 1943 to inform the executive assistant that there was a move afoot by Jones to have Nelles replaced. In his diary Brand noted that:

John Connolly had recently been to England & had come back with all sorts of complaints about the lack of equipment in Canadian ships. This was causing strained relations between Percy Nelles & the Minister - which were providing Jones & some others with good opportunity to 'get the skids under Percy' - as I had warned him some time before - but he took no notice. I had several talks with Connolly trying to explain to him what was really happening - but to no avail as it turned out.<sup>66</sup>

Nelles may not have been a dynamic leader, but he did not deserve this type of retribution from Jones. An able administrator, Nelles had taken a small navy and led it through four years of incredible expansion. However, once the deficiencies within the fleet began to materialize, Jones would provide Macdonald with selective information which was intended to incriminate Nelles. It has even been suggested that Jones and some staff officers purposely withheld information in an attempt to undermine Nelles' authority and credibility before Macdonald. For example, E.C. Russell noted that:

This is the whole question of Admiral Nelles being appointed Senior Canadian Flag Officer Overseas in January 1944. To complete the background I can say that Admiral Nelles had difficulties with the Minister, Angus L. Macdonald. Some people believe that he was sold down the river by his own staff officers not keeping him informed.<sup>67</sup>

It is difficult to believe that officers on the Naval Staff purposely withheld information, such as the Rowland, Piers and Bidwell memoranda, from Nelles in a conspiratorial effort to have him relieved as CNS. If this were true, these officers would have risked exposing their own negligence in the equipment crisis.

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<sup>65</sup> Ibid.

<sup>66</sup> Brand diary. Brand papers, 81/145, 84.

<sup>67</sup> Captain Eric S Brand, Interview by E.C. Russell, taped interview transcript, 22 February, 1967, Dhist, Brand Papers, 84/145, Vol 7, 23.

There can be little doubt that Jones had initiated a “whispering campaign” against Nelles during the Spring of 1943. What is more questionable is the effect that Jones’ interference had on Macdonald. Besides Lay’s and Brand’s accounts there is no evidence that Macdonald was actively attempting to replace Nelles throughout the Spring and Summer of 1943. This is reinforced by the fact that it was not until the Strange report that Macdonald began to question the ability of his CNS. Even after the Strange report, it would take another four months and Connolly’s investigative trip before Macdonald eventually agreed that Nelles would have to be replaced by Jones. As a result, it appears that it was the Strange memorandum and not Jones’ wrangling which effectively began the process which led to Nelles’ dismissal.

In July 1943, the Assistant Director of Naval Information, Lieutenant-Commander William Strange, RCNVR, took passage to the United Kingdom onboard HMS *Duncan*, which was commanded by Commander Peter Gretton, RN. The purpose of Strange’s visit was to secure material for his directorate, but it was not long before he found himself embroiled in the equipment crisis within the RCN; a topic which was quite outside his jurisdiction.<sup>68</sup> During the trip to Londonderry, Gretton expressed his concern to Strange that, despite their fine efforts, Canadian sailors were missing opportunities to sink U-boats because their ships lacked modern equipment.<sup>69</sup> Once at Londonderry, Gretton made arrangements for Strange to meet with Commodore (D) Londonderry, Commodore G.W.G. Simpson, marking the beginning of his involvement in the equipment crisis.<sup>70</sup>

On the morning of July 13, Strange met with Simpson, who immediately opened the conversation by noting that the RCN lacked essential equipment, such as gyroscopic compasses and hedgehog. As a result, Simpson informed Strange that if the RCN “had fewer ships with better equipment, our contribution would be more effective, and our final record more impressive.” Simpson continued by noting that many officers within the RN were in the habit of criticizing the RCN because they believed the Canadians were “inexperienced.” Unwilling to subscribe to this interpretation, Simpson stated that the reason the RN had been more successful was because they possessed a “superiority in equipment.” This meeting with Simpson had a profound effect on Strange as he informed Connolly that, “I had already decided in my own mind that the Minister

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<sup>68</sup> Strange to Connolly, *Certain conversations with Senior R.N. officers at Londonderry* [Strange memorandum], 13-15 July 1943, PAC, Connolly Papers, MG32C71, Vol 3, “Equipment on RCN Ships part 1 n.d. 1943.”

<sup>69</sup> Stacey, *Arms, Men and Governments*, 316.

<sup>70</sup> *Ibid.*

(N) should be informed of this conversation, and of any others which might arise therefrom. I therefore made no demur.”<sup>71</sup>

Commodore Simpson’s role in the equipment crisis, and the eventual dismissal of Nelles has often been underestimated. Throughout the Summer of 1943, Simpson would talk to any senior RCN officer whom he believed could affect change with NSHQ’s equipment policy. This was reflected in Strange’s memorandum as he instructed the Commodore that the state of equipment within the RCN was well outside his sphere of influence. According to Strange, the Commodore persisted and noted that:

He observed that he was aware of this, but felt the matter to be of such paramount importance that he wished to lose no opportunity of expressing himself on the subject to any officer from N.S.H.Q. occupying a position of responsibility. He hoped, further, that I would convey his views to whatever authority I might think appropriate *from the view point of effectiveness* [italics added].<sup>72</sup>

Having grown frustrated with NSHQ’s inaction, it was clear to Strange that Simpson was advocating that he bypass the chain of command. Throughout 1943, Simpson had been relentless in his attempts to encourage any senior Canadian officer to convey the seriousness of the situation to NSHQ. This was certainly true of Piers’ report where he noted that “Commodore Londonderry and his Staff realize that Canadian personnel are not getting the chance they deserve, due to the lack of the latest equipment.”<sup>73</sup> This situation was not unique to Piers’ memorandum as Rear Admiral L.W. Murray discovered when he visited Londonderry during the Spring of 1943. Having assumed the position of Commander in Chief Canadian North West Atlantic, Murray travelled to Londonderry where he found that:

I was pounced upon in 1943 when I went over to visit Commander-in-Chief Western Approaches and make contact with him, personal contact, which was really very useful. After dinner one night, Max Horton gathered up all his Captains (D) and the Commodore from Derry [Simpson] and I found myself the butt of everyone complaining, “Why weren’t our ships better equipped.”<sup>74</sup>

By far it was Commodore Simpson who led the Royal Navy’s attempt to get the Naval Staff to make equipment a priority. Even Horton himself commented on this fact as he later noted that “I know that Simpson is always most anxious to give every assistance to ships of the Royal Canadian

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<sup>71</sup> Strange to Connolly, 13 July 1943, PAC, Connolly Papers, MG32C71, Vol 3, 2.

<sup>72</sup> Ibid., 1.

<sup>73</sup> Piers to Rowland, Appendix IV, 1 June 1943, PAC, RG24, 3997, NSS 1057-3-24, Vol.1.

<sup>74</sup> Murray memoir, PAC, Murray Papers, MG30E207, Vol.4, 51.

Navy visiting Londonderry.”<sup>75</sup> As will be seen in the next chapter, it was Simpson who had one of the greatest impacts on Connolly’s investigation in October 1943. Before this time it appears that Simpson was frustrated that none of the officers with whom he had previously talked had managed to affect change at NSHQ. After advocating that Strange bypass the chain of command, it was clear that Simpson had finally found his man, as this memorandum was passed directly to Connolly who then forwarded it to the minister.

Wanting to take advantage of this opportunity, Simpson arranged a meeting between Strange and Commander R.R. Shorto, RN, who was the Fleet Engineering Officer. Lasting for approximately one hour, this meeting took place in the early afternoon of July 15. Strange found that Shorto’s remarks “coincided very closely with those of Commodore (D), W.A. [Simpson]” as he also focused on the necessity of gyroscopic compasses and hedgehog by stressing that his records had shown “only five corvettes of the Royal Navy are not equipped with these, whereas only two corvettes of the R.C.N. are so equipped.” Shorto realized that re-equipping the RCN would not be an easy task, but he felt that NSHQ had to overcome these problems or else face the consequences that might arise from the present discontent which existed amongst Canadian sea-going personnel. Within his memorandum to Connolly and Macdonald, Strange repeated a warning issued by Shorto that:

... he [Shorto] is closely in touch with many officers in the R.C.N. escort groups coming into Londonderry, and that there is considerable dissatisfaction in certain ships. The dissatisfaction arises from the fact that it is impossible to berth alongside, or near R.N. ships... without immediately observing the disparity in equipment between them and vessels of the R.C.N. Commander Shorto personally feels a time may come when this feeling, at present only partly pent up, will come out into the open with consequences which cannot be foretold, but which might be serious. He stated that there were certain officers, whose names he did not give, who were determined *to take some form of drastic step* [italics added] to secure action in this matter of equipment. I did not press inquiry in this direction.<sup>76</sup>

Considering that Strange was not an expert on naval equipment, it should not be surprising that these observations had such an impact on him. Historically, it is difficult to assess the accuracy of Shorto’s conclusions, especially his implication that the RCN was facing a possible mutiny over the state of equipment within the fleet. Nevertheless, realizing the seriousness of the situation Strange immediately produced this portion of his memorandum, and added a third section which included his own “Personal Observations.”<sup>77</sup> Within this section Strange commented on the fact

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<sup>75</sup> Horton to Macdonald, 19 May 1944, PANS, Macdonald Papers, MG2, F 1067/5.

<sup>76</sup> Strange to Connolly, 13 July 1943, PAC, Connolly Papers, MG32C71, Vol 3, 5.

<sup>77</sup> Ibid.

that he had personally heard many members of the sea-going fleet “expressing themselves very strongly on the subject [equipment].” Furthermore, Strange observed that Briggs, whose April report to NSHQ has already been discussed, had informed him that “ he has actually heard it stated in lectures that the enemy endeavors to locate convoys escorted by Canadian groups, as these offer safer targets due to inadequacy of Canadian A/S equipment.” <sup>78</sup>

It is commonly believed that, with the help of Commander K.F. Adams, Strange wrote his memorandum on his return trip to Canada onboard HMCS *Assiniboine*. This was not the case as Strange noted that, having already decided to bypass the chain of command, he wrote his memorandum between July 13-15. With his memorandum already in hand, Strange boarded the *Assiniboine*, where he showed it to Adams, who was the Commanding Officer as well as the Senior Officer Escort Group C.1. In fact, while Strange appreciated Adams’ enthusiasm he later wrote to Connolly that: “Commander Adams is very forth-right, but it should be remembered that his experience of anti-submarine warfare is limited to five or six trips across.” At Adams’ request the two men drafted a second memorandum which would be signed by Adams and passed through the chain of command. The tone of the two memoranda could not have been more different. While Strange’s memorandum was a scathing account on the state of equipment within the RCN, Adams’ memorandum was typical of any officer who was criticizing the actions of a superior. This memorandum politely noted that “this submission” was intended “to draw attention to the matter of equipment of these vessels... and to make certain recommendations for the modernization which is, in my opinion, necessary in order to enable them to discharge the duties required.” <sup>79</sup> Adams then proceeded to discuss the state of equipment on the ships within his Group. In his final analysis, Adams found that the RN ships of C.1 were much better equipped than their RCN counterparts and that “the R.N. Ships would - in the interests of safety of the convoy and destruction of the enemy - have to form the striking units.” This memorandum reached Captain (D) Newfoundland, on August 9. With some degree of self satisfaction Rowland noted that Adams’ memorandum echoed his own report submitted to NSHQ in May, and then forwarded it to FONF. <sup>80</sup> Likewise, before submitting this report to NSHQ, Reid commented that Adams’ account was very similar to Rowland’s memorandum, and represented “a true picture of the present situation, and it is

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<sup>78</sup> Ibid.

<sup>79</sup> Adams to Rowland, *Equipment on R.C.N. Ships*, 9 August 1943, Dhist, Nelles Papers, Folder B, File 10, 1057-3-24.

<sup>80</sup> Rowland to Reid, nd. Dhist, Nelles Papers, Folder B, File 10. Rowland’s comments were attached to the original and then forwarded to Reid.

abundantly clear that no obstacle must be permitted to stand in the way of immediate modernization.”<sup>81</sup>

It is important to note that Adams’ memorandum, which was submitted to Ottawa on August 30, acted as a test of the bureaucracy at NSHQ. Although the Strange report alerted the minister that there was a serious equipment problem, Macdonald would not confront NSHQ on the matter of equipment until Connolly returned from his overseas investigation in November. Until this time, no one at NSHQ was aware that Macdonald was now questioning how they had handled the equipment crisis. As with the Rowland, and Bidwell accounts, the Naval Staff never presented Adams’ memorandum to Macdonald or even Nelles.

Considering the content of the Strange memorandum, it is hardly surprising that it had an effect on Macdonald. Excluded from the Rowland, Piers, and Bidwell memoranda, this scathing account was one of the first glimpses Macdonald had received on the state of equipment within the RCN. Since Macdonald was responsible for the navy, there can be little doubt that he was profoundly affected by the report’s observation that Commander Shorto was afraid Canadian sailors were on the verge of taking “some form of drastic step to secure action in this matter of equipment.” Also, Macdonald was sensitive to the fact that the Strange memorandum arrived at a politically dangerous period for Prime Minister William Lyon Mackenzie King and the Liberal party.

Throughout the first half of 1943 King had been seeking more recognition for Canada’s armed forces from Churchill and Roosevelt. The problem for King was that, despite the large role the navy and air force had played throughout 1943, the Canadian public felt removed from the war.<sup>82</sup> To a large degree this feeling of remoteness was linked to the inactivity of the Canadian army, which had not seen any appreciable action since Dieppe. This was a matter of great concern to the government as Canada’s war-time image was becoming that of a “producer/banker” rather than a combatant.<sup>83</sup> In turn, the Canadian public grew restless and were becoming critical of the Liberal’s war-time record.

This feeling of remoteness from the war began to fade once Canadian troops were involved in the invasion of Sicily in July 1943. Gaining recognition for the army’s participation in this invasion was not easy for King as the original Allied Press communiqué made no mention of

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<sup>81</sup> Reid to Jeffrey, 30 August 1943, Dhist, Nelles Papers, Folder B, File 10. Reid’s comments were attached to the original and then forwarded to Griffiths.

<sup>82</sup> J.W. Pickersgill. *The Mackenzie King Record* 1 (Toronto :University of Toronto Press, 1960), 517.

<sup>83</sup> J.L. Granatstein. *Canada’s War, The politics of the Mackenzie King Government, 1939-1945* (Toronto: Oxford University Press, 1975), 250.

Canadian forces. King desperately required this recognition to bolster his party's image, and he was willing to embarrass Churchill by bringing the matter before the Canadian Parliament. Eventually the Sicily communiqué misunderstanding was put to rest at the Quebec Conference in August 1943. King apologized for the incident but informed Churchill that it was politically important for him to have the Canadian public realize the role that their nation was playing in the war. King explained his reasoning when he noted that:

I got a good chance both at dinner and after to speak of my problem which is Canada's problem - namely the need of our having the Canadian people feel that we were really having a voice in all matters pertaining to the war.<sup>84</sup>

Even the Quebec Conference itself was a means for King to achieve recognition.<sup>85</sup> Although he was merely the host, King was determined to use the Quebec Conference to gain more recognition for Canada's war effort and the increasing role of its armed forces. He desperately wanted to show the Canadian public that their efforts and sacrifices were helping to win the war. The message he wanted to convey was that every tank, aircraft, and ship they built was going to the troops at the front and bringing victory that much closer; ensuring that the public recognized any success achieved by Canadian forces was therefore essential to King. The invasion of Sicily, and the Quebec Conference began to convince the public that Canada was playing a crucial role in the war, but King was aware that any embarrassment could reverse this trend. He therefore informed the Cabinet that they had to take advantage of "the sense of proportion [of Canada's role in the war] which we had sought to keep" and that the "avoidance of embarrassment" was critical to maintain the government's improving war-record with the public. The key to the recognition

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<sup>84</sup> Pickersgill, *The Mackenzie King Record*, 538.

<sup>85</sup> When the Conference was first conceived, Roosevelt had opposed including Canada because of his fears that other Allied states, such as Brazil and Australia, would demand similar representation. The solution was to hold the conference at Quebec City, thereby allowing Canada to participate without offending other Allied nations. King was satisfied with this solution because: "I feel, however, that I should be host at Quebec... the Conference would be regarded as between the three [by the Canadian people] without the question raised too acutely [by other nations] or defined too sharply." King did not want to cause any international problems for Roosevelt or Churchill, but at the same time he wanted the public to recognize that, due to the efforts of the nation and the armed forces, Canada was a "major player." In this regard Canada's role at the Quebec Conference was a facade as Canadian representatives were not present at the most important meetings. From a publicity perspective, King had achieved his goal as photographs of him with Roosevelt and Churchill gave the impression that Canada was an integral part of the Conference: few Canadians realized the truth. Recently, King's role at the Quebec Conference has become the subject of an intensive debate amongst Canadian historians. Naturally, this debate falls outside the purview of this thesis. It is interesting to note, that King admitted in his diary that his primary role at the Conference was to act as a host. It can be argued, however, that King used his capacity as a 'host' to improve Canada's stature in World politics. For more information see C.P. Stacey, *Canada and the age of Conflict; A history of Canadian External Policies* Vol 2 (Toronto : University of Toronto Press, 1981),48.

question rested with the performance of the armed forces. As a consequence, King paid particular attention to any victory achieved by Canada's military.

Arriving at the same time that King was seeking more recognition for Canada's armed forces, the Strange memorandum indicated to Macdonald that the navy was suffering from an equipment crisis. Providing the contents of this memorandum were accurate, Macdonald realized that King would not be impressed with the state of the navy. In fact, since the Summer of 1942, Macdonald had been sensitive to the performance of the fleet because of the government's desire to dispel the feeling of war-weariness.<sup>86</sup> The equipment crisis would have caused King exactly the type of public embarrassment which he so desperately wanted to avoid. Certainly it would not have been the type of recognition that he was seeking for the military. Instead of presenting the public with victories, it would have revealed that Canadian sailors were risking their lives against the U-boat threat with outmoded equipment. This would have been disastrous for King's desire to improve the Party's image through increased recognition for the Canadian military. As the Liberal minister in charge of the navy, Macdonald would not have only embarrassed himself, but also King and the Party. Macdonald needed to discover the magnitude of the equipment crisis within the RCN, and he had to do so without King or the public becoming aware of the situation. This would be a difficult task for Macdonald throughout the Fall of 1943, as even at this early date King was receiving subtle indications that all was not well with the navy.

Before the Quebec Conference, King believed that Macdonald had not sought enough recognition for the RCN from the Press. To complicate matters, Macdonald was further embarrassed at the Quebec Conference by King's discovery that Winston Churchill was totally unaware of the significant contribution made by the RCN to the war at sea. Considering that just under half of the Allies escort fleet was Canadian, King asked Churchill why there had been so little comment on the RCN in press releases. To the surprise of both King and the War Cabinet, Churchill responded that he had no idea that the Canadian contribution to the Battle of the Atlantic was so large and important.<sup>87</sup> Macdonald recorded this troubling incident in his diary on August 11; eight days later, on August 19, the Strange memorandum was passed to him by Connolly.<sup>88</sup> As a relatively junior Voluntary Reserve Officer, it is unlikely that Strange realized what he had set in motion, as his memorandum led to immediate action by Macdonald.

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<sup>86</sup> Ken Macpherson, Corvettes of the Royal Canadian Navy 1939-1945 (St. Catharines, Ont: Vanwell Publishing Ltd, 1993), 65.

<sup>87</sup> Milner, The U-Boat Hunters, 50.

<sup>88</sup> Macdonald diary, 11 August 1943, PANS, Macdonald Papers, MG2, 391.

On August 21, Macdonald ordered Nelles to report on the “completeness of our Anti-submarine equipment as compared to similar equipment on U.K. vessels on the North Atlantic Run.”<sup>89</sup> Macdonald gave no indication that his request was the result of the charges contained within the Strange memorandum, but merely noted that he wanted a report as soon as “can be made available.” Nelles then turned to Creery (the very man who had not kept him fully informed on the Piers, Rowland and Bidwell memoranda) as well as other members of the Naval Staff for answers. In a one page memorandum Creery informed Nelles that Macdonald’s request for a comparison was impossible to draft since NSHQ did not possess a summary of equipment fitted on RN ships.<sup>90</sup> While this might have been true, NSHQ should have provided Macdonald with a summary of equipment on RCN ships; this was not done. In November, Macdonald would comment on Creery’s memorandum to Nelles by noting that:

The reasons assigned by A/C.N.S. in ... his memo of August 30th, are not the whole reasons... There is fault somewhere in our organization because these matters should have engaged my attention before it was necessary for me to call for a report on the basis of information secured from unofficial sources [Strange memo].<sup>91</sup>

The tone of Creery’s memorandum is consistent with the concept that Macdonald’s request had caught Nelles off guard, and that he had to rely on information from his subordinates on a situation which he could not render an informed opinion. Furthermore, Nelles’ response, which was forwarded to the minister on September 1, treated Macdonald’s request in very general terms. Although he did provide his own summary of RN and RCN refit policies, Nelles’ response was mainly a compilation of the memoranda sent to him by various members of the Naval Staff. At the end of the memorandum, Nelles made the demure remark “I think this covers the situation.” Macdonald was clearly dissatisfied with Nelles’ response as he later noted that “It does not attempt to allocate the responsibility for the condition and it does not recommend any definite proposal to rectify a situation which is most alarming.”<sup>92</sup>

The most likely explanation for Nelles’ inability to answer Macdonald’s memorandum was that his subordinates, specifically Jones, Creery and Jeffrey, had not kept him properly informed as to the state of equipment within the RCN. Nevertheless, unhappy with Nelles’ response, Macdonald suspected a cover-up, and was thereafter suspicious of any further information he

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<sup>89</sup> Macdonald to Nelles, 21 August 1943, PAC, RG24, 3995.

<sup>90</sup> Creery to Nelles, 30 August 1943, Dhist, Nelles Papers, Folder B, File 13.

<sup>91</sup> Macdonald to Nelles, nd. [20 November 1943], PANS, Macdonald Papers, MG 2, F276/3.

<sup>92</sup> Ibid.

received from his CNS.<sup>93</sup> It was perhaps a little unfair that Macdonald did not share the details of the Strange memorandum with Nelles at this time. However, it took the unorthodox step of bypassing the chain of command to affect change within the RCN as Macdonald was now aware of the equipment crisis.

Besides the sea-going sailors, perhaps the real victims of this episode were Rowland, Piers, and the officers of the Bidwell memoranda. These senior officers took it upon themselves to report a problem which had serious ramifications on the efficiency of the RCN. They had tried to affect change within the system, but were ultimately defeated by the bureaucracy of NSHQ. Despite their efforts these memoranda were not seen by Macdonald until they were discovered by Connolly in November. While these memoranda would be used against Nelles in November 1943, their initial aim was to alert NSHQ to a dangerous problem which had developed within the RCN. Rowland, Piers, and the officers of the Bidwell memorandum believed that they could use the chain of command to speak for all the sea-going personnel who were suffering from poor equipment on their ships. For example, within his memorandum, Piers actually noted that his observations not only spoke for permanent force officers, “but also those of experienced Reserve Officers who now command the vast majority of H.M.C. Ships and who are diffident about forwarding their opinions to N.S.H.Q.”<sup>94</sup> Ironically, there were some individuals at NSHQ who believed that it was reserve rather than permanent force officers were instrumental in bringing the equipment crisis to the surface and ultimately causing Nelles’ downfall. For example in a 1967 interview, Captain Eric Brand noted that:

I think the real trouble was, and I think this is what the “skids under Nelles” party used, as I said before we started recording, that most of the trouble appeared to me that our officers would come back, somewhat naturally, complaining about their lack of the latest equipment and that they were very open about this. They use to go see the Minister behind Nelles’ back, and that sort of thing, and say that we hadn’t got certain equipment.<sup>95</sup>

Indeed, there were certain RCNVR officers who had direct access to the minister as Macdonald himself admitted to the House of Commons on June 11, 1943 that: “A lot of the R.C.N.V.R. officers who come back from sea to Ottawa call in to see me and they talk quite frankly. I always encouraged them to do that...”<sup>96</sup> Unfortunately, it is impossible to identify the officers with whom Brand and Macdonald referred. However, it is possible to identify a group of relatively junior

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<sup>93</sup> Milner, *North Atlantic Run*, 256.

<sup>94</sup> Piers to Rowland, 1 June 1943, PAC, RG24, 3997, NSS 1057-3-24 Vol.1.

<sup>95</sup> Captain Eric Brand, Interview by E.C. Russell, taped recording transcript, Dhist, Brand Papers, 84/145, Vol.7, 25.

<sup>96</sup> House of Commons, *Debates*, 11 June 1943, 3564.

RCNVR officers who worked outside the chain of command and not only kept Connolly abreast of the conditions at sea throughout 1943, but also played a crucial role in helping him plan and execute the overseas investigation of October 1943 which eventually contributed to Nelles' dismissal.

Some of these voluntary reserve officers included the commanding officer of HMCS *Amherst*, Lieutenant Louis Audette, HMCS *Snowberry*'s commanding officer, Lieutenant Barry O'Brien, and to a lesser degree, Lieutenant Jim Mitchell, who was the commanding officer of HMCS *Orillia*. Considering that senior permanent force officers such as Rowland, Piers, Bidwell, and Adams were unable to have their memoranda presented before the minister, it may be difficult to understand how these relatively junior voluntary reserve officers had direct access to Macdonald's executive assistant. This situation can be explained by analyzing Connolly's life before the war.

Prior to becoming Macdonald's executive assistant, Connolly was a lawyer. During the early 1930's, Connolly practiced at the law firm of Audette and O'Brien Barristers and Solicitors in Montreal.<sup>97</sup> This practice was owned by close relatives of Barry O'Brien and Louis Audette. It was through this connection that Connolly became friends with Barry O'Brien, and also Jim Mitchell, who was one of Connolly's colleagues at this law firm.<sup>98</sup> On the other hand, Audette, who was also a lawyer before the war, had actually been friends with Connolly since childhood. Connolly's personal correspondence makes it clear that he was very close with both Audette, O'Brien and their families throughout the war. For example, when Barry O'Brien's brother, Pilot Officer Lawrence F. O'Brien, was reported missing after his bomber was shot down over Europe in July 1944, Connolly sent a consolatory letter to John O'Brien in which he recounted how he met his son in the early 1930's:

I will never forget the first time I saw Larry [O'Brien]. We were playing tennis with Justin [O'Brien] and Barry [O'Brien] on Freiman's Court. He was still a student at Graygables... I didn't know he existed until he made his appearance on the court, and Justin indicated who he was.... We will continue to hope and pray that he will turn up safe.<sup>99</sup>

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<sup>97</sup> Charles Murphy to Connolly, 17 January 1933, PAC, Connolly Papers, MG32C71, Vol 2:16.

<sup>98</sup> Connolly to J.T. Hackett, 15 November 1943, PAC, Connolly Papers, MG32C71, Vol. 2:17. Within this letter Connolly noted to Mitchell's employer J.T. Hackett "I knew Jim when I was with John O'Brien in Montreal just before the war started, at Hackett, Muluen & Hackett Advocate Barristers."

<sup>99</sup> Connolly to John O'Brien, August 1944, PAC, Connolly Papers, MG32C71, Vol. 4:14.

Likewise, Connolly sent many letters to the Audette family throughout the war providing updates on how Louis Audette was progressing.<sup>100</sup> As fellow lawyers or friends before the war, it should hardly be surprising that once Audette, O'Brien, and Mitchell joined the RCNVR and eventually became commanding officers, they shared their experiences, trials, and tribulations with Connolly. Out of these men it was Audette who had the most extensive correspondence with Connolly, and subsequently had the most significant impact on Connolly's overseas investigation in October 1943.

The standard interpretation within the literature has been that, after he received the Strange report, Macdonald no longer trusted Nelles or the Naval Staff.<sup>101</sup> Unaware of the details of the state of equipment within the RCN, Macdonald felt that he required more information before he confronted the Naval Staff. It was at his juncture that Macdonald devised a plan in which he would send Connolly overseas on a "fact-finding" mission. Recent evidence, however, has shown that his interpretation is only partially true.

In public, Connolly claimed that it was Macdonald's idea for him to travel overseas to investigate the state of equipment within the RCN in October 1943. For example, while he did not disclose the nature of his trip, Connolly informed an Orillia newspaper that "Quite recently I returned from the United Kingdom, where I went to perform a mission for the Minister, the Honourable Angus L Macdonald."<sup>102</sup> Even to the officials who were aware of the nature of the overseas investigation, Connolly would consistently declare that he was acting on the Macdonald's orders.<sup>103</sup> However, Connolly wrote a letter to Audette on November 25, 1943, where, after commenting on his overseas investigation, he made the following remarkable admission:

I guess you have not seen Jim Mitchell, but I have arrived back, after a most profitable experience. Inasmuch as *the original suggestion came from you over a year ago* [italics added], I feel I should give you some of the credit.<sup>104</sup>

Replying to this letter on December 5, 1943, Audette accepted this praise; then congratulated Connolly on the success of this investigation and informed him that "you must try to get back to where we met 14 months ago and we could have such a pleasant chin."<sup>105</sup>

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<sup>100</sup> see PAC, Connolly Papers, MG32C71, Vol 2, 'Personal correspondence for 1943.'

<sup>101</sup> see Marc Milner, North Atlantic Run; and David Zimmerman, The Great Naval Battle of Ottawa.

<sup>102</sup> *Orillia Packet and Times*, Orillia, 23 December 1943.

<sup>103</sup> Connolly to Conklin, 3 February 1944, PAC, Connolly Papers, MG32C71, Vol 2:19.

<sup>104</sup> Connolly to Audette, 25 November 1943, PAC, Connolly Papers, MG32C71, Vol 2:17.

<sup>105</sup> Audette to Connolly, 5 December 1943, PAC, Connolly Papers, MG32C71, Vol 2:18. and Louis Audette, interview with AOS (Salty Dips projects) in Salty Dips, Vol 2, ed. Mac Lynch (Ottawa: Privately Printed, 1985), 62-66.

This correspondence indicated that the original suggestion for Connolly's overseas investigation was made by Audette in late October 1942. It was during this month that Brand asked Connolly to accompany him to St. John's, Newfoundland. Brand described the purpose of this trip in his post-war memoir where he noted that;

On 23<sup>rd</sup> [October, 1942] I set off on my 'fake' trip to the Maritimes. This time I took J.J. Connolly the Minister's Executive Assistant with me so as I told him - he could see how the poor lived - He was an excellent companion and I think learned a lot about what was going on in the Navy at that time.<sup>106</sup>

Brand and Connolly spent four days in St. John's visiting various officers including Reid and Bidwell.<sup>107</sup> Unfortunately, it is difficult to ascertain exactly what Connolly discovered on this trip. His diary reveals little information, and in a "thank you" letter to Reid on November 3, 1942, Connolly made the alluring comment that, "I do believe that my visit there has helped me a great deal in connection with my work here for the Minister."<sup>108</sup>

What is important about this trip was that Connolly took Brand to visit Louis Audette, whose ship was based in St. John's. Brand described this encounter in his memoir where he noted that:

John then took me to meet a friend of his one Louis Audette Lt RCNVR who commanded the Corvette Amhurst [sic]: as I wanted to see a corvette. Louis impressed me very much in his knowledge of the ship though he was a lawyer before the war & had hardly seen the sea.<sup>109</sup>

The tour of the *Amherst* gave both Brand and Connolly a first hand indication of the conditions on Canadian corvettes. Audette later recounted Brand's and Connolly's reaction after the tour when he noted:

Eric Brand turned up in Newfoundland one day with John Connolly, the Executive Assistant to the Navy Minister. John and I were good friends as children... He [Brand] had never seen a corvette, which is why he came down. I took them all around the ship. Back in the wardroom Eric sat down with a drink and said with a sparkle, "it's been interesting, but I can't imagine how you get the bloody thing from A to B, or how you fight it."<sup>110</sup>

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<sup>106</sup> Brand diary, October 1942, Dhist, Brand papers, 81/145, 58.

<sup>107</sup> Connolly diary, October 1942, PAC, Connolly Papers, MG32C71, Vol 2:4. Connolly did not always date his diary entries. This section of his diary was marked October 1942.

<sup>108</sup> Connolly to Reid, 3 November 1942, PAC, Connolly Papers, MG32C71, Vol 2:15.

<sup>109</sup> Brand diary, October 1942, Dhist, Brand Papers, 81/145, 59.

<sup>110</sup> Louis Audette, interview with AOS (Salty Dips project) in *Salty Dips*, Vol 2, ed. Mac Lynch (Ottawa: Privately Printed, 1985), 64.

This was not Audette's only encounter with Connolly during this trip to St. John's. According to his diary, Connolly had met with Audette on several occasions. One of Audette's favourite topics during these visits was the state of his ship.

In early 1942, Audette consistently informed Connolly that he was extremely anxious to get back to sea. "From a purely selfish point of view" Audette wrote to Connolly, "I would much prefer to be back in the fight rather than stay in this backwater."<sup>111</sup> Audette finally received his wish in September 1942 when he was given his first command. Despite the fact that he had been forewarned by Captain [D] Newfoundland that he was "going to a very difficult ship," Audette was disillusioned by the state of his new ship once he arrived onboard. Not only did *Amherst* suffer from the same equipment shortfalls as other RCN corvettes, but its crew had threatened not to sail if Audette's unpopular predecessor, Lieutenant H.G. Dreyer, was not removed from command.<sup>112</sup> A capable leader, Audette was able to restore the morale of *Amherst*, but at the time of Connolly's visit Audette clearly had his work cut-out for him. After discussing this situation with his old friend, Connolly wrote to Audette's mother and noted that "He [Audette] took over a ship which was not in the happiest of conditions..."<sup>113</sup> Considering Audette's original disappointment with the state of *Amherst* when he took command, it was hardly surprising that he recommended to Connolly that he should conduct an overseas investigation into the state of the RCN. It is unlikely, however, that Audette realized that his proposal would eventually result in an investigation which would lead to the dismissal of the CNS. It should be noted that Nelles' position as CNS was not in danger at this time. Instead, Connolly's encounter with Audette in late October 1942 merely alerted him to the fact that there were problems within the RCN which might require an investigation to solve. It would take almost eleven months, and the introduction of the Strange memorandum before Macdonald would finally allow his executive assistant to implement this plan.<sup>114</sup>

Although Connolly was introduced to the concept that the RCN was suffering from equipment problems, it would be an oversimplification to place too much emphasis on his trip to Newfoundland in October 1942. Having spent only four days in St. John's, and personally visiting two corvettes (*Amherst* and *Arvida*), it is doubtful that Connolly could have formed any solid

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<sup>111</sup> Audette to Connolly, 17 February 1942, PAC, Connolly Papers, MG32C71, Vol 2:15.

<sup>112</sup> Johnston, *Corvettes Canada*, 272

<sup>113</sup> Connolly to Mrs. L.A. Audette, 2 November 1942, PAC, Connolly Papers, MD32C71, Vol 2:15. Dreyer was a notorious drunk and was due to be court-martialed. When Audette arrived onboard, Dreyer, who happened to be drunk, refused to relinquish command. Audette had the shore patrol force him ashore. With regards to *Amherst's* equipment problems Audette noted that the "ship was to give me a lot of trouble."

<sup>114</sup> Notes by Macdonald after an interview with RDFO. 8 December 1942, PANS, Macdonald Papers, F 305.

conclusions on the state of equipment within the RCN.<sup>115</sup> He did, however, begin to meet individuals who were willing to provide him with “covert” information about the conditions on Canadian corvettes. For example, one such officer from St. John’s wrote to Connolly on November 22, 1942, and noted that:

Glad you considered your trip [to St. John’s] a success. Being so much nearer to the ships makes it possible for one to feel ‘useful’ without need of farsighted analysis... Haven’t seen Louis [Audette] since you left, but hope to eve long. If at anytime, John, you may want some (non-secret but personal) information which is hard to get through official sources, let me help pls [please].<sup>116</sup>

Moreover, as the conditions at sea worsened throughout 1943 Connolly began to receive more reports from O’Brien, Audette, and occasionally Mitchell.

It is interesting to note that these officer’s criticisms on the state of the seagoing fleet were not written to Connolly in plain language. Instead, they used poetry or coded messages to inform Connolly of their displeasure with the state of their respective ships. For example, after participating in the battle for SC 100 between September 18-24, 1942, Barry O’Brien, who at this time was a ship’s officer onboard HMCS *Trillium*, wrote a poem to Connolly, in which he expressed his displeasure with NSHQ. Set to the tune “Bless ‘Em All”, this poem was entitled “‘S.C. 100’ H.M.C.S. Trillium” and read:

Bless them all, Bless them all  
The long and the short and the tall  
Bless all the Brass hats  
And the chairs where they sit,  
Planning our Westomp and the rest of that Shit...  
Bless them all, bless them all,  
The long and the short and the tall  
Bless old CICWA and COMINCH too  
Bless old COAC and N-S-H-Q.  
As we’ve waited all trip for this day  
To stalk these U-boats as prey  
It’s then they combine, to spoil our good time  
By taking three escorts away.<sup>117</sup>

The three escorts with which O’Brien referred to were the *Lunenburg*, *Nasturtium* [RN], and *Weyburn*, which had sailed with SC 100 on their way to participate in the North African landings scheduled for November 1942.<sup>118</sup> The displeasure expressed by O’Brien was common amongst

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<sup>115</sup> Connolly diary, October 1942, PAC, Connolly Papers, MG32C71, Vol 2:14.

<sup>116</sup> Jack Hodgins to Connolly, 22 November 1942, PAC, Connolly Papers, MG 32, Vol 2:15.

<sup>117</sup> O’Brien to Connolly, *SC 100 - HMCS Trillium*, PAC, Connolly Papers, MG32C71, Vol 4:14.

<sup>118</sup> Milner, *North Atlantic Run*, 170.

the sea-going fleet who could not understand why the RCN was providing corvettes for OPERATION TORCH when their own resources were being stretched to the limit on the MOEF. Nevertheless, O'Brien would continue to write these accounts throughout 1943, and in one instance Connolly actually showed one of these submissions to Macdonald. Entitled "Chase me Charlie," O'Brien described a voyage onboard HMCS *Snowberry* during the early Fall 1943. After reading this account Macdonald scribbled a note to Connolly which read "This officer has a gift for writing which he should continue to develop."<sup>119</sup>

Throughout 1943, Connolly kept two files on the poetry he received from various RCNVR officers, as well as copies of the poems he sent in return. Since it was most likely designed as an encryption method, much of this poetry is difficult to decipher. However, it is obvious that these poems were used by Connolly and these RCNVR officers as a means of communication. For example, Strange sent a poem to Connolly in which he described leadership problems within the RCN. At the end of this poem Strange noted that:

Therefore  
I have written this  
For the few people whom I know  
Who will understand what I am getting at.  
One use to believe in Christmas and the Navy.  
Who knows now in what he believes.<sup>120</sup>

Complaints on naval leadership at NSHQ were a common theme within Connolly's poetry files. In some cases these poems would criticize the highest ranking officers within the RCN. While some of these poems do not provide the author's name, it appears that the majority were written by O'Brien and Strange. Considering that most of these poems were highly critical of NSHQ and the state of the fleet at sea, it is hardly surprising that the more obvious accounts did not provide the author's name. For example, one poem which was entitled "The Wearing of the Green (R.C.N.V.R. STYLE)" read:

I met with uncle Percy [Nelles] and he shook me by the hand,  
I said how is our Navy, help, and its still on land,  
It's the most distressful Navy, faith, that ever yet was seen,  
'Cos half of them are Paybobs and the rest are wearing green.  
Each evening in the Bytown mess when the beer is flowing free,  
You can hear more salty chanties sung then ever heard at sea,  
They sing of all the ships they've had and the ports to which they've been,  
But truth to tell, they lie like hell, 'cos they're wearers of the green...

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<sup>119</sup> O'Brien to Connolly, *Chase me Charlie*, October 1943, PAC, Connolly Papers, MG32C71, Vol 4:14.

<sup>120</sup> Strange to Connolly, *Thought on an Afternoon Before Christmas*, nd. [24 December 1943], PAC, Connolly Papers, MG32C71, Vol 4:22.

O send me back to Halifax where our ships can still be seen,  
I'll gladly leave Headquarters to the wearers of the green!<sup>121</sup>

This provides a possible explanation why these officers chose to communicate with Connolly in this fashion. As junior officers in the RCNVR it would be dangerous for their careers if it was ever discovered that they were communicating directly with Connolly. It appears that Connolly recognized this threat himself as he warned these authors that “For letters going in your direction - Should be composed with circumspection.”<sup>122</sup>

It appears that Connolly chose another method with which Audette and Mitchell could secretly communicate to him the dissatisfaction they had with the state of equipment on their respective ships. This involved a code where they used medical conditions in place of naval terms. For example in a letter to Audette, Connolly noted that:

I am very much concerned about your wife's condition. [HMCS *Amherst*] I would be particularly interested to know the result of her operation [refit]. I should love to be available for the conference of surgeons under Simpson [Commodore], when you get to that point. ... I wish you would let me know what the surgeons did during the summer and if you feel she is in as fit condition as the other ladies [corvettes] particularly the English ladies... I am, personally dissatisfied about the treatment which people like yourself have been given for your wives' condition. I need not tell you that Angus [Macdonald] is too.<sup>123</sup>

It is clear that Connolly was asking him about his ship's recent refit, particularly since Audette was not married at this time. In his reply Audette informed Connolly that his “wife” was in much better shape and was “hardly recognizable but this doctor took far too long as they are doing in all similar cases.” In other words, Audette informed Connolly that the Canadian refit facilities had taken too long, and that his ship would have received better equipment if it had been handled by a British yard. He continued by stating that:

Anything you can do for girls [corvettes] in her position will be more than ordinary good turn. I shall not fail to pass on to other husbands [corvette captains] in my [unreadable] that you are helping. It will buck them up no end when they so often feel let down.<sup>124</sup>

Jim Mitchell also used this type of terminology to keep Connolly informed as to the state of equipment on the *Orillia*. For example, in a letter to Connolly, Mitchell noted that:

I saw Louis Audette the other day for a moment only. He is now with us again after a long absence and I shall see more of him at our next port of call. It appears that we are now all

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<sup>121</sup> *The Wearing of the Green* (RCNVR Style), nd., PAC, Connolly Papers, MG32C71, Vol 4:23.

<sup>122</sup> Untitled poem by Connolly, nd. [late 1942], PAC, Connolly Papers, MG32C71, Vol 4:23.

<sup>123</sup> Connolly to Audette, 25 November 1943, PAC, Connolly Papers, MG32C71, Vol 2:17.

<sup>124</sup> Ibid.

set for our face lifting so I am looking forward to a spot of leave, when I shall visit all the old haunts.<sup>125</sup>

The “face lifting” with which Mitchell referred, was the long awaited refit for his ship.

Through their pre-war friendship with Connolly, these officers were in a unique position of having access to the minister’s executive assistant. As highly-educated legal experts they realized the dangers of by-passing the chain of command. However, as Commanding Officers they felt that the poor state of equipment on RCN escorts was hindering their efforts to hunt U-boats, and therefore endangering the lives of their crews. As a result, they hoped that Connolly could help elevate the poor state of equipment on their ships. It appears that once Connolly was given permission in September 1943 to implement his investigative trip, he immediately turned to Audette for help.

The Strange memorandum finally proved to be the impetus which allowed Audette’s October 1942 suggestion for an overseas investigation to be implemented. On September 20, 1943 Connolly wrote to Audette informing him that Macdonald had finally agreed to implement his plan to travel overseas to investigate the state of equipment within the RCN. It appears that Audette had recommended in early September that Connolly should travel overseas in the *Amherst* in order to experience a transatlantic sea voyage. This plan began to develop complications as Audette noted on September 22, that:

Your letter of the 20<sup>th</sup> has just come in. I’m delighted at the prospect of having you but there is a slight complication - delay. I don’t know how much it will affect you. Officially I do not expect to be through [Amherst’s refit] until the 15<sup>th</sup> [October] (& possibly a bit later) subsequent to that I have about 4 weeks of additional work & working up to do... I do hope this doesn’t mean that you won’t be able to make it. I have been really looking forward to having you. Your letter is a bit confusing you say you will not be returning with me and in another paragraph you state you are taking me at my word about arranging transportation from Londonderry... I was thinking of ‘local’ transportation when I said that....<sup>126</sup>

Audette’s ship was going into refit at this time and Connolly could not afford to wait until the *Amherst* was ready. By September 29, it was clear that Connolly would not be traveling overseas with the *Amherst*, at which time Audette noted that “I am very disappointed our plans have fallen through, however, it obviously can’t be helped. I wish you every good luck & lots of joy and knowledge.”<sup>127</sup> Once Connolly returned from his investigation Audette once again expressed his

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<sup>125</sup> Mitchell to Connolly, 29 December 1943, PAC, Connolly Papers, MG32C71, Vol 2:18.

<sup>126</sup> Audette to Connolly, 22 September 1943, PAC, Connolly Papers, MG32C71, Vol 2:16.

<sup>127</sup> Audette to Connolly, 29 September 1943, PAC, Connolly Papers, MG32C71, Vol 2:16.

disappointment that he could not participate in a process which he had been instrumental in formulating. "I'm delighted you had such a profitable experience" Audette wrote to Connolly, "I only regret we couldn't do it together."<sup>128</sup>

Even though he could not travel overseas with Audette, Connolly still wanted to experience a transatlantic voyage on a corvette. It was no coincident that after *Amherst* was not available, Connolly chose to travel to Londonderry in *Orillia* with Jim Mitchell. Ironically, it was Nelles himself who approved and made the final travel arrangements for Connolly's passage on the *Orillia*. Although the original intention was for Connolly to travel with Audette, Mitchell was a good second choice. After his investigation Connolly wrote to Mitchell where he stated that: "My trip was useful to the Minister and informative. I cannot tell you how appreciate I am of all the things you did for me."<sup>129</sup> Also it was ironic that one of Mitchell's officers was Sub-Lieutenant Gerald P. O'Brien, brother of Barry O'Brien. With close friends at hand, Connolly boarded the *Orillia* on October 10, and begin an epic voyage to Londonderry which would eventually spell the end for Nelles' career. Although it would be the officers overseas who would have the greatest impact on his investigation, Connolly's RCNVR compatriots had a significant impact in helping him plan and execute his investigation. It was Connolly himself who placed this into perspective when he informed Audette after his investigation that "I certainly wish I could talk to you and a lot of others like you, however, you can say to your friends that if I cannot talk to you, I certainly can and have talked for you."<sup>130</sup>

Considering what the executive assistant was about to discover on his investigative trip, Nelles' days as CNS where numbered once Connolly boarded the *Orillia*. Unfortunately for Nelles this trip might have been avoided had the Rowland, Piers, and Bidwell memoranda been handled differently. In retrospect, it is easy to state that as CNS, Nelles should be held accountable for the fact that these memoranda did not lead to immediate action by the Naval Staff with regard to equipment on Canadian ships. While there is some justification in this interpretation, it appears that the real culprit was the bureaucratic process at NSHQ. Although the June reorganization of the Naval Staff had created the position of Assistant Chief of the Naval Staff to lighten the unrealistic work load placed on Nelles, it had the effect of decentralizing authority. With the power to act independently on "minor" policy issues, the ACNS was given excessive power. This was reflected by the fact that Creery decided that the memoranda on equipment were "minor"

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<sup>128</sup> Audette to Connolly, 5 December 1943, PAC, Connolly Papers, MG32C71, Vol 2:18.

<sup>129</sup> Connolly to Mitchell, 16 November 1943, PAC, Connolly Papers, MG32C71, Vol 2:17.

<sup>130</sup> Connolly to Audette, 25 November 1943, PAC, Connolly Papers, MG32C71, Vol 2:17.

policy issues, and therefore did not always require the attention of the entire Naval Staff. Additionally, since the DWT was not in a position to take control of the situation during the Summer of 1943, the validity of the equipment crisis was debated amongst various officers at NSHQ. As a result, Nelles was not always included in the discussions which occurred at NSHQ over the state of equipment. Furthermore, if Nelles is to be held accountable for the lack of action concerning the equipment memoranda, then so should Macdonald. Ultimately, Macdonald was responsible for the navy; however, he would later blame Nelles for the equipment crisis thereby denying ministerial responsibility.

Nevertheless, the real victims of this episode were the authors of the memoranda. These men recognized that there was a dangerous problem, which not only effected the RCN's ability to hunt U-boats, but also the morale of the fleet. As professional naval officers they tried to affect change through the chain of command. Unfortunately, the chain of command failed them as their memoranda became lost in the monolithic bureaucracy of NSHQ. Addressing a serious problem their memoranda did little to change the state of equipment within the RCN.

Ironically, it was a group of relatively junior RCNVR officers who had the greatest impact on affecting change within the navy. Beginning with Strange's memorandum, Connolly implemented the plan for his overseas investigation into the state of equipment within the RCN. Considering that Strange included Shorto's implication that the RCN was facing a possible mutiny over the state of equipment, it is hardly surprising that his memorandum caught Macdonald's attention. However, Connolly had other contacts within the RCNVR who helped him devise his overseas investigation. Through pre-war connections with Connolly, these officers, most notably Audette, were able to bypass the chain of command and inform the minister's executive assistant that he should initiate an overseas investigation. Although it would take the Strange memorandum before Macdonald would approve this investigation, it is clear that the credit for its conception belongs to Audette. Unaware of the true extent of the equipment crisis and no longer trusting NSHQ, Macdonald would be shocked by the results of Connolly's investigation. Although Macdonald would keep his cabinet post for the majority of the war, Connolly's overseas trip spelt the beginning of the end for Nelles.

### 3 A Covert Investigation:

**“The attached data is sufficient to get many people in trouble.”**

While the Strange memorandum was the catalyst which convinced Macdonald to allow Connolly to initiate his overseas investigation, its overall effect on the minister should not be overestimated. This document provided some specific examples of how Canadian ships were behind their RN counterparts in equipment, and also contained some very stern warnings from two high-ranking British officers. It must be remembered that this was only a six page document; hardly enough to explain the true significance of an equipment crisis which had haunted the RCN from the onset of the war. Macdonald understood that there was a problem within the RCN, but he was uncertain of the full extent of the equipment crisis until Connolly returned to Ottawa with the results of his investigation in early November 1943. Absent from Ottawa between October 4 - November 5, 1943, Connolly would tour naval facilities in St. John's, Londonderry, and London. As a bureaucrat, Connolly did not understand the nuances of naval warfare, nor was he aware of the true extent or consequences of the equipment crisis. However, from the moment he arrived in Londonderry, he was guided by a group of RN, RCN, and USN officers who were deeply concerned over the modernization of the Canadian fleet. This group of officers was led by Commodore (D) Londonderry, Commodore G.W.G. Simpson, and included the Fleet Engineer officer, Commander R.R. Shorto, RN; Lieutenant Commander D. Conklin, USNR, who was in charge of the American repair base in Londonderry; Lieutenant Commander D. Copelin, RCNR, who was Simpson's Staff officer (Administration) as well as the Canadian Escort Liaison Officer; and the Canadian Engineer Liaison Officer, Lieutenant J.J. Pigott, RCNVR. These men greatly influenced Connolly's investigation, and inadvertently played a pivotal role in Nelles' fate. It was through their efforts that Connolly was able to grasp the serious political ramifications of the equipment crisis which eventually led to his recommendation that Nelles be replaced as CNS.

Unfortunately for Macdonald, Connolly's investigation created more problems for the minister than it solved. One of the most significant problems was that, just prior to Connolly's departure, Macdonald had committed himself to a policy which would contradict his executive assistant's findings. Almost at the same time that Connolly was preparing for his overseas investigation of the present escort fleet, Macdonald had become convinced that Canada should appropriate aircraft carriers, cruisers, and fleet destroyers from the Royal Navy. In reality, the acquisition of these ships was for post-war purposes, and was borne from Nelles' desire to ensure

that the RCN finished the war as a “balanced fleet” of large, medium, and small ships with various capabilities. Together, Nelles and Macdonald would use various “political” tactics throughout the Fall of 1943 to secure these large warships for the RCN. The reason that they had to employ these somewhat clandestine methods was because King was hesitant to acquire such warships. Already afraid of the consequences of spiraling war expenditures, King feared that these ships would add an unacceptable financial burden to a growing military debt. As a result, King increasingly found himself at odds with his naval minister’s persistent attempts to acquire a balanced fleet throughout the Fall of 1943. Considering that King was already suspicious of the costs and manner in which these ships were secured, Connolly’s investigation would place Macdonald in a difficult position. It would inadvertently expose the fact that while Macdonald and Nelles were busy acquiring ships intended for post-war purposes, the present escort fleet was in desperate need of modernization. While Connolly developed a genuine desire to rectify the equipment crisis, he was first and foremost a bureaucrat whose loyalty was devoted to Macdonald. As a result of his investigation, Connolly feared that, once the equipment crisis eventually became public knowledge, Macdonald would bare the ultimate responsibility of explaining why the present fleet was so inadequately equipped. This task would be complicated by the fact that Macdonald would then have to explain to both King and the nation why he was attempting to acquire large post-war vessels at this turbulent juncture within the RCN. Admitting that the escort fleet suffered from a terrible equipment crisis would not have only embarrassed Macdonald, but also King and the entire Liberal Party at a time when their popularity was sagging. Therefore, this chapter will focus on how Macdonald became involved with Nelles’ attempt to acquire a balanced fleet and how this policy caused him difficulties with King and placed the minister’s cabinet post in jeopardy. Furthermore, it will analyze exactly what Connolly discovered during his investigation and how it helped to lead to Nelles’ dismissal.

During the inter-war years the RCN was almost abolished. Beginning in May 1922, and following a world-wide trend, consecutive Canadian governments reduced naval expenditures throughout the 1920’s. By 1933, the Department of National Defence was faced with a situation, largely due to the effects of the Great Depression, in which it did not have enough money to properly maintain all three services. Consequently, the Chief of the General Staff, Major-General A.G.L. McNaughton recommended that the navy be sacrificed in order to maintain the army and the air force. Brought to the brink of extinction, it was only through the efforts of the Chief of the

Naval Staff, Commodore Walter Hose, that the Canadian navy remained as an institution.<sup>1</sup> Nelles, who would succeed Hose as CNS in 1934, was greatly influenced by these events. After the outbreak of World War Two, Nelles was determined to prevent a reoccurrence of this situation by acquiring large warships for the RCN.<sup>2</sup> It was his belief that any post-war government would have difficulty justifying the paying off of large and expensive warships. It was for this reason that Nelles was committed to the acquisition of Tribal class destroyers both before and during the war. Evidence to support this claim can be found in a January 31, 1940 report to the Admiralty by British Admiral, Sir Fredrick Dreyer. Dreyer, who had met with the Canadian CNS during the bartering negotiations for Tribal destroyers, noted that Nelles had two major objectives for the RCN. The first was to win the war, while the second was "before the finish of the war to have a number of Tribal destroyers in the RCN... These he feels could not be wiped off the slate by what ever Government is then in power."<sup>3</sup> Even though it would be the corvettes and frigates which proved to be the most valuable acquisition for the RCN's war against the U-boats, the professional navy, under Nelles' leadership, would be relentless in its attempt to obtain large warships for post-war purposes.<sup>4</sup> Unfortunately for the men at sea, this was often achieved at the expense of the escort fleet.

The best opportunity for Nelles to acquire a balanced fleet emerged during the first Quebec Conference. The major purpose of this conference was to begin combined preparations for operation OVERLORD. However, the RN took advantage of this conference to ask the RCN if it could help with its present manpower shortage. Due to operational commitments the British reserves were depleted to a level where the RN had a shortfall of 20, 000 men.<sup>5</sup> Not only were the British having difficulty manning their new ships, but they also had to face the extra demands associated with their OVERLORD commitments. As a result, Sir Dudley Pound, who was the First Sea Lord, and three British officers met with Nelles and Captain H.G. De Wolf at the Chateau Frontenac on August 11, 1943, to discuss whether the Canadians could provide assistance for the RN's manning crisis. Pound opened the meeting by noting that, as he understood it, the

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<sup>1</sup> Hugh Francis Pullen, "*The Royal Canadian Navy between the Wars, 1922-39*," in *RCN in Retrospect, 1910-1968*, ed. James A. Boutillier (Vancouver: University of British Columbia, 1982), 68-69.

<sup>2</sup> Michael Whitby, "*Instruments of Security: The Royal Canadian Navy's Procurement of the Tribal-Class Destroyers 1938-1943*," *The Northern Mariner* 2, no.3 (July 1992): 3.

<sup>3</sup> Ibid.

<sup>4</sup> Michael Hadley, *U-boats Against Canada: German Submarines in Canadian Waters* (Kingston: McGill-Queen's University Press, 1985), 13.

<sup>5</sup> Admiralty to Quadrant, message 212308Z, 21 August 1943, PANS, Angus L Macdonald Papers, MG 2, F281/8.

RCN was “most anxious to make arrangements to get more Canadian personnel to sea.”<sup>6</sup> It was at this juncture where the First Sea Lord dangled Nelles’ long awaited dream of a balanced fleet before the Canadian CNS. Pound told Nelles that if Canadian authorities wanted to man British built cruisers, the RN would have absolutely no difficulty in providing the necessary ships. Although Nelles did not require any encouragement, Pound endorsed the idea by noting that “the manning of cruisers had many advantages from the Canadian point of view and particularly in that it would save the R.C.N. becoming merely a small ship Navy.”<sup>7</sup> It is uncertain whether Pound realized it at the time, but his endorsement that Canada should not finish the war as a small ship navy of corvettes and frigates was exactly the type of encouragement that Nelles wanted to hear from his RN counterparts.

Until this time the Naval Staff had planned the war on two separate levels. The first consisted of the corvette navy which was intended to deal with the present U-boat threat. Since the start of the war the professional navy had focused on another level which centered on plans to develop the nucleus of a post-war balanced fleet.<sup>8</sup> As a result, Nelles was excited about Pound’s suggestion that the RCN acquire cruisers. Almost immediately, Nelles informed Pound that it was his intention to see the RCN finish the war with at least five cruisers, two light fleet aircraft carriers, and three full destroyer flotillas. In his opinion, the aircraft carriers were essential for even a small ship Navy since “it would be most unsatisfactory for the Canadian Navy to be cruising in the days of peace, say, in the Caribbean and not to have the necessary air support which war experience had shown to be so desirable.”<sup>9</sup>

Having been presented with the opportunity to express his desire for a balanced fleet, Nelles continued to ask for even more ships. He informed the First Sea Lord that due to complications with the new escort construction program, the RCN would receive between 17 to 23 frigates within the next year, instead of the 33 which were originally planned. Nelles then requested that the RN transfer two destroyers to the RCN which could be manned by the surplus of manpower created by the construction delays with the frigates. For Nelles it would appear to be a dream come true. Having begun the war with the goal of acquiring Tribal destroyers, the British were now offering him larger ships such as cruisers and aircraft carriers. Nelles’ persistent desire to acquire these ships was overwhelmingly apparent at this meeting. At one point the Chief of

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<sup>6</sup> “Minutes of a meeting Held in Conference Room B at the Chateau Frontenac,” 11 August 1943, PANS, Macdonald Papers, MG 2, F281/8, 1.

<sup>7</sup> Ibid.

<sup>8</sup> Milner, *The U-boat Hunters*, 52.

<sup>9</sup> “Minutes of a Meeting Held in Conference Room B,” 11 August 1943, PANS, Macdonald Papers, F 281/8.

Combined Operations, Vice Admiral Louis Mountbatten, with the First Sea Lord's concurrence, noted that Canadian personnel could acquire valuable sea training by manning landing craft intended for Operation OVERLORD. Since landing craft did not fit into his picture of a balanced fleet, the British recorded that Nelles was "speaking strictly from the Service point of view and not committing the Canadian Cabinet, his problem was to see that the R.C.N. did not finish the war as a small ship navy entirely."<sup>10</sup> Although the British were seeking any form of Canadian assistance to help with their manpower difficulty, it is unlikely that they realized what had been set in motion at this conference. Perhaps sensing Nelles' hunger for a balanced fleet, Pound began to reverse his course by the end of the meeting. He reminded Nelles that even if every planned corvette and frigate which was to be laid down under the existing program up to June 1944 was to be manned, there would still not be enough escorts to totally defeat Germany's U-boat fleet. Since Pound began the meeting by offering the RCN cruisers, this proposal represented a contradiction since it was obvious that the Canadians could not man both the new escorts and large warships. This indicates that Pound was disturbed by Nelles' somewhat over-ambitious plan to acquire a post-war balanced fleet. In fact, Nelles responded to Pound's desire for the RCN to man the future escorts by noting that he "hoped the Canadian post-war naval plans, which he referred to earlier in the meeting [5 cruisers, 2 carriers, and 3 destroyer flotillas] would be borne in mind." Once described as a small terrier, Nelles was driven by his desire to acquire a balanced fleet for the RCN, and he would engage in a number of nefarious transactions to secure these ships.<sup>11</sup> More importantly, he would gain Macdonald's support by the end of August. Ironically, Macdonald would pledge his support to the procurement of cruisers and aircraft carriers at almost the exact time that he agreed to let Connolly investigate the state of the present escort fleet.

Realizing that this was his best opportunity to acquire a balanced fleet, Nelles was prepared to use almost any method to secure these ships for the RCN. After meeting with Nelles, Creery, and McMaster at NSHQ, Captain R.H.V. Buxton, RN, who worked for Mountbatten in Combined Operations, filed a report to the Admiralty. Submitted on August 20, Buxton noted within this report that the meeting was intended to clarify what support the RCN could provide the RN with its OVERLORD manning problems. Buxton approached the subject by informing the Canadian CNS that if the RCN had a surplus of personnel, Nelles should make the first move by either asking the Admiralty for certain types of ships, which would "accord with his general naval

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<sup>10</sup> Ibid.

<sup>11</sup> German, The Sea is at our Gates, 144.

expansion policy,” or offer Canadian personnel directly to the Admiralty. Buxton was surprised to discover that Nelles had a different plan of how to secure the approval for these ships from his political masters. In his report Buxton noted that:

It appeared... that owing to political difficulties in connection with proposals emanating in Ottawa, this course would involve protracted negotiations. Admiral Nelles would prefer that the initial move should come from our side. He suggested that the First Sea Lord might approach the Prime Minister with specific suggestions as to how Canada might help us in our present manning difficulty, and that Mr. Churchill should then take it up with Mr. Mackenzie King. Admiral Nelles considered that this line of approach would produce much quicker results than any proposals emanating from him.<sup>12</sup>

Nelles then continued by stating what the British could expect from the Canadians. Through these recommendations it was clear that Nelles had his own agenda for the RCN. In order to man landing craft for OVERLORD Nelles conceded that some Canadian personnel could be provided to the RN. He then informed Buxton that it would be preferable if the RCN could man some of the new construction of large warships. By doing so, Nelles argued, more RN personnel could be released for OVERLORD requirements. Nelles’ logic during this meeting was all too clear. Instead of manning landing craft, which would serve absolutely no purpose for the RCN after D-Day, Nelles wanted to take advantage of the situation by acquiring ships for a post-war navy. Buxton realized that the Canadian CNS had his own agenda for the RCN as he noted to the Admiralty that Nelles, “ while agreeable to making some direct contribution in the way of crews for landing craft was evidently more anxious to take over two R.N. destroyers at the end of this year thereby releasing R.N. personnel for OVERLORD requirements.”<sup>13</sup>

Likewise, the First Sea Lord sent a similar report to the Admiralty. Pound began by informing the Admiralty that, due to the meeting with Buxton on August 20, Nelles had agreed that the RCN could man two fleet destroyers, three flotillas of landing craft, provide one RCN beach commando unit and 120 officer candidates to be trained at HMS *King Alfred* for use by the RN. Pound also noted that the Admiralty should “sound the Canadian Government” concerning the possibility of taking over one or two cruisers at a later date. Since Nelles had told the First Sea Lord that the acquisition of the cruisers might be a politically sensitive issue, Pound informed the Admiralty that:

This question has been discussed unofficially with C.N.S. Canada, but for political reasons it is desirable that the approach should be made by us on the Prime Minister’s level should

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<sup>12</sup> Captain R.H.V. Buxton to Admiralty, *Manning Assistance from Royal Canadian Navy*, 20 August 1943, PANS, Macdonald Papers, MG2, F 281/8.

<sup>13</sup> Ibid.

this be approved. This matter should not therefore be discussed outside the Admiralty at present.<sup>14</sup>

The Admiralty's approval of Nelles' plan was transmitted to Quebec City on August 24, and as a result Pound was asked by Churchill to discuss the matter directly with King. What Nelles had achieved at these unofficial meetings was remarkable. In a matter of thirteen days he had placed the RCN on a footing to receive two cruisers, two fleet destroyers and the possibility of two aircraft carriers.<sup>15</sup> Furthermore, in order to add extra clout and realizing that his dream of a balanced fleet might be complicated by the political situation within Ottawa, Nelles had arranged for these proposals to be made by Winston Churchill at the War Cabinet Meeting of August 31, 1943. It was also on this day that Nelles would gain another powerful ally in his drive to acquire a balanced fleet, namely Macdonald. As Canada's present escort fleet was struggling to combat the U-boats with outmoded equipment, both Nelles and Macdonald were about to commit the RCN to a policy of acquiring large warships for post-war purposes. While the balanced fleet was a dream come true for Nelles, it would become a political quagmire for Macdonald after Connolly's investigation.

At the War Cabinet meeting of August 31, 1943, Churchill asked Pound to make a request of the Canadian Government. Almost word for word this request outlined the proposal which had been reached between Nelles and Buxton on August 20. After the British request was outlined, Nelles must have been disturbed by the First Sea Lord's comment that the proposal concerning the cruisers "was the least urgent." Nevertheless, Macdonald reported that since these proposals had been given preliminary study by the Naval Staff, and in view of the slowing down in deliveries of escort vessels from Canadian yards, the RCN was in a position to accept all the British proposals. Macdonald continued by noting that the British request, which would involve some 2,000 RCN personnel, could be achieved if certain types of older vessels were paid off. According to Macdonald this action would be desirable if it meant that Canada could take advantage of adding cruiser strength to its navy.<sup>16</sup> This was a remarkable admission from Macdonald, considering that only eleven days earlier he had been presented with the Strange memorandum. Aware that the present escort fleet was possibly suffering from a severe equipment problem, Macdonald was

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<sup>14</sup> Admiralty to Quadrant, message 212308Z, 21 August 1943, PANS, Macdonald Papers, MG2, F 281/8.

<sup>15</sup> At this time Captain Nelson Lay was in London investigating the feasibility of the RCN acquiring aircraft carriers. It is interesting to note that on August 24, the Admiralty sent a message providing advanced notice that Lay "intends to recommend such a development as no modern Navy, however small, can operate without an air component. He considers that a start could be made now, while the political opportunity offers, if Canada is to achieve a balanced fleet after the war."

<sup>16</sup> War Cabinet Committee Minutes, 31 August 1943, PAC, RG 2.

supporting the acquisition of large warships which would tie up even more resources from an already overburdened navy.

After the War Cabinet meeting Macdonald met with Nelles and Pound. Even though he was somewhat suspicious of his CNS with regards to the modernization of Canadian escorts, Macdonald would ally himself with Nelles concerning the acquisition of cruisers. For example, Macdonald noted in his diary on August 31, 1943:

Afterwards Percy Nelles and I had a talk. I told Pound the ships [cruisers] would have to be Canadian ships with Canadian seamen. Pound said he would do everything to meet our wishes... I am eager to have the cruisers as our training is more purely on convoy escort- and in small ships. C. [Churchill] said its a great thing for Canada to get on the sea. <sup>17</sup>

Clearly, Macdonald was more excited about the prospect of acquiring cruisers rather than the condition of Canada's corvettes. Without full details of the equipment situation within the escort fleet, Macdonald was taking a considerable political risk by committing himself to vessels which were primarily intended for post-war use. It would be an entire month before Connolly would travel overseas to investigate the state of equipment within the escort fleet, and another two and half months before he would present his findings. By this time, Macdonald would already be firmly committed to the development of a post-war balanced fleet.

Macdonald's commitment to the acquisition of cruisers is even more puzzling considering that, only two and half months earlier, he was supposedly devoted to the RCN's role as an escort fleet. During a debate within the House of Commons on the future of the RCN, Macdonald was bombarded by questions from opposition members who wanted to know if Canada would ever acquire large warships. On June 10, 1943 Macdonald responded to these criticisms by noting:

My hon. friend will not misunderstand me, though, when I say that up to the moment in this war it has been necessary for our main work to be done on the Atlantic... we have put our main emphasis on convoy work. *I think this is probably not the time to begin to plan exactly the sort of navy we should have after the war.* [italics added] My own feeling is that we should go to work as best we can with the task we have in hand, namely convoy work, which is essentially work for small ships; *but undoubtedly after the war,* [italics added] in the establishment of a Canadian navy, such ships as the Jellicoe report mentions - cruisers and destroyers - should form a part of our navy. <sup>18</sup>

Macdonald continued by stating that ships of this nature would serve no purpose on the North Atlantic where the principal enemy was Germany's U-boats. Instead, he consistently informed the House of Commons that the ships most suited to combat this type of enemy were the corvettes and

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<sup>17</sup> Macdonald diary, 31 August 1943, PANS, Macdonald Papers, MG 2, F 391.

<sup>18</sup> House of Commons, *Debates*, 10 June 1943, 3502.

frigates, and that it was not his intention to acquire larger warships until after the war. It is clear, however, that once the possibility of acquiring these ships was placed before Macdonald by Nelles and Pound, the minister quickly acquiesced. This set the pace for the professional navy for the rest of the war as the acquisition of a balanced fleet became one of their top priorities.<sup>19</sup>

The decision to procure these ships was withheld by the War Cabinet pending further discussion between Macdonald, Pound and Nelles. In a typical manner, King would not commit to the acquisition of aircraft carriers, cruisers and destroyers until further study was conducted.<sup>20</sup> Clearly, this was the type of delay that Nelles had predicted when he suggested that Churchill should present the proposals to King. Ironically, Nelles had found a powerful ally when Macdonald became committed to the acquisition of a balanced fleet. At the same time that Connolly was attempting to convince the minister that he should be allowed to travel overseas to investigate the equipment crisis within the escort fleet, Macdonald was taking steps to ensure that Canada would accept the cruisers and placed the acquisition of aircraft carriers on an accelerated pace.<sup>21</sup>

On September 8, the question of cruisers, fleet destroyers, and aircraft carriers was once again brought before the War Cabinet. As soon as the topic was introduced, King stated that he was “surprised that proposals of this nature had been put to the government [by the British] without notice of any kind.” King was very perceptive as he immediately recognized that the manner in which the proposals had been introduced had placed the War Cabinet “in a difficult position.” Since the request had been made by Churchill, King felt that he was under a great deal of pressure to accept them. As with other war departments, King believed that the government still had a financial responsibility to ensure that war expenditures did not spiral out of control. Fearing the cost related to the procurement of these large warships, King was leery of their acquisition.<sup>22</sup> Suspecting that the RCN had participated in “behind the scenes negotiations” with the RN, King turned to Nelles and asked: “Had the Naval Staff known of them [British proposals] prior to the

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<sup>19</sup> J.L. Granatstein and Desmond Morton, A Nation Forged by Fire (Toronto: Lester & Orpen Dennys, 1989), 84.

<sup>20</sup> King diary, 31 August 1943, Microfiche Edition (Toronto: University of Toronto Press, 1980), Vol 191:748. Also see J.D.F. Kealy and E.C. Russell, A history of Canadian Naval Aviation 1918-1962 (Ottawa: Queen's Printer, 1967), 23-24. The decision concerning the aircraft carriers was postponed pending further study. A joint RCN/RCAF Committee was quickly formed which issued a report in the following month recommending that the RCN should acquire the carriers.

<sup>21</sup> Macdonald diary, 8 September 1943, PANS, Macdonald Papers, MG2, F 391.

<sup>22</sup> King diary, 8 September 1943, Vol 192:783.

meeting [of August 31].”<sup>23</sup> Nelles responded by admitting that the First Sea Lord had discussed various proposals with the Canadian Naval Staff at a early stage of the Quebec Conference. This was true enough, although Nelles did not mention that, besides De Wolf, he was the only other RCN officer present at the August 11 meeting at the Chateau Frontenac. Nelles’ next statement to King was less than honest as he informed the Prime Minister that “It was not, however, known to the Canadian staff that specific proposals were to be brought forward at the meeting of August 31st.” As has been seen, this was clearly untrue since Buxton had discussed with Nelles (during their meeting at NSHQ on August 20) the exact proposals presented to King at the War Cabinet meeting of August 31. Furthermore, it was Nelles’ idea, and not the Admiralty’s, that these proposals should be presented to King by Churchill in an attempt to ensure that they were accepted.

It was Macdonald who rescued Nelles from King’s accusations that the Navy had engaged in “behind the scenes” politicking. Macdonald quickly diverted the discussion by noting that, due to the slow down in new escort construction, the RCN would have a surplus of personnel for the British proposals. He assured King that this could be achieved within the approved naval program which called for a total strength of 82, 000 personnel by March 31, 1944. Macdonald even went as far as to claim that it was possible and “desirable” for the RCN to acquire two aircraft carriers. Without full knowledge of the situation within the present escort fleet Macdonald was getting himself into trouble as he even suggested that “subject to the possibility of a deterioration in the U-boat situation, it would be possible, too, further to slow down plans for construction of escort craft, and certain older corvettes and destroyers could be laid up, thus releasing officers and ratings for the larger vessels.”<sup>24</sup> As with the professional RCN, Macdonald was apparently willing to sacrifice the needs of the escort fleet to secure larger warships.

Ignorant of the true extent of the equipment crisis within the present escort fleet, Macdonald’s consistent attempt to acquire large warships is more understandable considering King’s reluctance on the issue. At this meeting King stressed that that Canada was reaching the limits of its war time resources, and therefore believed that no new commitments should be made. King felt so strongly on this issue that he noted in his diary:

I should like to record that when considering proposed naval programme suggested by Admiral Pound, I made it very clear to all members present and in the presence of Admiral Nelles that the government’s policy was not to increase our commitments for war services... That the programme suggested were accepted and include (1) Admiral Pound’s

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<sup>23</sup> War Cabinet Committee Minutes, 8 September 1943, PAC, RG2.

<sup>24</sup> Ibid.

suggestions, and (2) proposal of addition of two aircraft carriers that men found for both would have to come within the 84, 000 [sic] limit which had been agreed to, as the limit for this fiscal year, and that we could not count on going beyond this limit in the next year. That some things would have to be given up for others...<sup>25</sup>

It should be noted that, as long as they did not lead to an increase in the navy's budget or the allotted manpower quota of 82,000 personnel, King was not totally opposed to the acquisition of large warships for the RCN at this time. As a result, both Nelles and Macdonald were encouraged by the fact that the procurement of these vessels was passed "in principle" at this meeting. Macdonald was determined to acquire these ships as he noted in his diary on September 8, 1943, that:

I had to say this even if some of the proposed smaller ships - frigates, corvettes, minesweepers had to be fore gone - in order to conserve manpower, we would be well advised to take the cruisers... This step is very significant. The RCN is stepping out of the small class - the cruisers plan is being realized after more than 30 years.<sup>26</sup>

Macdonald was setting a hazardous course for himself, as it appeared in September that he was more interested in acquiring ships for the post-war navy, rather than attending to the needs of the present escort force; a point which would be exposed by Connolly's overseas investigation. Furthermore, there was a significant danger involved with Macdonald's and Nelles' plan to cut the new escort construction in order to secure a balanced fleet. Originally the RCN had planned to build 68 frigates, and 21 corvettes within the 1943-44 program. On December 7, 1943 these figures were drastically reduced as only 27 frigates, and 11 corvettes would eventually be built under this program.<sup>27</sup> Undoubtedly, the emergence of these ships, especially the frigates, could have helped the RCN through its modernization difficulties after 1943.

Whether the RCN's escort fleet ever became truly modernized is still debatable.<sup>28</sup> It is true that the RCN was successfully handling most of the convoys on the North Atlantic Run by mid-1944. It is uncertain whether this was the result of the eventual modernization of the fleet, or if it

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<sup>25</sup> King diary, 8 September 1943, Vol 192:783.

<sup>26</sup> Macdonald diary, 8 September 1943, PANS, Macdonald Papers, MG2, F391.

<sup>27</sup> "Development of Canadian Naval Policy," 21 December 1943, RG24, Vol 11963, 9-4,2.

<sup>28</sup> Ken Macpherson, *Frigates of the Royal Canadian Navy, 1943-1974* (St. Catharines: Vanwell, 1989), 7. and Doug MacLean. *The Last Cruel Winter: RCN Support Groups and the U-boat Schnorkel Offensive*. (Master's thesis, Royal Military College, March 1992.) MacLean's study of three RCN escort groups provides an excellent summary of how the RCN had managed to overcome many of its modernization problems. These three escort groups were, for the most part, composed of well-equipped frigates. It is still uncertain whether this can be applied to the entire RCN escort force in 1944-45. Likewise, Milner has argued that the RCN achieved a higher degree of modernization by the last stage of the war. Not all scholars are convinced that the improved results achieved by the RCN was due to its eventual modernization. Despite Milner's excellent account in *The U-Boat Hunters*, the question of whether the RCN was ever satisfactorily modernized remains unanswered.

was due to the diminished threat of the U-boats after 1943, as well as the fact that the range of Donitz's U-boats was significantly reduced after the port of Lorient was rendered ineffective by the Allies in July 1944.<sup>29</sup> Nevertheless, the fact still remains that the RCN only began a serious attempt to modernize its fleet after the proportions of the equipment crisis were exposed by Connolly in November 1943. This new construction could have replaced the poorly-equipped ships of 1943. Although the British would later encourage the RCN to cut its escort construction program, the Admiralty actually wanted the RCN to man more newly-constructed escorts in August 1943. While the British agreed that it could provide large warships to the RCN if they desired, the Admiralty also noted that: "it would, of course, further help us if Canadians could man any Escort Vessels building for us in Canada or [the] United States."<sup>30</sup> Unaware of the extent of the equipment crisis, Macdonald became committed to the balanced fleet in September 1943, and as a result he believed that it was preferable to cut the new escort building program in order to secure these large warships.<sup>31</sup>

By September 10, Macdonald had fully committed himself to the balanced fleet as he announced Canada's new acquisitions to the public. At a press conference, which was originally scheduled to deal with minesweeping operations off Halifax as well as HMCS *Drumheller's* sinking of a U-boat, Macdonald suddenly decided to tell these journalists about the acquisition of the cruisers. To his delight, the Press responded very favourably to this announcement, especially since "this [the cruiser program] received the most attention in the papers."<sup>32</sup> The problem for Macdonald was that not only had he publicly committed himself to the acquisition of large warships, but also that the Press realized that this represented a major policy reversal for the minister. For example, the *Globe and Mail* reported that:

In eventually concentrating on escort vessels to convoy the Atlantic supply lines, he said then [June 10], 'we chose another, I believe, a truer and more natural course.' Today the Minister stressed: "If we are going to stick to anti-submarine work forever, we wouldn't need cruisers, too. But without cruisers we cannot have a well balanced navy. I think it is a natural development to have these two cruisers and I hope, sometime aircraft carriers."<sup>33</sup>

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<sup>29</sup> Schull, *The Far Distant Ships*, 347-48.

<sup>30</sup> Admiralty to Quadrant, message 241546Z, 24 August 1943, PANS, Macdonald Papers, MG 2, F281/8.

<sup>31</sup> The Admiralty sent a confusing message to RCN authorities with regard to the balanced fleet. Some individuals such as Simpson believed that it was "folly" to follow this policy when the present need was for modernized escorts. On the other hand, Churchill and Horton were pleased to see Canada "get out onto the seas" with larger war vessels. Whether the Admiralty sent a confusing message is irrelevant since the ultimate decision for the RCN to acquire a balanced fleet was made by Macdonald and not the British. The responsibility for this action therefore rests with Macdonald and not the Admiralty.

<sup>32</sup> Macdonald diary, 10 September 1943, PANS, Macdonald Papers, MG2, F391.

<sup>33</sup> *Globe and Mail*, Toronto, 11 September 1943.

Referring to Macdonald's statement in the House of Commons on June 10, that Canada would not deviate from its escort role until after the war, Macdonald was forced to admit that the acquisition of the cruisers "marked a sharp change in [the] program."<sup>34</sup> This would place Macdonald in a difficult position once Connolly returned with the news that the present escort fleet lacked modern equipment. Having admitted that he had changed his opinion with regard to Canada's need to concentrate solely on escort requirements until the end of the war, Macdonald would have been embarrassed had it been publicly leaked that he was acquiring large warships at the same time that the present fleet desperately required modern equipment. In effect, it would expose the fact that Macdonald was unaware of the poor state of equipment within Canada's escort fleet.

Additionally, even at this stage, Macdonald had placed King in a difficult position. Having approved the acquisition of the cruisers "in principle" only, Macdonald's announcement to the Press, in effect, forced the issue. Although the War Cabinet had not given its final approval, the public now believed that Canada was definitely acquiring these ships. As a result, King began to question the manner in which the navy was expanding as he admitted in his diary that: "I think our men have been pressed too much. The Dept. [navy] has been over - ambitious in building up. It would have been better to go more slowly."<sup>35</sup> As will be seen in the next chapter, King would become even more suspicious of the manner in which these ships were secured by Macdonald and Nelles. Although he did not originally oppose their acquisition, King would later regret the cruiser procurement, and by late 1943 he was totally opposed to the acceptance of aircraft carriers.<sup>36</sup> Concerned that naval expenditures were spiraling out of control, King began to watch the actions of his naval minister much more closely. Macdonald would be placed in a difficult situation once the debate over the expenditures for the balanced fleet reached a climax between December 1943 and January 1944. With the Prime Minister consistently challenging the cost of the balanced fleet, Macdonald was faced with the realities of Connolly's investigation. In other words, Connolly's investigation inadvertently exposed the fact that while his executive assistant was overseas, Macdonald had been following a flawed policy of acquiring a balanced fleet while the equipment needs of the escort fleet had been virtually ignored.

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<sup>34</sup> Ibid.

<sup>35</sup> King diary, 1 October 1943, Vol 193:858.

<sup>36</sup> King diary 16 December 1943, Vol 196:1109. and 5 January 1944, Vol 196:10. Also for an interesting account on the development of Canadian Naval Air power at this time see Stuart Soward, Hands to Flying Stations: A Recollective History of Canadian Naval Aviation Vol 1 (Victoria: Neptune Developments, 1993), 23-26.

To complicate matters, Macdonald was making these decisions when the popularity of the Liberal Party was sagging. Throughout late August and September 1943, the Liberal Party was in a virtual state of panic. This situation had developed in the wake of the Ontario provincial election as well as four federal by-elections. Defeated by George Drew's Progressive Conservative Party, the ranks of the Ontario Liberals were decimated during the provincial elections on August 4, 1943. The results were decisive as they finished in third place; allowing the CCF, who went from zero to thirty-four seats, to become the official opposition at Queen's Park. During the federal by-elections, which were held five days later, all four Liberal incumbents were defeated. Once again the results of these elections caused much concern to many members of the government. Both western seats (Selkirk, Manitoba and Humboldt, Saskatchewan) were carried by CCF candidates who won their respective contests with over sixty percent of the popular vote in three party races.<sup>37</sup> The news in Quebec, where the remaining two by-elections were held, was equally disturbing. A Bloc Populaire candidate, which in some ways was Quebec's equivalent to the CCF, won his seat in Stanstead, and Fred Rose, who was a communist candidate, carried Cartier.<sup>38</sup> This swing to the left was troubling, but the Liberal Party received more grave news in September when a public opinion poll found that 29 percent of those surveyed supported the CCF, while the Liberals were tied with the Conservatives at 28 percent. Overall these polls had shown that the government's popularity had dropped 27 percent from an all-time high in 1940.<sup>39</sup> Although the accuracy of public opinion polls is at best questionable, these results coupled with the outcome of the Ontario and four federal by-elections troubled many Liberals. By September a discernible shift to the Left was apparent within the electorate: a trend which the government could no longer ignore.

Shocked and dismayed, the initial response from the Cabinet represented a party in chaos.<sup>40</sup> Reporting on the political scene in Ottawa for the *Winnipeg Free Press*, journalist Grant Dexter observed:

By and large the government is pre-occupied almost completely by the results of the three [four] by-elections on August 9 and the Ontario general election... The gloom about the elections has to be experienced to be believed. They are interpreted as meaning that the government has lost the confidence of the country and no longer has the majority of people behind it.<sup>41</sup>

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<sup>37</sup> *Annual Departmental Reports: Report of the Chief Electoral Officer*, (Ottawa: Edmond Cloutier, 1944), 10, 13.

<sup>38</sup> Pickersgill, *The Mackenzie King Record*, 570-571

<sup>39</sup> "Public Opinion Polls," *Public Opinion Quarterly*, 7 (Winter 1943), 747.

<sup>40</sup> Granatstein, *Canada's War*, 260-265.

<sup>41</sup> Gibson, *Ottawa at War*, 422.

Indeed, many Cabinet members were convinced that the Party had lost the confidence of the people. Both the Minister of Pensions and National Health, Ian Mackenzie, and the Minister of National Defence for Air, Chubby Power, felt that the government was in a precarious situation and that they immediately needed to “pull up our socks.” In fact, Power had even recommended that King call a Fall general election.<sup>42</sup> Panic stricken, this sentiment was shared by a number of ministers who also felt that King should dissolve Parliament. For example, Dexter noted that:

Isley is more strongly in favour of an immediate dissolution than T.A. [Crerar]... The government would say that its right to carry on was challenged and grave doubts existed as to the views of the electors... A few of the ministers ardently agree with T.A.... I think all of them would be sympathetic to the idea [of a dissolution]. The job of running a country in war-time is tough enough without having to buck unfavourable opinion.<sup>43</sup>

The idea of a dissolution was ‘nonsensical’ to Macdonald. He believed it was “equivalent to quitting” and “letting the country down in the greatest crisis of all time.” Such action, he reasoned, would be disastrous for the Liberal Party. On the other hand, he agreed with many ministers that the Party could no longer “sit on their laurels,” and ignore the needs of Labour. Macdonald’s diary, as well as both his own and Connolly’s extensive files on the CCF, indicate that he was greatly disturbed by the rise of the Left within Canada.<sup>44</sup> He was well aware of the impact that the elections and the rise of the CCF had had on the Party since he believed “that the political situation will continue to deteriorate.” Macdonald’s attitude towards the political situation did not go unnoticed by King who recorded in his diary on September 15 that:

Angus Macdonald was very pessimistic about the Party’s position. Thought we would not be able to carry a seat against the C.C.F. after listening to one or two who had been talking that way. Most of the others were also quite pessimistic. I told them I did not agree with them at all.<sup>45</sup>

It is not difficult to imagine, therefore, what the consequences would have been for Macdonald had the equipment crisis within the Navy been publicly revealed in September. Not only would he have further embarrassed an already demoralized Cabinet, but it would have been difficult and politically dangerous for any minister to defend or stand by Macdonald at a time when they were questioning their own political futures.

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<sup>42</sup> Chubby Power, *A Party Politician* (Toronto: Macmillan, 1966), 357.

<sup>43</sup> Gibson, *Ottawa at War*, 423, 425.

<sup>44</sup> Macdonald diary, August to November 1943, PANS, Macdonald Papers, MG 2, F/391 and Connolly Papers, PAC, MG32C71, Vol 4. Both these sources contain extensive material on Macdonald’s and Connolly’s opinions (and fears) concerning the rise of the CCF within Canada.

<sup>45</sup> King diary, 15 September 1943, Vol 192: 798; and Gibson, *Ottawa at War*, 430.

Initially, it appears that the only individual who remained somewhat calm during this crisis within the Liberal Cabinet was King. The results of both the Ontario election, and the by-elections did not catch King by surprise. "I had expected to lose all," King confided to his diary, and continued by noting that, "the Ontario election in no way reflected the view of the people toward the federal administration, and that the by-elections were easily accounted for."<sup>46</sup> The reaction of his cabinet colleagues, however, caused King much concern. The political situation was of such a serious nature that at one point King even considered resigning. Believing that he might be too old to weather the crisis, King felt that it might be in the Party's best interest to have "a younger man to take over."<sup>47</sup> After observing King's mood throughout early September, Dexter found that "There is no doubt that King has been badly hurt by the events of the last few weeks." Despite these reservations, and the sensitivity of the political scene, King would rise to the challenge.<sup>48</sup>

King did not want his Party to be undermined by the CCF, but the feeling of panic amongst its members was overwhelming. In fact, King wanted to ensure that he "did not lose any members through the CCF," and that "there were so many fences to be mended to keep my party together."<sup>49</sup> His solution to this crisis was to call a caucus meeting for September 24, and a full gathering of the National Liberal Federation between September 27-28.

The purpose of these meetings was to analyze the election results, and to reverse the downward spiral which the Party appeared to have taken. From the onset of the meeting it was clear to King that he had his work cut out for him as he found "an amazing note of defeatism about

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<sup>46</sup> King diary, 15 September 1943, Vol 192:799. The Liberal loss in Ontario was actually a relief for King. Since the onset of the war King had to weather constant assaults from Ontario's Premier, Mitch Hepburn. In January 1940, Hepburn had passed the infamous "Ontario Resolution," which was in fact a vote of non-confidence against King and the Federal Liberals. Although Hepburn had been replaced by Oliver Nixon before the provincial election, King felt that the entire party had been corrupted by his leadership. "In my inner nature," King reflected on the Ontario election results, "I feel a sense of relief that a Cabinet that has been so unprincipled... has been cleared out of Queen's Park." Instead of injuring the Federal Liberals King believed that the Ontario results might "help to save us in the end... It will show our men, above all, the need for unity and for organization." For additional information see: Reginald Hardy, *Mackenzie King of Canada: A biography* (Toronto: Oxford University Press, 1949).

<sup>47</sup> Pickersgill, *The Mackenzie King Record*, 574.

<sup>48</sup> Although he felt they could be explained, the four federal by-elections sent a troubling message to King. He felt that the Liberals had lost the by-elections because of their policy on "price ceiling and restrictions generally. Above all, no [Party] organization. Also bad handling of labour policies." Indeed, there were a number of issues which had led to this crisis for the Liberal party. To control inflation the government had imposed a ceiling on Canadian wages as well as the price of manufactured goods. These policies were unpopular with Labour, but this was not the most pressing concern for most Canadians. While finding the wage and price controls bothersome, many Canadians actually saw the necessity of these measures during war-time. Instead, the true rise of the CCF was partially linked to the public's desire for a post-war program of social reform. While the Liberals had concentrated on the winning the war, the CCF was focusing on what the country wanted: the development of the Welfare State. After talking the matter over with Ian Mackenzie, King was reminded that the Liberal party would have to introduce a broad program of Social Security if they were going to survive this onslaught from the CCF. For an excellent account of this period see Granatstein, *Canada's War*, 264

<sup>49</sup> Pickersgill, *The Mackenzie King Record*, 554, 558

the whole gathering." <sup>50</sup> Through open and frank discussion, many Liberals began to realize that their Party needed to focus on the domestic scene and to concentrate on developing social legislation. The turning point for the Party was a speech by King on September 28, which in reality "was really more like a digest of laws." A supremely political speech, King had committed his government to the development of the Welfare state in Canada. The people had indicated that they wanted a social security net after the war, and King was determined that it would be a Liberal government who would provide it to them. His speech to the National Liberal Federation was the beginning of an offensive against the CCF, and in the words of J.W. Pickersgill it was "a strong one at that." King had given many of his beleaguered colleagues new purpose and a rejuvenated sense of hope, but they still had to formulate this social security policy during which time the Liberals were particularly vulnerable. <sup>51</sup>

It was a delicate period for King and the Liberal Party; definitely not a good time for a scandal within the navy to emerge. During his speech King had expressed his confidence in the Canadian Armed Forces and "assured them of the utmost support of the caucus." It was a stirring statement, which might have partially been effected by a personal tragedy. That morning Macdonald had informed King of the death of his nephew, Dr. William Lyon Mackenzie King, who had been sent to a watery grave after his ship, the *St. Croix*, was torpedoed by a German submarine. Although he was developing a new domestic policy, he did not want his colleagues to forget that they still had a war to win, and therefore could not neglect the needs of the Armed Forces. For example, he noted that:

I ended my address by imploring the members to keep in mind, first and foremost, until the war was over, the men who giving their lives at sea, on land and in the air... and to do all in their [Liberal MP's] power to shorten the war by concentrated effort of all that would help to win the war. <sup>52</sup>

Clearly, the equipment crisis was interfering with the Navy's ability to successfully prosecute the war. If discovered, this crisis could have irreparably damaged the government's image. Furthermore, it would have disrupted the Liberals at a time when they were devising a complex social security program, and shaken a Cabinet which believed that it had already lost the confidence of the people.

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<sup>50</sup> *Ibid.*, 576. Many other Cabinet members came to the same conclusion as King. For example, Chubby Power noted in his memoirs that: "At this meeting which was attended by a large number of Liberals from across Canada, there was probably more candid criticism of the government's operations and of the party's position than had been heard since federation was established." See Power, *A Party Politician*, 358.

<sup>51</sup> Granatstein, *Canada's War*, 271.

<sup>52</sup> Pickersgill, *The Mackenzie King Record*, 587-88.

King had re-assured the Cabinet that it was inconceivable that "if an election were held tomorrow, the people of Canada would return the C.C.F. to carry on the war, or the Tories and not return this Government which had carried on that task [winning the war]so magnificently." In fact, many Liberals were convinced that the only remaining confidence which the public still had in the government revolved around this "impressive war record," and that "it was unreasonable to believe that our war effort, being what it was, the people would ignore that."<sup>53</sup> Indeed, King found that many Liberals responded to this reminder of their war-time record, and he was pleased at "their expression of confidence in the Government's war effort as being the one thing that mattered." There can be little doubt that the equipment crisis would have shattered this perception. Having just lost his nephew, it is unlikely that King would have appreciated the consequences of a naval scandal, especially at this politically sensitive time.

Whether or not Macdonald was aware of these dangers to his career is uncertain. His actions during September 1943 indicate that he was oblivious to the state of affairs within his own department. The Strange memorandum had given him a brief, but grave, insight into the RCN's modernization problems. However, he would have to wait until Connolly returned from his investigation before he understood the validity of this document. Meanwhile, Macdonald was quick to assign blame for the political situation since he felt that "the government...has suffered chiefly by the stupid way in which [the Department of] Munitions and Supply and Finance have done many things... and by the administrative incompetence of the Labour Department." He believed that there should be a "major overhaul of these departments, and the labour angle should be handled much more firmly."<sup>54</sup> This was a pretty stern attitude from a man whose own Department could have caused the Liberals so much embarrassment.

He felt that the Liberals needed to focus on Social Legislation and that "the government should address itself to this field and give leadership." Apparently, Macdonald did not realize that a naval scandal would have made it difficult, if not impossible, for the government to provide this leadership. Instead of looking at the damage that the affairs within Navy Department could cause his own career, Macdonald focused his attention on the woes of the Department of Labour. In fact, King had offered the Labour portfolio to Macdonald on September 15, not surprisingly he turned it down.<sup>55</sup>

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<sup>53</sup> Ibid., 576-578.

<sup>54</sup> Gibson, *Ottawa at War*, 430-31.

<sup>55</sup> King diary, 15 September 1943, Vol 192:798.

There were other examples of Macdonald's contradictory attitude. On September 9, Grant Dexter noted that Macdonald "believes, too, that there is no longer any doubt that we [are] over-extended in our war-effort." <sup>56</sup> Macdonald felt that the country was producing more weaponry than the Armed Forces could possibly use, and yet he was in the process of acquiring the nucleus for a post-war balanced fleet. It would appear, therefore, that Macdonald was not only unaware of the magnitude of the equipment crisis, but also the impact that this situation could have had on his career. The instability and tension within the Liberal Party would not ease until its Social Security program was officially launched in January 1944. Coincidentally, Macdonald's problems within the navy were not settled until he secured Cabinet approval for his balanced fleet, as well as relieving Nelles in January 1944. These sets of crises would parallel one another, and consequently Macdonald's career was in jeopardy throughout this time period.

While Macdonald had become committed to the balanced fleet during early September 1943, Connolly was busy planning for his overseas investigation. On the morning of September 21, Connolly met with Strange in order to get a first hand account of the events which had led to his memorandum. It was at this meeting where Strange informed Connolly that there was a network of officers at Londonderry who were most anxious to "help" the RCN recognize and remedy its equipment problems. As has been noted, this group of officers was led by Commodore (D) Londonderry, Commodore G.W.G. Simpson, and included Commander R.R. Shorto, RN, Lieutenant Commander D. Conklin, USNR, Lieutenant Commander D. Copelin, RCNR, and Lieutenant J.J. Pigott, RCNVR. Later that day Strange sent Connolly a memorandum in which he stated that he had dispatched letters to Simpson, Shorto, and Copelin, among others, announcing that the executive assistant was traveling to Londonderry to investigate the state of equipment within the RCN. In reality, Strange was mobilizing these officers in Londonderry so that they would be prepared to give Connolly a full account of the RCN's equipment problems. Within this memorandum, Strange felt it was necessary to give Connolly "a steer or two about my impressions of these men." <sup>57</sup> Besides describing Copelin as a little "muddle-headed," he informed Connolly that most of these officers were anti-submarine experts and would be most useful in helping him in his investigation. The "behind the scenes" nature of Connolly's investigation can be detected within this memorandum as Strange informed Connolly that:

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<sup>56</sup> Gibson, *Ottawa at War*, 430.

<sup>57</sup> Strange to Connolly, Confidential Memorandum, 21 September 1943, PAC, Connolly Papers, MG32C71, Vol 3, File "Equipment on R.C.N. ships part 1 n.d. 1943."

After thinking over all the circumstances, I have come to the conclusion that it would be wise not to write to Captain [Frank] Houghton. I am telephoning you my reasons for this, and I think that you will agree that they are good. <sup>58</sup>

It is uncertain why Strange felt that Connolly should not talk to Houghton, who would later become the Senior Canadian Naval Officer [London], particularly since it was Houghton who recruited Strange into the Naval Information Department. <sup>59</sup> The most likely reason appears to be that these officers in Londonderry were aware that their naval careers could be jeopardized if it was discovered that they were engaging in a nefarious campaign to correct the equipment problems within the RCN.

This attitude was even more evident in a letter sent to Strange by one of the officers on Simpson's Staff, Lieutenant Commander A.M. Lee, RNVR. Within this letter Lee informed Strange that he remembered how pleasurable it had been to have someone from NSHQ with whom he get "all the moans off my chest" with regards to equipment on RCN ships. Having learned that Connolly was coming to Londonderry, Lee then informed Strange that: "I congratulate you on your success in ventilating some of the deficiencies." Pleased with Strange's success in getting Macdonald's attention, these officers quickly began to prepare for Connolly's visit. Evidence for this can be found in Lee's letter where he noted that:

I will tell Lieutenant Commander Copelin that Mr. Connolly is coming to Londonderry and must be looked after with the utmost care. I hope, though, that I shall be back to see him myself, for he seems the very chap to talk to. ...I am convinced, therefore, that the answer [for the equipment crisis] must come from your people and the visit of Mr. Connolly is particularly valuable at this time. He shall certainly see everything possible here and shall go out exercising with a modern ship and also in one of your own old faithfuls. <sup>60</sup>

Anxiously anticipating Connolly's visit, these officers in Londonderry were prepared to vent their frustration concerning the state of the RCN's escort fleet. As soon as he arrived they would give Connolly a personalized tour.

Before traveling to Londonderry Connolly talked with some of the officers at St. John's, Newfoundland. Having gone forewarned that the RCN suffered from a serious equipment problem, Connolly was surprised that many of the Senior officers with whom he met did not raise the issue with him. In his final appraisal of his visit to Newfoundland Connolly felt that: "The urgency of

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<sup>58</sup> Ibid.

<sup>59</sup> LCdr Eric J Downton, interview by Hal Lawrence, tape recording transcript, 20 November 1982, Dhist, BIOG D, Vancouver.

<sup>60</sup> LCdr A.M. Lee to Strange, 4 October 1943, PAC, Connolly Papers, MG32C71, Vol.3, 'Equipment on RCN Ships part 1 n.d. 1943.'

the problem was not impressed upon my mind there.” On the other hand, Connolly felt that these officers were not reliable sources since they were “shore personnel.”<sup>61</sup> The day before Connolly departed for Londonderry he dispatched a letter to Macdonald in which he noted that: “generally speaking, I think it [St. John’s] is a very happy base and, I think, an efficient one.”<sup>62</sup> This up-beat letter was the last communication between these two men until Connolly returned in November. Once in Ottawa he would have a very different story to tell: until this time Macdonald would be completely uninformed as to the magnitude of the equipment crisis.

Some of these individuals in St. John’s did inform Connolly of a problem which would be reiterated in Londonderry. This question involved the morale within the Royal Canadian Naval Voluntary Reserves who formed the vast majority of the sailors at sea. Within his diary Connolly noted that there was a feeling amongst the RCNVR that the RCN was “stupidly” interested in “self promotion,” and that “V.R. antagonism is rampant.” Connolly was informed that one of the reasons why they were “generally down on the RCN” was that there were very few high ranking VR officers. While it was suggested that more VR officers should be promoted, it was felt that the RCN would never allow this because they “would then have to share seniority with them [the VR’s].”<sup>63</sup> Unfortunately, it would not be until he arrived in Londonderry that Connolly would discover what was believed to be one of the most serious issues affecting the morale of the Voluntary Reserves; namely that the needs of the sea-going escort navy were being sacrificed by the RCN’s desire to acquire a balanced fleet. Nevertheless, Connolly developed a true concern for the plight of the VRs as he later noted that: “the fact that our Navy is so largely composed of V.R. and N.R. [Naval Reserve] officers and men is one, I think, that has to be kept in mind constantly.”<sup>64</sup>

Before leaving for Londonderry, Connolly met with Captain [D] Newfoundland, Captain J.M. Rowland, RN. The tone of this meeting, which took place on October 9, was somewhat subdued especially since Rowland was one of the first officers to send a critical memorandum to NSHQ on the RCN’s modernization problems. Although he was frustrated that he was unable to effect change with NSHQ’s equipment policy, Rowland did not even inform Connolly that he had written a critical memorandum on May 1 which addressed the RCN’s technical problems.<sup>65</sup> When

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<sup>61</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol.3 ‘Equipment on RCN Ships part 1 n.d 1943,’1.

<sup>62</sup> Connolly to Macdonald, 9 October 1943, PANS, Macdonald Papers, MG2, F 297.

<sup>63</sup> Connolly diary, 6 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:6.

<sup>64</sup> “memorandum re Naval Service,” nd. PAC, Connolly Papers, MG32C71, Vol 4:12.

<sup>65</sup> Connolly recounted his encounter with Rowland to Macdonald on November 8. At no time does he mention Rowland’s memorandum. Instead it was through his discussions with Commander Fred Price in London that

Connolly asked Rowland if he could comment on the relative fighting efficiency of RCN ships as compared to RN vessels he was presented with “a chart showing the type of equipment in every R.N. and R.C.N. ship in every mid-Ocean escort group.” Connolly found this chart interesting particularly since it was exactly the type of comparison Macdonald had requested from Nelles in his August 21 memorandum, and which the CNS had claimed was impossible to formulate.<sup>66</sup> Although Rowland did not spend much time with Connolly, he did confirm many of the executive assistant’s suspicions as he noted that: “The general impression which I previously had, namely, that R.C.N. ships were very poorly equipped with the latest mechanical appliances, was confirmed in my necessarily short talk with Captain ‘D’.”<sup>67</sup> While Connolly felt that many of his suspicions were confirmed by Rowland, it would not be until he reached Londonderry that the full details of the equipment crisis would become apparent to him. Unfortunately, he had an eight day sea voyage to weather before he could meet with these officers in Londonderry. For Connolly it was an agonizing but enlightening voyage as he discovered exactly what it was like to be a sailor in one of Canada’s corvettes.

After spending five days in St. John’s, Connolly boarded HMCS *Orillia* on October 10. As has been noted, the *Orillia*, which was part of the escort for convoy HX 260, was commanded by one of Connolly’s former legal colleagues, Lieutenant Jim Mitchell.<sup>68</sup> Chronically sea-sick throughout the trip, Connolly was extremely impressed with the brave VR’s who manned the corvettes as he noted in his diary that: “I am lost in admiration at these young Canadians - giving up so much at home - to do this.”<sup>69</sup> Between the weather and the fear of submarines, Connolly found that he had few chances to sleep. Despite the excitement when the ship went to action stations, he was in a constant state of terror and was amazed that some of the sailors on *Orillia* had been at sea for years. Finding life at sea unbearable he confided in his diary that: “One can’t go through this thing without a deep emotional reaction.”<sup>70</sup> While facing the hardships at sea, Connolly attempted to gain an appreciation of the crew’s morale. Considering their lifestyle, Connolly was stunned by the fact the officers and crew of the ship offered very few complaints. He discovered that there was a strong sense amongst the crew that they had a job to do, and instead

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Connolly had discovered that previous equipment memoranda had been written to NSHQ. It is uncertain why Rowland never mentioned his own May 1 1943 memorandum to Connolly during this interview.

<sup>66</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, “Equipment on RCN ships part 1 n.d. 1943,’1.

<sup>67</sup> Ibid.

<sup>68</sup> “Report of Mr. J.J. Connolly’s trip to the U.K. in one of H.M.C.S. Corvettes,” 15 November, Dhist, Nelles Papers, Folder B: 14,1.

<sup>69</sup> Connolly diary, 12 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:6.

<sup>70</sup> Ibid.

of complaining they followed the Captain's creed of "Bring on the subs."<sup>71</sup> However, at one juncture during the voyage Connolly noted that:

Some of the officers pessimistic about ability to deal [with the U-boats] & take a dim view because of the St. Croix. When you see the waves, the rain, and the pitching of the ship you realize that only fair equipment is not enough & they need the best. The [ship's] company seems to be satisfied to get what they can at refit.<sup>72</sup>

Even though the ship's company did not express their grievances with Connolly, he witnessed enough deficiencies on *Orillia* to form his own conclusions.

In a report to the minister after he returned to Ottawa, Connolly informed Macdonald that: "...the equipment carried in "Orillia" is all quite antiquated, and as I have said before, accommodation in the ship was most inadequate for the number of men carried."<sup>73</sup> Except for its crew's perseverance, the *Orillia* was a microcosm of the problems faced by the entire escort fleet. One of these problems included the poor accommodations which were common on the corvettes.<sup>74</sup> Originally built to accommodate approximately forty-five sailors, the complement of *Orillia* during this passage was eight-nine officers and men. As for equipment, Connolly found it disturbing that the Officer of the Watch on *Orillia* often had to steer and depend on the ships with gyroscopic compasses, which incidentally were mostly the British vessels of C.4, because their own magnetic compass was so unreliable. In his final assessment of the voyage Connolly simply concluded that it was "suicide to send ships like Orillia to Derry."<sup>75</sup> Realizing that many officers at NSHQ had not been to sea during the war, Connolly felt that his voyage on *Orillia* had provided him with an unique perspective. For example, within his diary Connolly laconically noted that: "nothing like a lawyer telling N.S.H.Q. about a sea voyage. An amateur but interested..."<sup>76</sup> With new found confidence in his knowledge of life on board a corvette, Connolly was ready to discover why the equipment on Canadian ships, such as *Orillia*, was so poor. Also, considering that he had just survived one of the most terrifying experiences of his life, it should hardly be surprising that the criticisms expressed by the officers in Londonderry with regards to NSHQ's equipment policy had such a profound effect on Connolly.

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<sup>71</sup> Connolly diary, 16 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:16.

<sup>72</sup> Connolly diary, 13 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:16.

<sup>73</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships part 1 n.d. 1943,' 2.

<sup>74</sup> For personal examples of life onboard a Canadian Corvette see: Easton, *50 North.*; Lamb, *The Corvette Navy.*; and Hal Lawrence, *A Bloody War, One Man's Memories of the Canadian Navy, 1939-1945* (Toronto: Macmillan, 1979).

<sup>75</sup> Connolly diary, 'General conclusions,' nd., PAC, Connolly Papers, MG32C71, Vol 2:7, 47.

<sup>76</sup> Connolly diary, nd., PAC, Connolly Papers, MG32C71, Vol 2:4.

As members of Simpson's Staff, these officers had no official authority over Canadian ships. Instead, the administrative control of Canadian warships belonged to Captain [D] Newfoundland. Realizing that Rowland was just as concerned over the state of equipment within the RCN, and having attempted to address the problem with his May 1 memorandum, these officers were united in their belief that the real culprit of the RCN's deficiencies was NSHQ. Although they were only responsible for RN escort ships, these officers in Londonderry were tired of witnessing the state of equipment on Canadian ships entering Londonderry. To them, the ultimate victims of NSHQ's "ineptitude" were the Canadian sailors, and as a result they were determined to take advantage of Connolly's visit.<sup>77</sup>

The day after the *Orillia* came alongside Lissahali, Ireland, Connolly and Mitchell drove to Londonderry where they met with Copelin. Besides being Simpson's Administrative staff officer, Copelin was also the senior Canadian naval officer at Londonderry. Having served on HMCS *Halifax*, and previously spending a total of two years at sea, Connolly considered Copelin to be an expert on the state of equipment on Canadian warships.<sup>78</sup> In reality, Copelin's administrative functions were specifically related to RN ships, and as a result, his perspective of the equipment crisis was limited to his experiences with RCN ships in Londonderry. Based on these observations, Copelin provided a somewhat biased account of the equipment crisis. Copelin was not alone in this regard, since all the officers whom Connolly would interview in Londonderry, including Simpson, could not possibly understand all the difficulties which faced NSHQ with regards to combating the equipment crisis. Although much of the information which Copelin provided to Connolly was presented in a somewhat biased fashion, it was also relevant and often accurate.

During this meeting, which took place in Copelin's office on the morning of October 19, Connolly was informed that there were a number of Canadian officers on Simpson's staff who would take advantage of any situation to help RCN ships secure any available equipment in Londonderry.<sup>79</sup> As Connolly later discovered, most of these acquisitions were achieved through "unofficial" methods, since, having grown tired of delays waiting for the necessary approval from NSHQ, these officers in Londonderry would act independently. This point was reinforced by Mitchell, who informed Connolly that he had found that it was easier and faster to receive

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<sup>77</sup> LCdr A.M. Lee to Strange, 4 October 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships part 1 nd 1943.'

<sup>78</sup> Connolly diary, 19 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:6.

<sup>79</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships part 1 n.d. 1943,' 2.

equipment for the *Orillia* in Londonderry.<sup>80</sup> Due to this discussion, Connolly formed the opinion that: “it is felt by the sea-going officers in R.C.N. corvettes that it is easier for them to get repairs and equipment in Derry than in Canadian yards.”<sup>81</sup> While it was true that the smaller Canadian yards were experiencing difficulty in managing both the RCN’s construction program and its refit commitments, Connolly’s conclusion was somewhat naive, considering that it was based only on Copelin’s and Mitchell’s observations. This suggests that having gone forewarned that the RCN was experiencing a major equipment crisis, Connolly was extremely susceptible to accept all the reports from the officers in Londonderry as facts rather than opinions.

Nevertheless, Connolly was presented with evidence that one of the major problems related to the equipment crisis involved a lack of communication between NSHQ and naval authorities in the United Kingdom. He was constantly informed that this lack of communication was most serious in the field of technical liaison. Through his interviews both in Londonderry and London, Connolly was provided with ample evidence that the Canadian technical liaison organization was totally inefficient. This was an accurate portrayal of the situation as there was officially only one Canadian officer who was assigned to technical liaison in the United Kingdom on the Staff of the Commodore Commanding Canadian Ships in London. This officer was in charge of observing and reporting on all the experimental equipment programs conducted by the Royal Navy throughout Great Britain. Quite simply this was too much work for one man to handle. In reality, the most this officer could hope to achieve was to keep himself abreast of developments with the main Admiralty organization in London.<sup>82</sup> Furthermore, it was discovered that the organization within Ottawa was weak, since the advances in anti-submarine equipment were not always passed to the officers who could have made the most use of them at NSHQ. This caused major delays in Canadian ships receiving new equipment since it would take an excessive amount of time for NSHQ to learn about new developments in ASW equipment. Although NSHQ had been aware of this problem, Copelin informed Connolly that the RCN’s attempt to modernize was being affected by this communication quagmire between Ottawa and London. In his final summation Connolly informed Macdonald that: “too much importance cannot be placed upon the need of good technical men at Derry.” As a result, he proposed that Copelin could fill this role in Londonderry in order

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<sup>80</sup> Connolly diary, 19 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:6.

<sup>81</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN ships part 1 n.d. 1943,’ 3.

<sup>82</sup> Stacey, Arms, Men and Governments, 315.

“to make periodic reports, which should be as frankly critical as may be necessary.”<sup>83</sup> As with the other officers in Londonderry, Copelin had successfully planted the idea in Connolly’s mind that Canada’s escort fleet was suffering from a debilitating equipment crisis because of a lack of direction from NSHQ. While Connolly was convinced that there was a problem with the RCN’s technical liaison network, Copelin presented other cases which caused the executive assistant to lose confidence in NSHQ.

Frustrated with their failure to modernize the escorts, Copelin then took direct aim at NSHQ. Much of this frustration was based on the “unorthodox” methods with which the officers in Londonderry previously had to use in order to ensure that Canadian warships received at least some modern equipment. Copelin informed Connolly that it was unfortunate that NSHQ had not provided a definite refit schedule for RCN ships. If such a policy did exist, Copelin explained, it would then be possible to use the American yard in Londonderry “up to a point where it will only be necessary in Canada to dry-dock the ship and make major hull alterations...” Although the refitting of the Escort fleet was not as easy as Copelin was implying, it was clear that he was focusing the blame on NSHQ, as he noted in an October 23 letter to Connolly that:

It is interesting to note that, on the 30th September this year, Naval Service Headquarters stated that, as the whole question of re-modeling R.C.N. Corvettes is at present under review, it is not possible to state at this moment which ships will be taken for these Alterations and Additions.<sup>84</sup>

While NSHQ had been slow to respond to the equipment crisis, Copelin’s criticism was a little one-sided. The September 30 policy with which Copelin referred, was actually a memorandum written by NSHQ in which they proposed to replace a refit policy established on August 20, with an alternative plan involving fourteen Canadian corvettes. This policy began with HMCS *Dunegan*, and would end in early 1944 with the refit of HMCS *Shawinigan*.<sup>85</sup> In fairness, NSHQ was forced to adapt the August 20 refit policy because the British had sent a signal to Ottawa on August 24 in which the Admiralty stated that they: “regret that heavy pressure of refitting and other ship work in hand and in prospect in this country renders remote any likelihood of undertaking even a substantial part of work on remaining [Canadian] ships in question.”<sup>86</sup>

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<sup>83</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol3, ‘Equipment on RCN ships part I n.d. 1943,’3. also Connolly to Macdonald, “General Observations on the Royal Canadian Navy,” 9 November 1943, PAC, Connolly Papers, MG32C71, Vol 3.

<sup>84</sup> Copelin to Connolly, 23 October 1943, PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN ships part I nd 1943.’

<sup>85</sup> ‘memorandum A & A ‘s to R.C.N. Corvettes,’ 30 September 1943, PANS, Macdonald Papers, MG2, F 276/38.

<sup>86</sup> Admiralty to Murray, message 240128A, 24 August 1943, PANS, Macdonald Papers, F276/24.

Although NSHQ's August 20 refit policy was, to say the least, modest, it represented an attempt to modernize Canadian ships. This message from the Admiralty threw these plans into disarray.<sup>87</sup> As a result, Copelin's criticism of NSHQ's failure to provide Londonderry with a refit policy was not entirely justified. In fact, this represented a major contradiction. Later in Connolly's investigation Simpson would repeat Copelin's criticism on NSHQ's lack of a refit policy, and Conklin and Pigott would offer the services of the American yard in Londonderry to help modernize Canadian ships. Meanwhile, due to the August 24 Admiralty message, NSHQ was under the impression that they could not count on any British assistance for their modernization dilemma. Unfortunately for NSHQ, Connolly was totally unaware of this Admiralty message at this time, and instead was only privy to the interpretation of the officers in Londonderry. Therefore, Connolly formed the somewhat mistaken belief that NSHQ had never devised a refit policy of any type.<sup>88</sup> While this interpretation that NSHQ was not taking active charge of the equipment crisis was not totally without foundation, it is important to note that Connolly was being presented with only one side of the issue.

Later on October 19, Connolly met with Simpson and Captain C. Glencross, RN, who was the NOIC at Londonderry. It was not long before Connolly realized that the Commodore's concern over the state of equipment on Canadian ships was based on his deep admiration for the average Canadian sailor. Pointing to the exercise reports as evidence, Simpson told Connolly that the "intelligence" and "enthusiasm" of the Canadian sailor was unsurpassed by any other group of seaman, including those of the Royal Navy.<sup>89</sup> While this counteracted some of the negative effects that the poor state of equipment was having on their efforts at sea, Simpson felt that the Canadian escort fleet was not allowed to prove itself, due to neglect from NSHQ. Since Simpson had a high opinion of the RCNVR, he felt that it was necessary to inform Connolly that many of these sailors resented the fact that it appeared as though the needs of the escort fleet were being ignored by NSHQ. Connolly recorded the reasons for this resentment in his diary where he noted that the "RCN tho't [thought] of buldg [building] a big navy but not giving too much thought to perils and needs of men at sea."<sup>90</sup> As has been seen, there was much justification in this view, especially since Macdonald and Nelles were in the process of acquiring this post-war balanced fleet at this

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<sup>87</sup> Milner, *North Atlantic Run*, 255.

<sup>88</sup> Connolly to Macdonald, nd., PAC, Connolly Papers, MG32C71, Vol 2:6, 132.

<sup>89</sup> Connolly to Macdonald, 9 November 1943, PAC, Connolly Papers, MG32C71, Vol3, 'Equipment on RCN ships part 1 nd 1943,' 1. and Connolly diary, 19 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:6.

<sup>90</sup> Connolly diary, 19 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:6.

time. After his return to Ottawa in November, Connolly would report directly to the Macdonald that Simpson had “one great conclusion to pass on” which was that:

It would be to modernize the corvettes and all the existing Canadian craft. Make them as thoroughly efficient fighting units as they possibly can be. Make this commitment prior to the acquisition of any additional ships.<sup>91</sup>

In fact, Simpson felt that the new escort construction program should also be curtailed since it was his belief that a modernized corvette with an experienced crew was “better than new [Canadian] Frigates.” Nevertheless, the focus of Simpson’s conclusions were centered on the RCN’s attempt to acquire a balanced fleet.<sup>92</sup>

Although Simpson had provided Connolly with some interesting general observations on the state of equipment within Canada’s Escort fleet, it was the officers on his Staff who provided the details. One of the most valuable officers with whom Connolly interviewed was Commander R.R. Shorto. As the Senior Engineering Officer in Londonderry, and also one of the officers who had molded the Strange memorandum, Shorto provided specific examples of Canadian equipment problems to Connolly. Shorto stated that he had been in Newfoundland in 1941 where he found that the engineering facilities were in “a condition that shocked him.” It was from this experience that Shorto realized that he might have to use “unofficial” methods to help Canadian ships acquire equipment.<sup>93</sup> When the two men addressed the present state of refits within the RCN, Connolly found that “Shorto was very frankly critical of the delays experienced in getting authority from N.S.H.Q. to fit urgently needed gear into R.C.N. ships in Derry.”<sup>94</sup> Using the case of HMCS *Skeena* as an example, Shorto informed Connolly that there was an undue “slowness” in attaining approval from NSHQ for urgent refit requirements for this ship. Consequently, he developed a unique system to deal with NSHQ’s poor response time. He would send a signal which read “Propose to fit X gear into H.M.C.S. ‘—’,” and when NSHQ did not respond to the signal he would then authorize the American yard in Londonderry to proceed with the work. Although this was a ridiculous system since Shorto was clearly “breaking the rules,” Connolly formed the obvious opinion that: “This is not a satisfactory way to do business but it is the only way that he

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<sup>91</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN ships Part 1 nd 1943,’1.

<sup>92</sup> Ibid., 4.

<sup>93</sup> Connolly diary, October 1943, PAC, Connolly Papers, MG32C71, Vol 2:6.

<sup>94</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol3.

found workable.”<sup>95</sup> Since Shorto was only interested in helping RCN ships get the necessary equipment, Connolly found that his actions were justifiable.<sup>96</sup>

Technically, the policy at Londonderry was that financial authority had to be obtained from NSHQ before specific alterations were completed. Since NSHQ was so slow in providing such authority, Shorto would go through the motions of asking for permission. Realizing that he would not receive a response from NSHQ Shorto would then authorize the work. In his final analysis of this meeting, Connolly noted that: “Shorto suggested that we might approach the problem of fitting ships with the latest equipment without much consideration of financial obstacles.”<sup>97</sup> As with Simpson and Glencross, Shorto also recommended that the present escort construction should be halted until the present fleet had been modernized, as well as recommending that good RCN technical liaison officers were desperately required in the United Kingdom.<sup>98</sup> Slowly, Connolly saw a pattern forming as each of these officers repeated the same message; namely that NSHQ had mismanaged the modernization of the RCN.

On the last day of his visit to Londonderry, Connolly met with Conklin and Pigott. As head of the American repair yard in Londonderry, Conklin was most anxious to help the Canadians. In part, this was because he had little work for American ships (since only two percent of the vessels on the North Atlantic Run were USN), and the RN preferred to have their vessels refitted at the British yards at Harland and Wolfe. As a result, Connolly was informed that the RCN was missing a valuable opportunity to use the under-worked American yard. Seeing Conklin as a “miracle man,” Connolly was greatly affected by the opinions of this American officer. Before leaving Londonderry, Conklin presented Connolly with a report which both he and Macdonald would subsequently use to constantly place Nelles on the defensive once they confronted him in November.

The covering letter for this report exposed the “behind the scenes” nature of Connolly’s investigation as Conklin noted that:

The attached data is sufficient to get many people in trouble, but it is not intended to do that in the least. We only want to see better repairs for the ships at sea, and so I trust you will use the information judiciously.<sup>99</sup>

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<sup>95</sup> Ibid.

<sup>96</sup> Connolly diary, 21 October 1943, PAC, Connolly Papers, Vol 2;6.

<sup>97</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN ships part I nd 1943,’5.

<sup>98</sup> Connolly to Macdonald, 9 November 1943, PAC, Connolly Papers, MG32C71, Vol 3.

<sup>99</sup> Conklin to Connolly, 23 August [October] 1943, PAC, Connolly Papers, MG32C71, Vol3, “Equipment on RCN Ships part 1 nd 1943.” As Connolly later noted to Macdonald this covering letter “which is incorrectly dated August 23rd” was actually written by Conklin on October 23. Furthermore, on the actual report Conklin mistakenly identifies Connolly as the deputy minister rather than the executive assistant.

The purpose of the report, according to Conklin, was to bring to Connolly's attention some specific examples of the failures experienced by Canadian dock yards "to carry their share of the load" in refitting Canadian warships. He informed Connolly that the Canadian repair yards had been experiencing difficulties for some time, but that the most pressing concern was that they were still unable to correct these problems. In his report, Conklin used the cases of the Canadian warships, *St. Laurent*, *Pictou*, *Restigouche*, and *Drumheller* to illustrate his point. It portrayed a story of excessive delay, poor workmanship, and general incompetence. To Connolly, Conklin had provided "four concrete cases where repairs in Canadian ships have been badly bogged down [in Canadian repair yards]." <sup>100</sup> It is not surprising, therefore, that Macdonald and Connolly would focus on the example of HMCS *Pictou* when they confronted Nelles in November since it appeared to encompass most of the failures experienced by Canadian repair yards.

Between December 1942 to April 1943, the *Pictou* went into refit at Liverpool, Nova Scotia. Arriving in Londonderry after her first crossing since this refit it was noticed that she had a defect list which consisted of sixty three hull items, forty-eight engineering items, and thirteen electrical items. In his final summation Conklin made the adept remark that:

It is difficult to understand why this ship was compelled to remain out of service for five (5) months during which time no work was done that could not have been accomplished in one months [sic] time. <sup>101</sup>

Although the *Pictou* example was an extreme case, Connolly believed that this type of refit mismanagement was the norm for Canadian ship yards.

Despite his warning that the defects on HMCS *Drumheller* were so serious that they could "easily cause the loss of the ship," Conklin's report only discussed four specific vessels. Therefore, it could be argued that this report should not have had such a profound effect on Connolly. Incidentally, Conklin, himself, noted that his account was:

... not meant to be a complete report. It is certainly appreciated that the Canadian dockyards have serious problems with which to cope, but it is the desire of American and British authorities in Londonderry to increase the efficiency of the North Atlantic sea-going Royal Canadian Navy... <sup>102</sup>

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<sup>100</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships part 1 nd 1943,' 5.

<sup>101</sup> Conklin to Connolly, "Deficiencies in Canadian Ship Repairs," 23 October 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships part 1 nd 1943.'

<sup>102</sup> Ibid.

Conklin's comment is significant because it provides further evidence that there was collusion between British, American and Canadian officers in Londonderry who wanted to affect change with the NSHQ's equipment policy by taking advantage of Connolly's visit. Furthermore, it appears likely that, by itself, Conklin's report would not have had such a profound effect on Connolly, except for the fact that he had already received similar reports from Copelin, Simpson, and Shorto.

Even though Connolly had already received enough evidence to convince him that there was a serious equipment crisis within the RCN, he received another report on October 23, which was primarily written by Lieutenant J. Pigott, RCNVR. This report also exposed the fact that these officers in Londonderry were specifically attempting to use Connolly's investigation as a means to affect change at NSHQ, since Pigott admitted in a covering letter that:

Lieut. Commander Conklin and I have collaborated on a brief memorandum which is being forwarded to you in the hope that it may help you to make a few constructive suggestions when you return to Canada.<sup>103</sup>

Pigott was the Canadian Engineer Liaison officer in Londonderry, but in reality he worked for Conklin. His primary duty was to act as a liaison between the American repair yard and the Canadian ships which visited this facility. Through this capacity, Pigott believed that Canadian ships had suffered from long periods of neglect and that the "Engineering conditions on H.M.C.S. Corvettes with regard to efficiency and cleanliness were found to be disgraceful."<sup>104</sup> He then proceeded to provide some specific examples of the engineering deficiencies which were common on RCN corvettes. These deficiencies were well known to the Americans at Londonderry, and Pigott concluded his report by noting that USN authorities were more than willing to help the Canadians.

This was an offer which Conklin had also made to Connolly. After listing the problems with Canadian repair facilities, Connolly was informed that the American yard had 800 men who could "do miraculous things to ships in a short period of time."<sup>105</sup> Conklin even went as far as to claim that he could extend the foc'sle of a ship in a mere two weeks. Both Simpson and Shorto felt that this was a slight exaggeration, and in fact Conklin was often accused of attempting to "build a

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<sup>103</sup> Lt J. Pigott to Connolly, 23 October 1943, PAC, Connolly Papers, MG32C71, Vol3, 'Equipment on RCN ships part 1 nd 1943.

<sup>104</sup> Ibid.

<sup>105</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships Part 1 nd 1943,' 5.

reputation for himself.”<sup>106</sup> Nevertheless, Simpson stated that the offer to take Canadian ships in hand for refit was invaluable since, “Conklin could do in 6 weeks what Canada does in 6 months.”<sup>107</sup> With this promise to refit more Canadian ships, Connolly and Macdonald would challenge Nelles’ claim in November that his staff had explored every possibility to secure more yards for RCN vessels. Even though Conklin had informed Connolly that it was not his intention to get “people in trouble,” his promise to refit more RCN ships in his yard helped lead to Nelles’ dismissal. Ironically, on January 16, 1944, only two days after Nelles’ removal as CNS was announced, Conklin wrote a letter to Connolly where he noted that:

Things go along here about as usual - we have completed our first obligation to you in the modernization of the “*Morden*” and are only sorry we cant [sic] take on more immediately but American “invasion” work forestalls that possibility.<sup>108</sup>

At the time of his investigation Connolly was convinced that the American yard at Londonderry was one of the best options for the RCN to quickly begin the process of modernizing its ships. To Connolly, the value of his investigation was already overwhelmingly apparent. Not only had Connolly been presented with insurmountable evidence that the RCN was suffering from a severe modernization problem, but he also believed that he had personally discovered a solution. More importantly, Connolly was convinced that NSHQ had not investigated the possibility of asking for British or American help with their modernization dilemma. With this information in hand, Connolly then proceeded to England where he found that “everything which Conklin said was endorsed by Comm Price in London.”<sup>109</sup>

Arriving on October 24, Connolly immediately met with Commander F. Price, who was the Senior Canadian Naval Officer in London. As the major liaison organization between the Admiralty and NSHQ, Price and the London office played a vital role for the RCN. Before meeting with Price, Connolly had been informed by some individuals that the London office had failed in its attempts to secure the Admiralty’s assistance in modernizing Canadian escorts. It did not take long before Connolly formed the conclusion that it was NSHQ, rather than the London office, which was at fault for not communicating the needs of the RCN to the Admiralty. In a report to Macdonald after his investigation Connolly noted that: “Commander Price was doing

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<sup>106</sup> Ibid. Although all these officers worked together in an attempt to change NSHQ’s equipment policy, there is evidence of personal antagonisms between some members of Simpson’s Staff. In particular it appears that Shorto was jealous of Conklin’s abilities.

<sup>107</sup> Connolly diary, ‘personal notes,’ nd., PAC, Connolly Papers, MG32C71, Vol 2:6, 133.

<sup>108</sup> Conklin to Connolly, 16 January 1944, PAC, Connolly papers, MG32C71, Vol 2:19,

<sup>109</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol3, ‘Equipment on RCN ships Part 1 nd 1943,’5.

everything he could to make equipment available for the ships which require it when they get to Londonderry.”<sup>110</sup> While the communication between London and Londonderry could be improved, even to the extent of using “unofficial channels,” he discovered that the real log jam was at NSHQ.

Connolly found that Canadian personnel at the London office worked very hard and under heavy personal pressure in order to further the requirements of the RCN. “The man there must be a fighter” he informed Macdonald, and “must have the facilities to apply pressure on lower officials to get stuff from the higher officials.”<sup>111</sup> The major problem was that NSHQ did not properly communicate with Price and the London office. In fact, Connolly discovered that the London office did not enjoy the confidence of Nelles and the Naval Staff.<sup>112</sup> Often, Price was not informed of important policy decisions or requirements, and therefore was unable to properly carry out his duties. Connolly felt so strongly about this point that he personally informed Nelles upon his return that all important signals from NSHQ should be circulated to Price in order to “keep him in the picture” and show the Admiralty that “he is in the confidence of N.S.H.Q.”<sup>113</sup> Connolly also found that the London office was frustrated by the fact that many of its signals to Ottawa would not be answered by NSHQ. In his final assessment, Connolly found that the London office had been desperately attempting to help RCN ships acquire more equipment, but that this task was complicated by NSHQ’s keeping them “out of the loop.” He therefore believed that NSHQ needed to make a concerted effort to communicate with Price so that: “Ottawa will know what is going on in the minds of London and London will know what is going on in the minds of Ottawa.”<sup>114</sup> While his suggestion that this contact should be performed on an hourly basis was excessive, it was clear that Connolly felt that NSHQ was at fault for the communication difficulties with the United Kingdom.

Deficiencies with the communication network between NSHQ and London was not the only problem Price saw with the RCN organization in the United Kingdom. As with the officers in Londonderry, Price also believed that it was essential to place more technical liaison officers in Great Britain. With regards to the state of equipment on their ships, he informed Connolly that “the sea-going men definitely felt that they were being let down by N.S.H.Q.” In his opinion there was

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<sup>110</sup> Ibid., 6.

<sup>111</sup> Connolly to Macdonald, 9 November 1943, PAC, Connolly Papers, MG32C71 Vol 3, ‘Equipment on RCN ships part 1 nd. 1943.’ 2.

<sup>112</sup> Connolly diary, 23 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:7, 82.

<sup>113</sup> Connolly to Macdonald, 10 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, File “Equipment on RCN ships 10-19 Nov. 1943 - part 2,” 4.

<sup>114</sup> ‘Notes taken at Staff Meeting of report given by J.J. Connolly, Executive Asst. to the Minister,’ 11 November 1943, PAC, Connolly Papers, MG32C71, Vol 3 ‘Equipment on RCN ships nd. part 1 1943,’ 3.

much justification in this view since Canadian technical gear was totally outmoded by the time it was delivered to the ships.<sup>115</sup> The key to rectifying this problem involved posting officers to Londonderry and London whose sole purpose would be to keep NSHQ abreast of developments with British anti-submarine equipment.<sup>116</sup> At the time of Connolly's investigation, Price had only Lieutenant E.G. Law, RCNVR, and Lieutenant H. Wright, who, amongst other duties, were assigned to liaise with the Admiralty on technical advancements.<sup>117</sup> This was a totally unsatisfactory situation, and the improvement of technical liaison with the Admiralty formed one of Connolly's major recommendations when he presented his report to the Naval Staff on November 15.<sup>118</sup>

With regard to the present state of equipment within the RCN, Price and Law presented Connolly with some stunning facts and statistics. Overall Price found that only fifteen percent of Canadian corvettes had been modernized. This unfortunate situation was reinforced by Law who was Price's Anti-Submarine warfare officer.<sup>119</sup> A little more optimistic than Price, Law informed Connolly that while one hundred percent of RN corvettes were modernized only twenty percent of RCN corvettes could claim to be up to date. He then noted that forty-two out of seventy-one RCN corvettes were without extended foc'sles, and fifty-three did not possess hedge hog depth charge motors.<sup>120</sup> While these facts alone presented a dreary picture, Price informed Connolly that this situation was a "matter of common knowledge around N.S.H.Q." This marked a major development in Connolly's investigation, as the executive assistant was introduced to the concept that NSHQ was not only aware of the significance of the equipment crisis, but that they had gone out of their way to "cover it up" from Macdonald.<sup>121</sup>

It was Price's opinion that there was a significant communication problem between Macdonald and the Naval Board, and he even endorsed the idea that: "perhaps the Minister could be more completely in the picture of the Department if each [Board] member knew that at least once a week he would have at least fifteen or twenty minutes on a stated morning with the

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<sup>115</sup> Connolly diary, 22 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:7, 28.

<sup>116</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol3, 'Equipment on RCN ships part 1 nd. 1943,' 7.

<sup>117</sup> Connolly diary, nd., PAC, Connolly Papers, MG32C71, Vol 2:4,4.

<sup>118</sup> 'Report of Mr. J.J. Connolly's trip to U.K. in one of H.M.C. Corvettes,' 15 November 1943, Dhist, Nelles Papers, Folder B:14.

<sup>119</sup> Zimmerman, *The Great Naval Battle*, 131.

<sup>120</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3 'Equipment on RCN ships Part 1 nd. 1943,' 7.

<sup>121</sup> *Ibid.* Besides Connolly's claim, there is no solid evidence that the Naval Staff purposely attempted to "cover-up" the equipment crisis from Macdonald.

Minister.”<sup>122</sup> It was at this juncture where Connolly began to develop serious suspicions that NSHQ had not kept Macdonald totally informed of the seriousness of the equipment crisis. Armed with this knowledge, Connolly would pour through hundreds of naval documents when he returned to Ottawa until he found the Rowland, Bidwell, and Adams memoranda. Ultimately, Connolly and Macdonald would use these memoranda to discredit Nelles, and claim that the CNS should not only have been aware of the equipment crisis, but also should have informed Macdonald concerning the effect it was having on the navy.

Before concluding his interview with the executive assistant, Price had a lengthy discussion with Connolly concerning the morale within the RCNVR. As with Simpson, Price also felt that the RCNVR resented the fact that their needs at sea appeared to be secondary to the future plans of the RCN. The solution in Price’s opinion was to appoint an officer to the Naval Board who would be responsible for the needs of the RCNVR. Connolly took this suggestion very seriously as he noted in his diary that “Board Representation for the VR’s is urgently required.”<sup>123</sup> Upon his return to Ottawa, Connolly would make the recommendation to Macdonald that a new position be created on the Naval Board for the RCNVR seeing as “these men should feel that they are entitled to some voice at Headquarters to speak for their view point.”<sup>124</sup> This question of RCNVR Board representation was not new to Macdonald. In June 1943, John Diefenbaker had raised this issue in the House of Commons where he noted that:

... to secure information on this subject and thus reassure these R.C.N.V.R. officers who represent about eighty to eighty-five per cent of the men in the navy. They feel that they are deserving of greater representation on the naval board than they have had heretofore. Has the minister given consideration to increasing this representation?<sup>125</sup>

Having faced other questions from opposition members involving the morale within the RCNVR, Macdonald responded to Diefenbaker’s recommendation by noting that he would, “bear it very carefully and fully in mind.” In reality, however, it would not be until Connolly returned from overseas that action on this point was taken.

The true extent of the morale problem within the RCNVR is uncertain; however, what is important to this study is that Connolly was convinced that one existed. On numerous occasions Connolly would receive word that the RCNVR was extremely unhappy with the way they had been

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<sup>122</sup> Connolly to Macdonald, ‘Memorandum to the Minister,’ 9 November 1943, PAC, Connolly Papers, MG32C71, Vol3, ‘Equipment on RCN ships part1 nd 1943.’

<sup>123</sup> Connolly diary, 23 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:7, 31.

<sup>124</sup> ‘Memorandum re Naval Service,’ nd., PAC, Connolly Papers, Vol 4:12, 5.

<sup>125</sup> House of Commons, *Debates*, 11 June 1943, 3564-3565.

treated at the hands of the RCN. For example, in a report submitted to Connolly, the Regulations Revision Committee noted that:

So many officers complained, some bitterly, of what they regard as unfair treatment at the hands of R.C.N. officers, that it was impossible to avoid concluding that, regardless of whether many of the complaints are actually justified, the situation requires immediate remedial action. ...that the hostility is now so deep-seated as to constitute a serious threat to morale and efficiency.<sup>126</sup>

Having been informed in Londonderry and London that many VR's believed that their needs at sea were being ignored by NSHQ, Connolly became concerned that some of their hostility might be focused on Macdonald. As a result, he believed that one way to ease these tensions was to implement Price's recommendation that a VR officer be appointed to the Naval Board. Connolly was even more concerned over the reports that some members of the RCNVR wanted someone to be held responsible for NSHQ's neglect. Realizing that the sea-going fleet might hold Macdonald responsible for the state of equipment within the fleet, it appears that Connolly eventually decided, in part, to present Nelles to the RCNVR.<sup>127</sup>

One of the final men with whom Connolly interviewed was the Commander in Chief of Western Approaches, Admiral Sir Max Horton. Meeting after Admiral Dudley Pound's funeral on October 26, Horton informed Connolly that he was extremely concerned about the inefficiency of Canadian ships on the North Atlantic Run. Overall, Horton's comments were very similar to Simpson's. Horton noted that the RN appreciated the effort put forward by the RCN, but that their ability to sink U-boats was undoubtedly being affected by poor equipment.<sup>128</sup> Unfortunately, Horton sent Connolly a confusing message. On the one hand, he thought that the RCN's attempt to acquire a balanced fleet was wise.<sup>129</sup> On the other, he informed Connolly that the RCN's primary duty still rested on the North Atlantic combating Germany's U-boats. In the end Connolly noted that "The general conclusion obtained from his remarks was that even at the expense of the building programme we should modernize the corvettes."<sup>130</sup> Still, having received confirmation from the highest ranking officer on the North Atlantic Run that RCN was suffering from a

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<sup>126</sup> A/Commander H. Read, RCNVR, to Connolly, 23 December 1943, PAC, Connolly Papers, MG32C71, Vol 2:18,4.

<sup>127</sup> Roger Sarty, *Canada and the Battle of the Atlantic* (Montreal: Art Global, 1998), 141.

<sup>128</sup> 'Notes taken at Staff Meeting of report given by Mr. J.J. Connolly, Executive Asst. to Minister,' 11 November 1943, PAC, Connolly Papers, Vol 3. Also Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships part 1 nd 1943.'

<sup>129</sup> *Ibid.*, 8.

<sup>130</sup> 'Notes taken at Staff Meeting of report given by J.J. Connolly, Executive Asst. to the Minister,' 11 November 1943, PAC, Connolly Papers, MG32C71, Vol3, 'Equipment on R.C.N. ships part 1 nd 1943,' 2,

debilitating equipment crisis, Connolly was ready to return to Ottawa and report<sup>1</sup> his findings to Macdonald.

The officers in Londonderry and London had a significant impact on Connolly's investigation. Forewarned of his visit, they quickly mobilized their efforts in order to give Connolly a personalized tour of their interpretation of the equipment crisis. Over and over, they continually sent him the message that NSHQ had mismanaged the RCN's war effort. Having returned to Ottawa on November 5, Connolly wanted to ensure that he did not lose contact with this network of officers who had brought the true significance of the equipment crisis to his attention. For example, on November 18, Connolly wrote to Simpson and noted that:

I had a splendid interview with the C. in C. W.A. [Horton] and having seen him I know why you are his Commodore "D". Shortly some R.C.N. officers will be calling upon you. They will not know of this letter, but I know they will get the same frank statements as I was given. I hope they can see the necessary people including Conklin and Pigott. We must not lose track of each other and I hope that you always feel that you can write me as unofficially and as confidentially as you wish. <sup>131</sup>

This letter to Simpson is significant for a number of reasons. First, it provides further evidence that there was a network of officers in Londonderry who had managed to "go behind the scenes" to affect change with NSHQ's equipment policy. Furthermore, it shows that Connolly no longer trusted NSHQ as he encouraged Simpson to communicate with him as often and unofficially as he saw fit. This lack of trust in NSHQ was a significant factor when Connolly and Macdonald confronted Nelles over the equipment crisis. In many instances in November, Nelles would be presented with evidence of the seriousness of the equipment crisis without being informed where this information was obtained. This was perhaps a little unfair, as it was difficult for Nelles to defend himself considering that he was unaware of the true identity of his accusers. Additionally, Connolly would send similar letters to Shorto and Conklin warning them that Creery and Commodore G.M. Hibbard, who was the Commodore Superintendent at Halifax, were traveling overseas to follow up on his investigation. In the same way that Strange had prepared these officers in Londonderry for Connolly's investigation, Connolly was now forewarning them about Creery's and Hibbard's visit.

As will be seen in the next chapter, it was Connolly, more than Macdonald, who decided that Nelles should be held responsible for the equipment crisis in order to protect the minister's political career. While none of the officers in Londonderry and London ever advocated that Nelles

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<sup>131</sup> Connolly to Simpson, 18 November 1943, PAC, Connolly Papers, MG32C71, Vol 2:17.

should be replaced as the CNS, their role in his dismissal should not be underestimated. The information which they provided to the executive assistant led to immediate results as Connolly noted to Conklin that: "The results of my visit are beginning to make themselves apparent. Shortly, you will have visits from one perhaps two R.C.N. officers, and I know that you will... confirm to them the information which you gave me."<sup>132</sup> Likewise, Connolly informed Shorto that the efforts of his colleges in Londonderry had been successful as:

I have not hesitated to point out to the authorities here the things which I felt they should correct in the interests of the efficiency of our ships. ...Meantime, I assure you that the seed with which you planted in my mind, I, in turn, have planted in ground which promises to be fertile. (for ship efficiency.)<sup>133</sup>

Armed with the information from these officers, Connolly and Macdonald would place Nelles on the defensive and ask him why the minister had not been informed about the equipment crisis.

While it may not have been their original intention to see the CNS dismissed, it is interesting to note that most of the officers in Londonderry wrote to Connolly immediately after Nelles' replacement was announced on January 14, 1944. For example, Conklin wrote to Connolly on January 16, and noted that:

Your stay among us was very short but the effects of it have been lasting. You gained the respect and gratitude of every seagoing Canadian Naval Officer on the North Atlantic by your attitudes and the obvious results of your trip to the United Kingdom. Possibly it caused some of the Navy a little distress but that was for the general good thruout [sic].<sup>134</sup>

Although Nelles' dismissal was not specifically mentioned, the timing of these letters is difficult to overlook. Realizing that Nelles' replacement by Jones was the result of the information they had provided Connolly, these officers in Londonderry felt that their grievances with NSHQ's equipment policy had finally been vindicated. This feeling was expressed to Connolly in a letter by Lieutenant Jack Clifford, RCNVR, who was Simpson's Special Services officer. "Things have certainly moved quickly since your return to Canada" Clifford wrote to Connolly on January 21, "and I must say that it suits all of us here very well."<sup>135</sup> On the other hand, fearing that Macdonald's role in Nelles' dismissal would go unnoticed by these officers in Londonderry, Connolly informed Conklin that he must make it known that while "I am very glad the few things that I was able to do have redounded to the benefit of the boys in the ships" it must be remembered "that the action [Nelles'

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<sup>132</sup> Connolly to Conklin, 18 November 1943, PAC, Connolly Papers, MG32C71, Vol 2;17.

<sup>133</sup> Connolly to Shorto, 18 November 1943, PAC, Connolly Papers, MG32C71, Vol 2:17.

<sup>134</sup> Conklin to Connolly, 16 January 1944, PAC, Connolly Papers, MG32C71, Vol 2:19.

<sup>135</sup> Lt. Jack Clifford to Connolly, 21 January 1944, PAC, Connolly Papers, MG32C71, Vol 2:19.

dismissal] was taken by the Minister.”<sup>136</sup> The letters from the officers in Londonderry gave Connolly the impression that they believed Nelles’ dismissal was, in part, to satisfy the gripes of RCNVR sailors at sea, and that he deserved the credit for their satisfaction. As will be seen, it was Connolly who told Macdonald that Nelles had to be replaced as CNS. Since he was merely the executive assistant, Connolly had to ensure that Macdonald was given the credit for this action amongst the sea-going fleet.

Largely due to the network of RN, RCN, and USN officers in Londonderry and London, Connolly believed that he had discovered indisputable proof that the RCN suffered from an acute equipment crisis. Working behind the scenes, these officers were able to successfully present their version of the equipment crisis to Connolly. Almost immediately upon his return, Connolly informed Macdonald that the need to make the RCN efficient “must now become objective number one of the department.”<sup>137</sup> However, in his absence Macdonald had focused on a policy which was based on Nelles’ long-standing desire to acquire large warships for Canada’s post-war Navy. With King already suspicious of the costs and manner in which Macdonald and Nelles had acquired the nucleus of a post-war balanced fleet, Connolly became convinced by mid-November that Macdonald’s cabinet post might be endangered if it was ever discovered that the present fleet required new and expensive equipment. These events were occurring at a time when the Liberal Party was in the middle of a political crisis. Feeling that they had lost the confidence of the Canadian people, the Cabinet was in a state of panic; hardly a good time for them to deal with a serious scandal within the Navy Department. While he was suspicious of the manner in which NSHQ had handled the equipment crisis, Connolly was not yet convinced that Nelles would have to be relieved as CNS. Instead, it would not be until mid-November that the political consequences of the equipment crisis became totally apparent to Connolly and Macdonald. It would be at this juncture that the results of Connolly’s investigation would be used to protect the minister’s political career, rather than to immediately rectify the RCN’s modernization problems. Once this transformation occurred, Connolly became convinced that Macdonald had no other option but to fire Nelles.

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<sup>136</sup> Connolly to Conklin, 3 February 1944, PAC, Connolly Papers, MG32C71, Vol 2:19.

<sup>137</sup> Connolly to Macdonald, ‘Rough draft memorandum,’ nd., PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN ships part 1 n.d. 1943.’

## 4 A Political Promotion: The firing of Vice-Admiral Nelles. “Some day this story will be out in whole, or in part.”

Armed with the information from his overseas investigation, Connolly's arrival in Ottawa marked the beginning of an intense confrontation between Macdonald and the Naval Staff. It was a remarkable affair, as for over a month Nelles and Macdonald would exchange inflammatory memoranda in which they essentially blamed the other for the equipment crisis. Realizing that Nelles and the Naval Staff were not going to accept sole responsibility for the RCN's modernization problems, Connolly became worried about Macdonald's political future. Indeed, there was good reason for his concern. In itself, the seriousness of the equipment crisis was enough to warrant Macdonald's resignation. To add to this, Macdonald continued to aggressively push his balanced fleet policy before King and the War Cabinet. All of this was occurring at a time when King and the Liberal party were still attempting to come to terms with a war-weary public. Facing a dangerous political climate and believing that public awareness of the equipment crisis was an eventuality, Connolly began to question whether Macdonald would be able to survive such a scandalous affair. Therefore, Connolly began to devise a strategy by late November which was intended to protect the minister's political career. This strategy involved using secrecy and caution when confronting the CNS, and inevitability led to Nelles' dismissal and a phony overseas promotion. Throughout November and December 1943, Connolly would employ various maneuvers to ensure that it was Nelles, rather than Macdonald, who would shoulder the entire blame for the equipment crisis. By no means was this an easy task for Connolly and the fact that Nelles was successfully removed as CNS, without the public discovering the actual reasons for his dismissal is a testament to the executive assistant's bureaucratic abilities.

Prior to Connolly's return to Ottawa, Macdonald was once again pressuring King to accept larger warships for the RCN. In an attempt to curtail the Navy Department's enthusiasm for a balanced fleet, King informed Macdonald on October 21, that "Canada had now reached the limit of her financial resources" and continued with "the Minister of Finance would be unable to include any increase in his Budget for the coming year."<sup>1</sup> It should be noted that King was not entirely opposed to the acquisition of aircraft carriers at this time. Instead, King noted in his diary that: "...while I would like to see the Navy have this particular arm [Fleet air arm], they would

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<sup>1</sup> Cabinet War Committee minutes, 21 October 1943, PAC, RG2.

have to get it at the expense of something else.”<sup>2</sup> Sensing that the Prime Minister’s main contention with the acquisition of aircraft carriers involved their unpredictable cost, Macdonald and Nelles engaged in a joint effort to convince King that it was essential for the RCN to possess a fleet air arm. Despite his overwhelming desire to acquire the aircraft carriers, Nelles was candid with King. Even though he realized that King would disapprove, Nelles admitted that the aircraft carriers would be for “post-war considerations.” While he stated that the carriers represented a vital and important addition for the RCN, the cost of such vessels was not yet available. Finally, with regard to cutting the naval program in other directions, Nelles stated that “in present circumstances the Naval Staff could not undertake to reduce anti-submarine vessel construction.”<sup>3</sup> It must be remembered that King had accused Nelles of “behind the scenes” politicking at the September 8 War Cabinet meeting. Aware that King suspected that the drive for a balanced fleet had emerged from NSHQ and not the Admiralty, it is likely that Nelles realized that he would have to proceed with caution when addressing the Prime Minister. Macdonald, on the other hand, became more assertive, and in fact was the main proponent for the balanced fleet throughout November and December.

The acquisition of aircraft carriers was once again presented before the Cabinet War Committee on November 10. Macdonald began the discussion by noting that the two aircraft carriers would cost the Canadian government \$ 39,084,504.<sup>4</sup> King was disturbed by the fact that this was more than double the original cost quoted to him only one week earlier. At this meeting King protested against the procurement of the aircraft carriers as he believed that the government would not be able to justify ships which were intended for post-war purposes. In fact, King was now questioning the procurement of these ships altogether as he noted in his diary that:

When the purchase of two aircraft carriers came up it appeared that the real cost was nearer to 36 million dollars rather than 16 as Macdonald had informed the Committee before. It was agreed that they would be for post-war use. I stated that I thought we had no right to use the War measures Act to put through orders that were intended for the post war period.<sup>5</sup>

King was also becoming more suspicious of the methods Macdonald had employed to acquire these ships. He felt that Macdonald was over-anxious to obtain the aircraft carriers and therefore could not be trusted to provide accurate information. Despite King’s shrewdness, as well as the fact that

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<sup>2</sup> King diary, 21 October 1943, Microfiche Edition (Toronto: University of Toronto Press, 1980) Vol 194: 931.

<sup>3</sup> Cabinet War Committee minutes, 21 October 1943, PAC, RG 2, 2.

<sup>4</sup> Cabinet War Committee minutes, 10 November 1943, PAC, RG 2.

<sup>5</sup> King diary, 10 November 1943, Vol 195:994.

Connolly had already informed the minister that the escort fleet required new and expensive equipment, Macdonald did not abandon his efforts to acquire a balanced fleet.

Macdonald's persistent attempt to acquire aircraft carriers at the Cabinet War Committee meeting of November 10 is even more puzzling considering that only two days previously, Connolly had presented the minister with the first of his reports on his overseas investigation. Within this report Connolly had informed Macdonald that many officers overseas had stressed that the RCN's expansion and shipbuilding program would have to be halted. He repeated Glencross' recommendation "...not build new ships which will interfere with looking after those at sea." Likewise, he noted that Shorto had "emphasized the importance of modernizing corvettes even at the expense of the building programme."<sup>6</sup> This message was also repeated by Horton and Simpson. While Macdonald was aware of this on November 8, he still recommended to the Cabinet War Committee two days later that, "it might be possible to offset these expenditures [for the aircraft carriers] by reducing the Naval shipbuilding programme in other directions [escort construction]."<sup>7</sup> It would appear, therefore, that Macdonald was more interested in cutting the shipbuilding program in order to secure the aircraft carriers rather than modernizing the existing fleet. Admittedly, it would have been difficult at this meeting for Macdonald to announce that his plans for the balanced fleet would have to be abandoned since it was suddenly discovered that the present fleet required new equipment. Although Connolly had not yet taken direct aim at NSHQ, Macdonald must have been annoyed that the Naval Staff had not informed him about the equipment crisis because he had clearly passed the point of no return with regard to the balanced fleet. Undoubtedly, Macdonald realized that to reverse course at this juncture would amount to political suicide.

Macdonald was setting a dangerous course for himself with King. After informing Macdonald that the acquisition of aircraft carriers "should be deferred until after the war," King then sent his naval minister an explicit message when he noted that: "In the future, only such expenditures as were absolutely essential to the successful prosecution of the war should be proposed."<sup>8</sup> It is interesting to note that the modernization of the fleet would have been included in King's definition of permissible expenditures, since re-equipping the RCN would have helped with the successful prosecution of the war. In itself, the fact that the Canadian navy suddenly required

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<sup>6</sup> "Notes taken at Staff Meeting report given by J.J. Connolly, Executive Asst to the minister," 11 November 1943, PAC, Connolly Papers, MG32C71, Vol3, "Equipment on RCN ships nd 1943," 1.

<sup>7</sup> Cabinet War Committee minutes, 10 November 1943, PAC, RG 2.

<sup>8</sup> Ibid.

new equipment would have forced Macdonald to answer some difficult questions. Not only would Macdonald have to explain why action on this matter had not been taken earlier, but he would also have to admit that the equipment crisis had contributed to the RCN's poor performance throughout 1943.

While Nelles was not dismissed because of the balanced fleet, Macdonald and Connolly had to proceed with extreme caution when they confronted the CNS on the equipment crisis. This was because King would have seriously questioned Macdonald's motives with regards to the acquisition of post-war vessels had he been aware that the escort fleet required new and expensive equipment. Macdonald and Connolly were aware of this fact, and in turn, they had to ensure that King never discovered that the RCN was facing a debilitating equipment problem. Believing that Connolly was now an expert because of his overseas investigation, and no longer trusting the Naval Staff, Macdonald felt that he could only rely on the advice provided to him by his executive assistant. Consequently, the burden of protecting Macdonald's political future fell on Connolly's shoulders.

According to a memorandum written to Macdonald on November 30, Connolly divided his role in Nelles' dismissal into two phases. "In the first phase I reported to you" he informed Macdonald, and "then to the Staff on a condition." Therefore, this phase which Connolly identifies began when he submitted his first report to Macdonald on November 8, and ended shortly after he presented the findings of his investigation to the Naval Staff on November 15. Although he had very strong opinions on how Nelles and the Naval Staff had handled the equipment crisis, he attempted to present his findings "without going to the extremes either of overstatement or of understatement." Within this memorandum Connolly continued by noting to Macdonald that:

In the second phase, your personal position as Minister came into the picture as regards the service. In this case, I could have stayed out of the picture and let my report speak for itself. However having found influences at work which I felt were tending to obscure the issue I stayed in the picture.<sup>9</sup>

This phase which Connolly referred involved the period between November 15 to 30 when both he and Macdonald first confronted Nelles and the Naval Staff on the state of equipment within the RCN. Within the literature, Connolly's role in Nelles' dismissal generally ends after he presented the findings of his overseas investigation to the Naval Staff on November 15. By his own admission, however, Connolly in fact played a crucial role in Nelles' fate throughout the Winter of

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<sup>9</sup> Connolly to Macdonald, Unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32C71, Vol3, "Equipment on R.C.N. ships 22 Nov 1943-1944," 10.

1943-44. Additionally, while it was true that Connolly did not advocate that Nelles would have to be replaced as CNS until the end of November, his contention that he was an impartial advisor in the early stages of the confrontation with NSHQ is not entirely correct.

On November 8 Connolly wrote a memorandum to Macdonald which summarized his overseas investigation. Beginning with his visit to St. John's, Connolly provided Macdonald an in-depth analysis of his interviews with the officers in Londonderry and London. Much of the information which these officers had provided was used by Connolly as evidence to show Macdonald that the RCN was suffering from a debilitating equipment crisis. Focusing on the lack of communication between NSHQ and the RCN establishments overseas, as well as the deplorable state of RCN technical liaison with the Admiralty, Connolly informed Macdonald that the modernization of the fleet should become the primary goal of the Department. Furthermore, Connolly stressed that one of the most significant problems which had handicapped the RCN's attempt to modernize its escorts involved financing. He instructed Macdonald that the American yard at Londonderry was in a position to accept Canadian corvettes, but that the opportunity was being missed because of delays from NSHQ in granting financial approval.<sup>10</sup> "I must admit that I know nothing of the financial transaction required to accomplish this purpose" Connolly informed Macdonald, "but I would think that it would be no more expensive to do it in Derry than to do it in Canada... It would certainly be done a lot more quickly." Considering that Macdonald was already at odds with King over the costs of the balanced fleet, this information that the modernization of the escort fleet would require additional funding undoubtedly caused the minister some discomfort.

This memorandum provided Macdonald with indisputable evidence that the RCN was suffering from an acute equipment problem. Much of this evidence caught Macdonald totally by surprise.<sup>11</sup> Previously unaware that the problem was as significant as Connolly was implying, Macdonald was in a state of shock. This was reinforced by Connolly's final conclusion in which he noted that:

The importance of the problem was urged upon me so often by so many people that I feel it cannot be ignored. I do not believe I have exaggerated the problem in particular. We are now in a situation where we are very far behind the R.N. Without efficient ships, we expose our men to unnecessary peril. We also deprive them of opportunities to kill

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<sup>10</sup> 'Third Draft of Macdonald memorandum.,' nd, PAC, Connolly Papers, MG32C71, Vol 3. and Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on R.C.N. Ships Part 1 n.d. 1943,' 6.

<sup>11</sup> Macdonald's reaction can be gauged from his memoranda to the Naval Staff. Unfortunately his diary provides little insight into how Macdonald personally responded to the equipment crisis. Although there is no direct evidence, his diary at the Public Archives of Nova Scotia appears to be missing entries for the period of November 1943 to January 1944. See Macdonald diary, PANS, MG2, F391

submarines. When our ships lack efficiency, our men lose confidence. The situation is bad for morale. It is also bad advertising for the Service.<sup>12</sup>

The message Connolly hoped to convey was that the public would not be impressed if they discovered that Canadian sailors were being sent to sea in poorly-equipped ships. Connolly was also informing Macdonald that the equipment crisis was having a detrimental and dangerous impact on morale. As has been seen, the morale within the RCNVR caused Connolly much concern, since he believed that many sailors of the sea-going fleet wanted someone to be held accountable for the state of equipment on their ships.<sup>13</sup> Although Connolly did not assign any blame for this situation within this memorandum, he did include five letters written to him by Copelin, Simpson, Conklin, and Pigott which did not place NSHQ in a very favourable light. For example, one of these letters, which was actually a copy of a report filed to Horton by Simpson noted that: "So far as I am aware, no Refit Programme affecting C.1 - C.5 Groups has ever been produced at N.S.H.Q., Ottawa, which is sufficiently accurate to be of any value."<sup>14</sup>

On November 9, Connolly submitted another memorandum, and then met with Macdonald in order to give him a further appreciation of the significance of the equipment crisis. Once again he reiterated much of the evidence which had been presented to him by Simpson, Shorto, Copelin, Conklin, and Pigott. As with the previous day, Connolly repeated many of the impressions he had received from these officers. Stressing the need for better technical liaison with the Admiralty, and the importance of the London office, Connolly made it clear to Macdonald that there would have to be some major changes at NSHQ if the RCN hoped to rectify its equipment problems. In many respects, it is difficult to accept Connolly's claim that he was an impartial advisor and was not targeting the Naval Staff at this time. For example, as early as October 23, 1943 Connolly had suggested that it might be easier to "fire all the Senior authorities - put Grant and Mainguy at the top. They only have been through the rough and tumble of this war."<sup>15</sup> This was an unrealistic idea since Captain Harold Grant, and Captain Rollo Mainguy were both relatively junior Staff Officers, and their sudden promotion to the leadership of the RCN would have attracted much attention. It is more likely that this uncharacteristic outburst was the product of Connolly's

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<sup>12</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships Part 1 nd, 1943,' 8.

<sup>13</sup> Connolly diary, 6 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:6.

<sup>14</sup> Simpson to Horton, 'Extract of letter from Commodore "D" Western Approaches,' nd, PAC, Connolly Papers, MG32 C71, Vol 3, 'Equipment on RCN ships Part 1 nd 1943.'

<sup>15</sup> Connolly diary, 23 October 1943, PAC, Connolly Papers, MG32C71, Vol 2:7. It is important to note that this severe outburst at the Naval Staff by Connolly during his investigation was rare. Although he was convinced NSHQ had mismanaged the RCN's war effort, this is the only example of him losing his temper.

extreme frustration with the manner in which the Naval Staff had mismanaged the modernization of the RCN. Having gained the impression while overseas that the Naval Staff had been less than honest with Macdonald, Connolly felt that the Naval Staff could no longer be trusted. Instead of allowing the Naval Staff to defend themselves against the allegations from the officers in London, and Londonderry, Connolly concluded that Macdonald would have more success revealing the truth if they used this information in a covert manner.

While Connolly had not directly informed Macdonald that the Naval Staff was responsible for the equipment crisis at this juncture, he did take action which immediately placed Nelles and the Naval Staff on the defensive. On November 10, Connolly sent Nelles an anonymous memorandum which he had received during his overseas investigation. Historian David Zimmerman correctly described this memorandum as a “damning indictment of naval headquarters’ handling of equipment,” as it was extremely critical of the Naval Staff.<sup>16</sup> In fact, some historians have questioned the reliability of this anonymous author, since the memorandum reflects a certain ignorance of the problems which NSHQ was facing at this time. For the past fifty-five years the author of this damaging memorandum has remained a secret, however, Connolly’s papers reveal that it was written to Horton by Simpson. Stationed on the other side of the Atlantic, it was impossible for Simpson to understand many of the problems faced by NSHQ. After witnessing a large number of under-equipped RCN escorts entering Londonderry, and consistently hearing the complaints of Canadian sailors, it is difficult to claim that Simpson was totally ignorant of the situation.<sup>17</sup> It appears that there are some historians who believe that Simpson’s interference regarding the equipment crisis was unwarranted. It is important to note that it was Connolly, and not Simpson, who used this memorandum to place the Naval Staff on the defensive. As with the covert nature of his investigation, Connolly took great care to conceal the identity of the author from the Naval Staff. Furthermore, Simpson’s memorandum was Nelles’ first indication of the purpose of Connolly’s overseas visit.<sup>18</sup> Considering the tone of Simpson’s memorandum it was hardly surprising that Nelles’ and Macdonald’s relationship quickly began to disintegrate.

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<sup>16</sup> Zimmerman, The Great Naval Battle of Ottawa, 138.

<sup>17</sup> Simpson has been vilified within the Canadian literature. His attempts to help the RCN through its modernization problems has been interpreted as unwarranted interference. In reality, he held an extremely high regard for Canadian sailors. Also, as the man in charge at Londonderry he would hold weekly Conferences and debriefs with all the Escort Commanding Officers after their convoys arrived alongside. It was through this exposure with Canadian captains that Simpson realized that the RCN had a serious modernization problem. Unlike the officers at NSHQ in Ottawa, Simpson could visit Canadian Corvettes in Londonderry, and therefore get a first hand account of their equipment problems.

<sup>18</sup> Milner, North Atlantic Run, 257.

Although this memorandum was only one and half pages long, its contents led to a flurry of counter-charges from the Naval Staff. While it is true that some of the points addressed within Simpson's memorandum were not entirely accurate, his conclusion that NSHQ had not used their full resources to correct the equipment crisis within the RCN was not without foundation. Nevertheless, it was not so much the specific examples, but rather the tone and association of blame which caused the Naval Staff the most grief. For example, in his concluding remarks Simpson had noted that:

[NSHQ's] inability to make forecasts and decisions is a nuisance here and upsetting of the ships concerned. I happen to have obtained a Refit Programme issued by N.S.H.Q., Ottawa, dated 30th September, 1943, and am sending you a copy. Paragraph 2 is typical:- 'As the whole question of extended fo'c'sle and fitting hedgehog in R.C.N. Corvettes is at present under review, it is not possible to state at this moment which ships will be taken for these Alterations and Additions'. A very remarkable admission in the fifth year of the war.<sup>19</sup>

The true significance of Simpson's memorandum was that it set the pace for the inevitable confrontation between Nelles and Macdonald. Considering that it was a severe criticism of NSHQ, and the fact that Simpson's identity was concealed, it is difficult to escape the conclusion that Connolly and Macdonald used this memorandum to indicate to the Naval Staff that they were responsible for the state of equipment within the RCN. Consequently, instead of working together to correct a serious problem, this initial step created an antagonistic atmosphere with Macdonald and Connolly on one side, and Nelles and the Naval Staff on the other.

Within the next few days, various members of the Naval Staff presented Nelles with their responses to Simpson's memorandum. The first of these memoranda was written by Jones on November 12. As will be remembered, Jones had initiated a whispering campaign against Nelles and therefore it should not be surprising that he did not see the anonymous memorandum as "damaging criticism of our whole repair organization." Instead, he interpreted it as "constructive criticism" and added the demur remark that "until our ships are fully modernized, no *responsible* Officer should be satisfied with the present state of affairs."<sup>20</sup> However, Jones did admit that, due to over-taxing operational commitments in the early stages of the war, the priority had been to keep as many ships at sea as possible, and that "it appeared obvious that something was better than nothing." While his comments were not without foundation, his entire memorandum to Nelles was cautiously pessimistic as he identified many of the weaknesses he saw with Canadian repair

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<sup>19</sup> Simpson to Horton, 'Extract of letter from Commodore "D" Western Approaches, to C in C, Western Approaches,' nd., PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships nd. Part 1 1943.'

<sup>20</sup> Jones to Nelles, 12 November 1943, PANS, Macdonald Papers, MG2, F276/25.

establishments. Jones' memorandum was unique because, unlike the other members of the Naval Staff, he did not defend Nelles' or NSHQ's handling of the equipment crisis.

On the other hand, Captain E. Johnstone, who was the Chief Naval Equipment and Supply [CNES], felt that the unsatisfactory condition of equipment was "beyond the R.C.N. control." As one of the men who was directly responsible for Canadian equipment, it should hardly be surprising that Johnstone took exception to Simpson's memorandum. It was clear from his memorandum to Nelles, which was sent on November 13, that Johnstone held the Admiralty responsible for the state of equipment within the RCN. After explaining that RCN required assistance from the British in order to overcome the problems with Canadian repair facilities, Johnstone then informed Nelles that: "Unfortunately, the Admiralty do not always live up to their bargains in this respect, and in consequence further delay in fitting H.M.C Ships occurs."<sup>21</sup>

One of Johnstone's conclusions was that negotiations were in progress "to break through the reluctance of the Admiralty to supply Canada with anything but drawings of the perfected article..."<sup>22</sup> Once again the implication was that the Admiralty was to blame for the fact that the RCN was so far behind in equipment, and that it was their duty to send all technical developments to Ottawa. On the other hand, Connolly believed that NSHQ was at fault for this situation since the RCN did not possess an adequate technical liaison organization in London. Had he read Johnstone's memorandum to Nelles, it is likely that Connolly would have taken exception to the claim that the Admiralty was to blame for the state of equipment within the RCN. This was because Connolly felt that it was NSHQ's responsibility to ask for information on technical advancements rather than the RN's duty to provide this material. As will be seen later, Connolly believed that it was Johnstone, more than any other individual, who was responsible for the state of equipment within the RCN. By the time Connolly formed this conclusion he felt that it was too late to take action against Johnstone since "he is now moved and promoted."<sup>23</sup> As the confrontation with Nelles reached a climax Connolly would assign much of the blame to Johnstone. Since he

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<sup>21</sup> A/Capt E. Johnstone, CNES to Nelles, 13 November 1943, PANS, Macdonald Papers, MG2, F276/25.

<sup>22</sup> Ibid.

<sup>23</sup> Connolly to Macdonald, Unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov. 1943-1944,' 7. Johnstone replaced Captain G.M. Hibbard as the CNES in October 1943 and held this position until December 1944. Considering that Johnstone had just assumed his post when the confrontation with the Naval Staff erupted, it is difficult to understand Connolly's argument that he was responsible for the development of the equipment crisis. Likewise, it is uncertain what Connolly meant when he claimed in November 1943 that action against Johnstone was impossible since he had been "moved and promoted." Perhaps Connolly felt that Macdonald would have to answer too many difficult questions if he fired Johnstone as CNES so quickly after he had been promoted.

believed that it would be virtually impossible to fire Johnstone, he instead turned his attention onto Nelles.

The final two officers who responded to Simpson's memoranda were Commander G. F. Griffiths, who was the Director of Operations Division, and Engineering Rear Admiral G.L. Stephens. Griffiths placed Connolly's action of presenting Simpson's memorandum to Nelles into perspective when he noted that "I have always considered anonymous commentary to be one of the basest that a man can employ," and that due to this fact he believed that "when anonymous commentary is received it should be ignored." Griffiths was unaware that Connolly and Macdonald were fully cognizant of the author's identity. Had he been aware that this memorandum had originated from a high ranking officer of Simpson's stature, it is unlikely that Griffiths would have felt free to claim that "the man must be mad."<sup>24</sup> Likewise, Stephens believed that the author did not have a complete understanding of the circumstances which placed the RCN in their present quandary.<sup>25</sup> Although Nelles would not respond until November 29, the immediate impact of this memorandum was obvious. It sent the clear message that the Naval Staff was responsible for the fleet's modernization problems, and it did not take long before various members began to question the motive behind it being delivered to them.

When Connolly first reported to Macdonald on November 8, he noted that Price had informed him that NSHQ had been aware of the equipment crisis for some time. Due to Price's comments, Connolly believed that various senior RN and RCN officers had previously written critical memoranda on the state of equipment, but that these reports were subsequently ignored by the Naval Staff. He realized that these memoranda would have been presented to NSHQ, and he suspected that they had not been forwarded to Macdonald. Therefore, once he returned to Ottawa he informed Macdonald that;

Apparently it [the equipment crisis] is a matter of common knowledge at N.S.H.Q. I would think that it might be productive of some results to get a statement in writing as to whether or not reports on the bad situation generally as regards repairs was ever made here [at NSHQ].<sup>26</sup>

Following Connolly's recommendation, Macdonald asked Nelles to provide any reports which had previously been presented to NSHQ concerning the equipment situation within the RCN. Although Connolly suspected a cover-up, it was claimed that Macdonald's request for these reports

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<sup>24</sup> Griffiths to Nelles, 16 November 1943, PANS, Macdonald Papers, MG2, F276/26.

<sup>25</sup> Milner, North Atlantic Run, 258.

<sup>26</sup> Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, "Equipment on RCN ships Part 1 nd 1943," 7.

was lost in the bureaucracy at NSHQ.<sup>27</sup> It is ironic that this request was lost especially since it was because of the bureaucratic process at NSHQ that many of the original equipment memoranda were not shown to either Macdonald or Nelles. Nevertheless, Connolly began to look for these equipment memoranda himself.

After his initial search, Connolly discovered the Rowland and Bidwell memoranda, which he presented to Macdonald on November 13. Stressing that these memoranda had informed NSHQ as early as May 1943 that there was a serious equipment crisis within the RCN, Connolly found it disturbing that Rowland and Bidwell had come to many of the same conclusions as the officers in Londonderry. Furthermore, while he admitted that the evidence suggested that Nelles had not seen these memoranda, Connolly took direct aim at the Naval Staff when he noted that:

**THESE REPORTS WERE NOT BROUGHT TO YOUR ATTENTION TO MY KNOWLEDGE. HAD THEY BEEN THOROUGHLY CONSIDERED AND THE GOVERNMENT'S SUPPORT ENLISTED IN JUNE, MANY FURTHER STEPS MIGHT HAVE BEEN TAKEN.**<sup>28</sup>

Realizing that Nelles had not been included in the distribution and consideration of these memoranda, Connolly then focused his attention on Creery. This was because Connolly now believed that it was Creery, more than any other officer on the Naval Staff, who was responsible for NSHQ's mishandling of these important memoranda. Referring to the August 30 memorandum which Creery had provided to Nelles after Macdonald had first asked for information on the state of equipment, Connolly noted that:

Creery says that 'it is a fair statement that our R.N. escort ships are better equipped than R.C.N. escort ships'. My comment is 'fair hell!' It is a bad under-statement, and one of the things that is wrong at N.S.H.Q. is that the urgency for these needs for the boys who are on the ocean and exposed to the highly equipped submarines, are not as much in the minds of the great planners here, as they should be.<sup>29</sup>

Connolly was merciless within this memorandum to Macdonald. No doubt affected by his overseas investigation, he was disgusted to discover that members of the Naval Staff had been aware of the equipment problem since May 1943. He charged that "N.S.H.Q. has not fought for the [equipment] requirements" and that he considered it significant that in the eyes of the Naval Staff "the mid-ocean ships are not thought about as important enough." Although he did criticize Nelles for not accepting responsibility, or at least identifying who was accountable for this

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<sup>27</sup> Zimmerman, *The Great Naval Battle of Ottawa*, 140.

<sup>28</sup> Connolly to Macdonald, 13 November 1943, PAC, Connolly Papers, MG32C71, Vol3, 'Equipment on RCN ships Part 1 nd 1943,' 1.

<sup>29</sup> Ibid.

situation in his September 1 memorandum to Macdonald, it was clear that Connolly was forming the impression that the CNS had also been excluded from viewing these valuable reports. As a result, Connolly was not yet convinced that Nelles should be replaced as the CNS. Considering the tone of Connolly's memorandum to Macdonald it is difficult to claim that he was an impartial advisor at this juncture. Nevertheless, the Naval Staff began to assume a defensive posture since neither Macdonald nor Connolly explained why they wanted any previous memoranda on the state of equipment within the RCN.

At Nelles' request Connolly reported his findings from his overseas investigation to the Naval Staff on November 15. When compared to his comments to Macdonald on November 8-9, the minutes from this meeting indicate that Connolly was somewhat restrained when he met with the Naval Staff. Connolly informed the Naval Staff that while the RN's corvettes were practically 100% modern, RCN vessels were only 15 to 20 % modernized. These figures were originally estimates by Price and Law; however, Connolly presented them as if they were fact. Nevertheless, Connolly's report did contain some valuable recommendations and criticisms. Connolly stressed the need for more technical liaison between the RN and the RCN. While Stephens had noted that action had already been taken to improve this situation, it was clear from Connolly's report that much more expansion on this matter was required.<sup>30</sup> Furthermore, it was observed that a complete refit schedule, produced by NSHQ, was immediately required if the unpleasant state of equipment within the RCN was to be rectified. His main contention was that if the RCN wanted to acquire more knowledge on equipment, NSHQ would have to actively solicit the information themselves. Furthermore, as he had been stressing to Macdonald, Connolly informed the Naval Staff that the modernization of the fleet should be given top priority even at the expense of the construction program. Here was a chance for Macdonald, Connolly, and the Naval Staff to work together in an effort to identify and correct the problems within the RCN. It was not long, however, before their attention focused on answering who was to blame for this situation.

After growing impatient with Nelles' failure to furnish a response to the anonymous [Simpson's] memorandum, and armed with the Rowland and Bidwell memoranda, Connolly and Macdonald decided to confront the CNS over the state of equipment within the fleet. This was presented to Nelles in the form of a memorandum on November 20. It is commonly believed that Macdonald "compiled the summary of complaints from these [Bidwell and Rowland memoranda],

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<sup>30</sup> "Report of Mr. J.J. Connolly's trip to U.K. in one of H.M.C. Corvettes," 15 November 1943, Dhist, Nelles Papers, Folder B:14.

a summary of Strange's memo... and the reports produced by Connolly upon his return from Britain, added his comments on what he thought it all meant, and passed it on personally to Nelles, asking for his remarks."<sup>31</sup> In reality, it is difficult to overlook Connolly's influence on this important memorandum. First drafted on November 16, Macdonald's hand-written comments on the original copy suggests that a large portion of this fourteen page memorandum can be directly attributed to Connolly.<sup>32</sup> While this first draft was in the minister's hands, Connolly also sent him some additional "afterthoughts" on November 17 which he believed could be useful when Macdonald was compiling his own comments.<sup>33</sup> After correcting the original draft Macdonald returned it to Connolly with his own personal observations which were to form the last segment of the memorandum to Nelles.

In its final form this memorandum consisted of two segments. The first segment chastised the Naval Staff for the improper handling of the Bidwell and Rowland memoranda, which "went the rounds at NSHQ" but were never presented to Macdonald. As has been seen, these memoranda by Rowland and Bidwell would never have been found had it not been for Connolly. Furthermore, Connolly's notes indicate that he helped Macdonald understand the contents and significance of the Rowland and Bidwell memoranda. After cataloging the incompetence by NSHQ, the November 20 memorandum then outlined the contents of a "confidential memorandum", which was in fact the Strange Report. Finally, this segment of the memorandum concluded with a summary of Connolly's November 8-9 personal reports to Macdonald on his overseas investigation. This was a reiteration of the information Connolly had received from the officers in London and Londonderry.<sup>34</sup> Overall, the first segment of the November 20 memorandum to Nelles painted a dreary picture of the present state of equipment within the RCN and the manner in which the Naval

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<sup>31</sup> Milner, *North Atlantic Run*, 258-259.

<sup>32</sup> Draft copy of memorandum to CNS, 16 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on R.C.N. ships 10-19 Nov 1943 -part 2,' 4. In a number of locations Macdonald altered the text so that it would read as if he was responsible for the entire document. For example, one section of the original draft read: "This situation in none of these memoranda came to the minister's attention at the time." Macdonald's hand written corrections ensured that this would be changed in the final draft to "The situation in none of these memoranda was brought to my attention at the time." This document is littered with such examples and therefore gives the distinct impression that the original was written by Connolly and then passed to Macdonald for corrections.

<sup>33</sup> Connolly to Macdonald, 13 November 1943, PAC, Connolly Papers, MG32C71, Vol3, 'Equipment on R.C.N. ships 10-19 Nov. 1943 - part 2.'

<sup>34</sup> Macdonald to Nelles, 'Memorandum on the State of Equipment on R.C.N. ships, nd. [20 November 1943], PANS, Macdonald Papers, MG 2, F276/3. and 'Draft copy of memorandum to CNS, 16 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on R.C.N. ships 10-19 Nov 1943 - part 2.' and Connolly to Macdonald, 8 November 1943, PAC, Connolly Papers, MG32C71, Vol 3. Although too numerous to list here, one example of the Londonderry officers' influence can be found in the fact that the cases of poor equipment on *Skeena*, *St Laurent*, *Pictou*, *Restigouche*, and *Drumheller* were all used within this memorandum to Nelles. As will be remembered, these were the ships that Conklin used in his report to Connolly to illustrate his concern with the state of equipment within the RCN.

Staff had handled the situation. Considering that it was Connolly, and not Macdonald, who had the first-hand experience of investigating the equipment crisis it should hardly be surprising that he can be credited for the majority of this memorandum to Nelles. This also exposes the fact that, without Connolly, Macdonald would have had great difficulty in confronting Nelles and the Naval Staff.

The second segment of this memorandum consisted of a one-and-a-half page summary of Macdonald's own personal observations. It was clear from these eight criticisms that Macdonald was ready to directly confront Nelles and the Naval Staff. As he had been informed by Connolly after they were first discovered, Macdonald first charged that neither the Rowland or Bidwell memoranda had received the attention which their importance required. Second, he stated that his August 20 request for information from Nelles was incomplete and was not "dealt with vigorously and promptly." The origin of this criticism, as well as many of these comments by Macdonald, can be traced to a November 13, memorandum by Connolly. Within this memorandum, Connolly noted to Macdonald that: "N.S.H.Q. has not fought hard enough for the requirements... It [Nelles' response to Macdonald's August 20 request for information] is a question of 'too little too late.' It does give you some information but there is no attempt to fix any responsibility."<sup>35</sup> Macdonald's third point was specifically directed at NSHQ as Macdonald noted that "Much of our failure to secure equipment is to be laid at the doors of NSHQ." Likewise, his fourth point reinforced this concept as he charged that NSHQ lacked "energy and capacity" when dealing with the modernization of the fleet. Fifth, he conveyed his disappointment that he had to discover this situation "from other sources entirely." In his sixth and seventh points, Macdonald felt that the Naval Staff were mainly impressed with the size of the navy, and that he felt that quantity was not sufficient; RCN ships required the best equipment available in order to defeat the U-boat fleet. Again, a similar comment can be found in Connolly's November 13 memorandum to Macdonald where he noted that... 'it is Suicide for men to go to sea in some of our ships... The submarine menace cannot be met only by putting ships at sea. These ships must be competent...'

Macdonald's final remark was specifically directed at Nelles. Within this comment Macdonald accused Nelles of failing to seek a political solution to this problem. Since he was not previously aware of this situation, Macdonald correctly noted that he was never given the opportunity to rectify the equipment crisis at an earlier date. "If I could not have succeeded myself in easing the

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<sup>35</sup> Connolly to Macdonald, 13 November 1943, PAC, Connolly papers, MG32C71 Vol3, 'Equipment on RCN ships 10-19 Nov 1943 - part 2.'

situation”, Macdonald informed Nelles “it could have been brought to the attention of the Canadian Government and if it was felt that the R.N. authorities were not doing enough, if necessary, the Prime Minister could have gone to Mr. Churchill on the matter.” While this was a valid point, Macdonald’s next suggestion, that he would have recommended that the RCN be withdrawn from the MOEF if a political solution had failed, was somewhat farfetched.<sup>36</sup> Nevertheless, considering the tone of this memorandum, it was clear that Macdonald was holding Nelles and the Naval Staff entirely responsible for the state of equipment within the fleet. Finding a solution for the equipment crisis was now a secondary consideration. There would be no turning back as establishing who was to blame for this crisis was now the central issue.

While Nelles and the Naval Staff were pondering Macdonald’s memorandum, Connolly was busy looking for further evidence that the Naval Staff had not only been aware of the equipment crisis, but also that they had failed to include the minister. Having been informed of its existence while overseas, Connolly was determined to find the Adams report.<sup>37</sup> Not only did Connolly locate this report, but he also discovered ten other documents related to the equipment crisis at NSHQ. He presented these documents to Macdonald on November 23, and referring to the importance of the Adams’ report, Connolly noted that:

The Adams report undoubtedly bears out everything that was said by Commodore “D” and by Horton. In spite of the very strong statements made, apparently memos were passed with abandon, without much action being taken. The situation according to this file at N.S.H.Q. is that nothing can be done.<sup>38</sup>

For Connolly, Adams’ report vindicated all the information passed to him by the officers in London and Londonderry. Additionally, it appeared that Connolly did not make any effort to discuss the matter with the Naval Staff, nor did he seem interested in their interpretation of the equipment crisis. It was obvious to Connolly that the Naval Staff was to blame, thereby making Macdonald the victim of gross incompetence by his subordinates.

As a result of Connolly’s discovery, Macdonald decided to increase the pressure on Nelles by sending him a copy of the Adams report on November 25. Although he was still in the process of compiling information for Macdonald’s November 20 memorandum, Nelles was now forced to

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<sup>36</sup> Macdonald to Nelles, ‘Memorandum on the State of Equipment on R.C.N. Ships,’ nd. [November 1943], PANS, Macdonald Papers, MG2, F276/3, 14.

<sup>37</sup> ‘Personal Memorandum notes’ nd. [October 1943], PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN ships Part 1 n.d. 1943.’

<sup>38</sup> Connolly to Macdonald, 23 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN Ships 22 Nov 1943-1944.’

respond to a new set of allegations. In addition to the documents which Connolly had discovered, Macdonald sent Nelles his own observations on the Adams report where he noted that:

Attached, hereto, is a letter of the 9th of August from Captain Adams, remarks of Captain "D", Saint John's, dated August 24th, those of F.O.N.F., dated August 30th and those of C. in C. C.N.A. dated September 18th. A perusal of the file will indicate that explanations as to the equipment situation have been made but I see no evidence of any strong action to improve that situation. Again I must point out that after this least third repetition of the same complaint which I consider to be of a major character, the matter was not referred to me... I must be furnished immediately with an explanation of this failure.<sup>39</sup>

Nelles' response to this request indicated that Connolly and Macdonald's pressure tactics were having an effect on the CNS. Already under a great amount of strain to answer the minister's November 20 memorandum, Nelles responded to Macdonald's queries on the Adams report by simply noting that: "I never knew of this report until you drew my attention to it this afternoon." Additionally, in an effort to place Nelles and the Naval Staff on the defensive Macdonald also requested the CNS to send him any other "reports made by officials of N.S.H.Q. after visits to the United Kingdom and which bear upon the equipment programme."<sup>40</sup> Unaware of the existence of any additional memoranda, Nelles informed the minister that "every endeavor will be made to comply with your request between now, 25th, and the time of your departure."<sup>41</sup> Not only did this weaken the CNS' position, but it also revealed the possibility that, like Macdonald, Nelles had also been "left out of the loop" by his subordinates. This was a concept that Connolly had long suspected; a fact he admitted five days later to Macdonald. For example, in a November 30 memorandum Connolly noted that:

I don't think he [Nelles] knew the seriousness of the condition of the ships. I don't think he willfully kept important things away from you. But if all this is admitted, the point need not be laboured that his capacity for the job of C.N.S. in war time is not great enough.<sup>42</sup>

Connolly continued by noting that it appeared that there were a group of officers on the Naval Staff who had attempted to tackle the equipment crisis themselves, and therefore did not keep the CNS properly informed. In this instance, Connolly was informing Macdonald that they should

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<sup>39</sup> Macdonald to Nelles, 25 November 1943, PANS, Macdonald Papers, MG2, F 276/28.

<sup>40</sup> Macdonald to Nelles, 25 November 1943, PAC, Connolly Papers, MG32 C71, Vol 3, 'Equipment on RCN ships 22 Nov 1943-1944,' 8.

<sup>41</sup> On November 27, 1943 Macdonald left Ottawa with British Admiral Sir Percy Noble. The two men traveled to Baltimore where Macdonald inspected the Naval Yard and toured HMCS *Dunvegan* and *Angonish* which were in the process of being refitted. On December 2 Macdonald left for Washington and returned to Ottawa on December 5. See Macdonald diary, 29 November - 5 December 1943, PANS, Macdonald Papers, MG2, F391.

<sup>42</sup> Connolly to Macdonald, Unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32 C71, Vol3, 'Equipment on RCN ships 22 Nov 1943-1944,' 8.

never admit this fact because it would provide Nelles with a possible excuse for his negligence in the matter. Furthermore, Connolly believed that it would be too difficult to single out these officers for disciplinary action, and to do so would risk the possibility that the entire affair would become public knowledge. As a result, Connolly began to form the impression that in order to protect Macdonald, Nelles would have to accept full responsibility for the actions of his subordinates. Apparently, it never occurred to the executive assistant that Nelles had to rely on his subordinates for information in the same way that Macdonald needed Connolly's help to keep him abreast of the true state of equipment within the fleet. More importantly, since the confrontation with the Naval Staff was focusing on the question of blame, Connolly was not about to provide Nelles or his subordinates with any excuses or possible defence. To do so would only weaken Macdonald's position as Connolly felt the minister could be blamed for not providing Nelles enough authority to carry out his duties.

On November 26, Nelles sent Macdonald copies of various memoranda which he had received from the VCNS, CNEC, CNES, and DOD, followed by his own report on the next day.<sup>43</sup> These memoranda were in response to Macdonald's November 20 charges of incompetence. Both Nelles and the Naval Staff explained that they were doing all that could be done to improve the equipment situation within the RCN. All of these memoranda were lengthy accounts, and in many instances highly technical. Lacking a complete understanding of the equipment crisis it should not be surprising that Macdonald immediately handed these memoranda to Connolly for analysis. Connolly was not impressed with these memoranda from Nelles and the Naval Staff as he informed Macdonald that: "None of the memorandum attached admit fault anywhere. Everything is explained. It seems that better results are practically beyond our control." This was contrary to the information Connolly had received overseas, where he was informed that NSHQ could modernize the fleet if they only made the effort. Having been provided with specific examples of Canadian equipment problems while in Londonderry, Connolly began to suspect that NSHQ was either truly ignorant of the full extent of the equipment crisis, or that some members of the Naval Staff were purposely attempting to "cover-up" their negligence by withholding details from Macdonald. For example, Connolly noted to Macdonald that:

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<sup>43</sup> Nelles to Macdonald, 26 November 1943, PANS, Macdonald Papers, MG2, F 276/32, F276/33. Within these memoranda Nelles noted that he had "directed V.C.N.S., C.N.E. & C., C.N.E.&S., and D.O.D. to write their free and frank comments - these are attached hereto." Nelles was unprepared to answer Macdonald's charges in his November 20 memorandum as he continued by noting that: "I intended to put my own comments to this piece of paper, but in the rush to get to you my papers on Modernization, it has been impractical to tackle it with the care it needs." For the memoranda sent to Nelles by the Naval Staff see: PANS, Macdonald Papers, MG 2, F276/35, F276/36, and F276/37.

All of the explanations given are general. No statement is produced showing the individual state of equipment of any single ship and its comparative position with regard to similar R.N. ships.... No one suggests how many of our ships are now modern and to what degree, and how quickly they will be completely modern.<sup>44</sup>

Out of all the memoranda from the Naval Staff, it was Stephen's summation which Connolly found the most perplexing. Since this memorandum had been written by the CNEC it was quite naturally a highly technical account. In fact, Connolly was forced to admit that he was unable to help Macdonald understand the memorandum "unless I could see Conklin or some other officers in Londonderry, who gave me the information which I supplied to you." This was an important admission by Connolly since it exposed the fact that neither he nor Macdonald fully understood the nuances of Naval warfare and technology. Furthermore, it revealed that without direct access to the officers overseas who had provided him with information, Connolly could not furnish Macdonald with all the answers he required. Instead, Connolly responded to Stephens' claim that the situation was "not in a bad way" by noting that: "this is not the impression conveyed in the memos of our own Captain "D" and East Coast Flag Officers. Nor is it the impression conveyed by the officials in the U.K. who know the problem."<sup>45</sup> Although he did not fully understand Stephens' memorandum, Connolly nevertheless passed judgment on its contents by informing Macdonald that it left the majority of his charges unanswered.

The fact that the CNS had sent various memoranda from the Naval Staff to Macdonald before his own, only reinforced Connolly's belief that Nelles had not been kept fully informed on the development of the equipment crisis. As a result, Connolly was not surprised by Nelles' rather timid response to Macdonald's charges. However, some of Nelles' comments gave the executive assistant reason for concern. Due to the secretive and aggressive manner in which Connolly and Macdonald had confronted the Naval Staff, Nelles was beginning to form the impression that his position as CNS was in danger.<sup>46</sup> Therefore, he began to make statements which implied that Macdonald was not entirely blameless for the state of equipment within the RCN. For example, Nelles informed the Macdonald that:

I am completely baffled when I try to fathom why you did not know of the state of affairs practically from the time you took office. It was my particular care to keep you informed of every conceivable thing or happening, even to things that are of no consequence... Time and again at Naval Council, and afterwards at Naval Board, I have heard the Chief of

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<sup>44</sup> Connolly to Macdonald, nd. [28 November 1943], PAC, Connolly papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov. 1943-1944,' 5.

<sup>45</sup> Ibid., 4.

<sup>46</sup> Milner, North Atlantic Run, 264,

Naval Engineering and Construction inform you that we could not get on with the work  
'because we have no plans...'<sup>47</sup>

Not only had Nelles raised a telling point, but it was also apparent to Connolly that the CNS was well aware of Macdonald's negligence in the matter. Connolly found it difficult in his memorandum to Macdonald to counter Nelles' accusation. Referring to Rowland's memorandum, and Reid's accompanying cover-letter, Connolly attempted to defend the minister's position by noting that the situation had not been taken seriously by the Naval Staff, and had never been brought to Macdonald's attention.<sup>48</sup> Connolly's position was extremely weak. He believed that Macdonald's ignorance of the situation was justified because Nelles had not kept him properly informed. On the other hand, he felt that Nelles could be held accountable for the fact that certain members of the Naval Staff had not passed these crucial criticisms on to the CNS between May to August, 1943. It is hard to believe that a man of Connolly's intelligence did not notice this glaring discrepancy. However, as the minister's executive assistant, it was Connolly's duty to protect Macdonald. After reading Nelles' comments it was becoming obvious to Connolly that this was not going to be an easy task.

Within the sixty-three points raised by the CNS, Connolly took particular exception to Nelles' claim that the June reorganization of the Naval Staff had led to a marked improvement in the equipment situation. Nelles' comments on the reorganization translated into a defense of the Naval Staff. Even though Creery was one of the key individuals who had failed to pass important memoranda to Nelles, he noted that the creation of the position of ACNS was valuable since it unified the activities of the Naval Staff, and coordinated the conduct of anti-submarine warfare. Remarkably, Nelles also noted that Creery's position was essential because he kept in touch with the needs of the ships at sea and he would also receive all important correspondence "bringing them to the Chief of Naval Staff's attention for decision."<sup>49</sup> As has been seen, Nelles' ignorance of the equipment crisis was largely due to Creery. Believing the equipment crisis to be a minor policy issue, Creery often acted independently on these memoranda between May to August 1943 and therefore failed to bring many of them to the CNS' attention.

Connolly did not believe that the June reorganization of the Naval Staff had improved the situation, and in fact he felt that it was largely responsible for NSHQ's delayed response to the

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<sup>47</sup> Nelles to Macdonald, 27 November 1943, PANS, Macdonald Papers, MG2, F276/34.

<sup>48</sup> Connolly to Macdonald, nd. [28 November 1943], PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 November 1943-1944,' 2.

<sup>49</sup> Nelles to Macdonald, 27 November 1943, PANS, Macdonald Papers, MG2, F276/34, 3.

equipment crisis. In Connolly's opinion, establishing a new organization was not sufficient to correct a problem of this magnitude. In a memorandum, Connolly explained that:

There was a new Staff organized at N.S.H.Q. in June. In the same month, D.W.T. was appointed... It [the reorganization] has probably been devised by Captain Johnstone. The Minister cannot give advice on these problems. He can only judge results. The reports which have been made to him indicate no satisfactory results have been achieved, and no one has complained that the reports[which Macdonald sent in return] are exaggerated and untrue... To set up an organization, however, is not enough... Our failure to solve it is not a good explanation of why we fail in our main objective, which is to provide ships that are efficient fighting units.<sup>50</sup>

The ultimate proof for the executive assistant was that the Rowland, Bidwell and Adams memoranda still had not been given to the minister even after the reorganization. Furthermore, he felt that the reorganized Naval Staff had failed since "no satisfactory results have been achieved" under their direction. In reality, Connolly realized that the people who were truly responsible for failing to bring the equipment crisis to Macdonald's attention were the officers on the Naval Staff, and not Nelles. For example, Connolly informed the minister that, "Too many people are involved in some of the problems for you to find out all who are guilty. No one would expect you to deal with the situation in this way."<sup>51</sup> It appears that Connolly realized that to engage in a "witch-hunt" for the members of the Naval Staff who were responsible for the poor state of equipment would risk the possibility that the entire situation would become public knowledge and thereby expose Macdonald's negligence. Nelles praised the entire Staff by the end of his memorandum, and singled out Jones and Creery, amongst others, as "the best officers in the Service to N.S.H.Q."<sup>52</sup> This was truly a magnanimous gesture by Nelles, as he was defending the very officers who had failed him. However, believing that it would be nearly impossible to single out specific members of the Naval Staff for punishment, Connolly then decided to focus his attention on Nelles.

The memoranda from Nelles, and the Naval Staff had sent a definite and troubling message to Connolly. Faced with Macdonald's charges of incompetence, it was clear to Connolly that the Naval Staff was unwilling to accept sole responsibility for the equipment crisis. More importantly, Nelles had stated outright that Macdonald could not blame the Naval Staff for his

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<sup>50</sup> Connolly to Macdonald, nd. [28 November 1943], PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov 1943-1944,' 3.

<sup>51</sup> Connolly to Macdonald, Unsigned memorandum for the minister, 30 November 1943, PAC, Connolly's Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov 1943-1944,' 2.

<sup>52</sup> Nelles to Macdonald, 27 November 1943, PANS, Macdonald Papers, MG2, F276/39, 9.

ignorance in the matter. With a degree of defiance, Nelles had fired a broadside at Macdonald when he noted:

The object of this paper is to prove to you that the modernization of fighting ships is a very live and constant problem which is being actively tackled with every possible means, both by myself and the Naval Staff, and has been for a great many years... hence my difficulty in understanding why it hasn't embroiled you as it should have as soon as you took over the department.<sup>53</sup>

This marked a turning point for Connolly. Realizing that the Naval Staff would not accept any responsibility for the equipment crisis, Connolly feared that Macdonald's political career would be in jeopardy. The implication was that if the Naval Staff was not entirely to blame, than Macdonald also shared some responsibility for the equipment crisis. The danger was the uncertainty of to what degree parliament and the Canadian public would hold Macdonald accountable. Looking at the explanation for the equipment crisis as given by Nelles and the Naval Staff in their November 27 memorandum, Connolly asked Macdonald:

The question is, would the House of Commons or the public accept the explanation as good enough? Do the men at sea accept these explanations? The historical fact that our ships have lacked modernization and that we have always had trouble with the problem, at least should prove that if we knew the problem so well from 1910 until now, we should have been better able to meet it.<sup>54</sup>

Due to these uncertainties, Connolly decided on November 30, that it was time for the Macdonald to take direct action.

By late November Connolly admitted to Macdonald that his views were now prejudiced. Having witnessed the hardships of life onboard a corvette during his voyage on *Orillia*, Connolly felt obligated to the men at sea and was disappointed that it appeared as though NSHQ was oblivious to their plight. He felt that it was merely a question of luck that serious disaster had not befallen the RCN. "If this luck does not continue" he informed Macdonald, "neither we nor the relatives of men lost in our ships will be very comfortable about the matter." Sensing the political danger associated with "bereaved civilians" Connolly then reported a more serious charge to Macdonald:

I am also prejudiced because I think every devise [sic] known to N.S.H.Q. is being used to cover up. I know this from rumours, from direct verbal statements, from documents. As your assistant not only do I resent this treatment which you get, but I am bound to report

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<sup>53</sup> Ibid.

<sup>54</sup> Connolly to Macdonald, nd. [28 November], PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov. 1943-44.'

it. Excuses and explanations in the absence of an energetic overall plan merely add to the fire.<sup>55</sup>

Although it was his investigation which had revealed the details of the equipment crisis, as well as the fact that he had researched and written most of the memorandum to Nelles, Connolly praised Macdonald for discovering "a condition at N.S.H.Q." While his devotion to Macdonald was admirable, Connolly was clearly the man in charge of the situation. Not only did Connolly possessed a better understanding of the modernization problems from his overseas investigation, but now he was about to give Macdonald instruction on how to save his own political career.

As has been noted, Connolly had formed the opinion during his investigation that some members of the RCNVR wanted someone to be held responsible for the state of equipment within the fleet. Consequently, he believed that sweeping changes were required at NSHQ since "In due time, of course, the whole business will get to the men at sea.... what will they say if no effective action is taken." The key issue was credibility, as it appeared that neither the men at sea nor the Navy Department would take Macdonald seriously if it was ever discovered that the he had been aware of the equipment crisis, and yet had not taken any strong action to correct the situation. Quite naturally, what Connolly feared the most was the ramifications for Macdonald if this situation was ever discovered by the public and parliament. For example, under the heading of "Implications of a political (public) nature," he informed Macdonald in his November 30 memorandum that:

Some day this story will be out in whole, or in part. It will be aired in public (parliament, press, platform.) If this happens while you are Minister, and it could begin this session, yours will be the burden of explaining and justifying your position. Unless you have strong action to point to, your lot will not be easy.<sup>56</sup>

For Connolly it was only a matter of time before the equipment crisis would become public knowledge and therefore the strongest action he could imagine to protect Macdonald was to fire Nelles. Realizing that it was impossible to take action against the entire Naval Staff, he decided that they would have to use Nelles as an example. "Firing Nelles won't remedy the repair problems or the N.S.H.Q. problem," he informed Macdonald, but "the shake down which his successor must carry, might go a long way." While this might have been true, Connolly's attempt to justify Nelles' removal was less than satisfactory as he informed Macdonald that:

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<sup>55</sup> Connolly to Macdonald, unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32 C71, Vol3, 'Equipment on RCN ships 22 Nov. 1943-1944,' 1.

<sup>56</sup> Connolly to Macdonald, unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'equipment on RCN ships 22 Nov. 1943-1944.'

The Navy knows one rule well - the captain bears the responsibility for his ship. This of course must be applied with a view to the equalities of a given situation. In this case, looking at the facts, at the men, at the statute, I am unable to escape the conclusion that you must move the C.N.S.<sup>57</sup>

What Connolly seemed to have forgotten was that, as minister of the navy, it was Macdonald, and not Nelles, who bore the ultimate responsibility for the affairs of the RCN. Nevertheless, the underlying message within this memorandum was that, in order to save his political career, Macdonald would have to have “strong action to point to” once the equipment crisis became public knowledge. Furthermore, realizing that the confrontation with the Naval Staff was approaching a climax, Connolly exerted pressure on Macdonald when he informed him that “Accordingly the decision must be made soon.”<sup>58</sup>

Connolly’s November 30 memorandum to Macdonald was ten pages in length. It identified all the political dangers which faced Macdonald, and the options available to him. In reality, however, his final recommendation indicated that Macdonald had only one option. If there was to be any hope of saving his career once the equipment crisis became public knowledge it was to fire Nelles. While Macdonald was convinced by Connolly’s logic, he was unwilling to take immediate action. It appears that Macdonald was afraid that if Nelles’ dismissal was handled improperly, he risked the possibility that the equipment crisis would become public knowledge sooner than anticipated.

By late November, it had become obvious to Nelles that he was the target of Macdonald’s anger. Having secured advice from Naval legal experts, Nelles believed that he “could probably forstall [sic] any effective action on the part of the Minister by demanding a court martial.”<sup>59</sup> The implication was that “the Minister was precluded from taking any action now” because Nelles’ threat of defending himself through a court martial would ensure that the entire affair would be aired in public. With a new sense of confidence, and believing that his days as CNS were numbered, Nelles sent a continuation of his November 27 memorandum to Macdonald on December 4. It was evident from the tone of this lengthy continuation that Nelles had had enough, as many of his criticisms were now directed specifically at Macdonald.

As with Nelles’ November 27 submission, Macdonald’s first reaction to the December 4 memorandum was to pass it to Connolly. After analyzing this memorandum, Connolly claimed

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<sup>57</sup> Ibid., 4.

<sup>58</sup> Ibid., 5.

<sup>59</sup> Connolly to Macdonald, ‘The Governor General,’ 30 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN Ships 22 Nov. 1943-1944.’

that the majority of its contents most likely came from various members of the Naval Staff rather than Nelles. While he did not doubt that Nelles wrote the final draft, Connolly felt that the majority of the memorandum could be attributed to Johnstone. Connolly believed that it was Johnstone, more than any other individual, who should have been held responsible for the navy's modernization problems. For example, on November 30 he had informed Macdonald that: "In the Navy, in this case, it's hard to put the blame on one man. It runs through the organization. It might be said to fall on C.N.E.S. [Johnstone] if the equipment is bad."<sup>60</sup> As the Chief of Naval Equipment and Supplies, Johnstone bore the primary responsibility for ensuring that Canadian ships received equipment; a task at which he had clearly failed, in Connolly's opinion. However, throughout most of 1943 Johnstone actually headed the Directorate of Organization, which had been responsible for the June reorganization of the Naval Staff. Consequently, Connolly also blamed Johnstone for the organizational problems at NSHQ. In part, Connolly believed that it was because of Johnstone's poor re-organization of the Naval Staff that the more important equipment memoranda (Rowland, Bidwell, and Adams) were never brought to Macdonald's attention. From the fifty-three paragraphs of Nelles' memorandum, Connolly specifically attributed twelve to Johnstone. Pointing to paragraph sixteen of Nelles' account, which discussed a memorandum written by Johnstone on June 18, Connolly informed Macdonald that "This proves the authority of this memo. It is obviously Johnstone's work and perhaps indicates that he... has some blame in the lag at N.S.H.Q."<sup>61</sup> Once again, Connolly was inferring that Nelles had not been properly informed by the members of his Naval Staff, and therefore deserved to be dismissed.

Despite the possibility that most of the information had come from the Naval Staff, Nelles' memorandum represented a successful defence against Macdonald's eight charges of November 20.<sup>62</sup> Nelles began by challenging the covert manner in which Macdonald had investigated the equipment crisis. Retracing the affair to his September 1 response to Macdonald's request for

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<sup>60</sup> Connolly to Macdonald, Unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN Ships 22 Nov 1943-1944,' 7. As previously noted, Johnstone assumed the position of CNES in October 1943 and therefore was not in charge of the Division throughout the majority of 1943. Consequently, it is difficult to understand why Connolly felt that Johnstone was to blame for a crisis which had developed well before he assumed the position of CNES. Throughout 1943 Johnstone headed the Directorate of Organization. Even though this position was abolished at the end of 1943, Johnstone continued to give advice on organizational matters. In fact, Johnstone found that he had "become a special assistant to the C.N.S." In this capacity he found that he would revert to his former duties of organizing whenever it was needed. Therefore, it appears that Connolly felt that Johnstone was not only responsible for the "failed" reorganization of the Naval Staff in June 1943, but also for providing poor advice to Nelles on equipment matters. For more information see Tucker, The Naval Service of Canada, 431.

<sup>61</sup> Connolly to Macdonald, 'JJC rough notes on Nelles' memo,' nd [December 5 1943], PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov. 1943-1944,' 1.

<sup>62</sup> Milner, North Atlantic Run, 261. and Zimmerman, The Great Naval Battle, 143.

information, Nelles charged that for a period of two months and twenty days, the minister had not given him any indication that he was unhappy with the state of equipment within the RCN.<sup>63</sup> While Connolly was aware of this fact, his despondency towards the CNS' argument was apparent as he simply noted to the minister: "So what."<sup>64</sup> Nevertheless, Nelles had a legitimate point since Macdonald never understood the equipment crisis until Connolly had returned from overseas. Due to his unfamiliarity with the Navy's modernization problem, Macdonald had never pressed the seriousness of the crisis and thereby denied Nelles and the Naval Staff a chance to rectify it.

Nelles set the tone for the rest of the memorandum by noting that Macdonald's November 20 memorandum amounted to a serious charge of neglect against almost every Naval Officer at NSHQ. Nelles' memorandum was not so much a defence of himself, but rather the Naval Staff. Part of this defence involved taking a more aggressive stand against Macdonald as Nelles charged: "I still can not tell you why you were not specifically informed of our modernization problem which has been going on all about you for a long time."<sup>65</sup> With a certain degree of defiance, Nelles then stated that "One of my present worries is what else you don't know." Although this represented an affront to the minister's position, Connolly did not believe that it had originated from Nelles, as he informed Macdonald that "this too is Johnstone."<sup>66</sup>

Nelles also challenged how Macdonald had used the Rowland and Bidwell memoranda to attack the Naval Staff. In his opinion, Macdonald had exaggerated the contents of these memoranda, and also misinterpreted the reason why they were written. Nelles realized that Macdonald believed that these memoranda not only provided the ultimate proof that NSHQ had been aware of the equipment crisis, but also that they had failed to inform him of its existence. As a result, Nelles argued that there was more than one way to interpret these memoranda. "In my opinion one cannot and should not just pick out sentences, or even paragraphs from a report and form conclusions therefrom," he informed Macdonald, "because I regret that in this case you appear to have entirely misread the intention of the memorandum according to my interpretation of it."<sup>67</sup> Connolly was unconvinced by Nelles' argument. Again blaming Johnstone for Nelles' statement, and influenced by the information provided by the officers in Londonderry, Connolly

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<sup>63</sup> Nelles to Macdonald, 4 December 1943, PANS, Macdonald Papers, MG2, F 276/39, 1.

<sup>64</sup> Connolly to Macdonald, 'JJC rough notes on Nelles memo,' nd. [5 December 1943], PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov 1943-1944,' 1.

<sup>65</sup> Nelles to Macdonald, 4 December 1943, PANS, Macdonald Papers, MG 2, F 276/39.

<sup>66</sup> Connolly to Macdonald, 'JJC rough notes on Nelles memo,' nd. [5 December 1943], PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov. 1943-1944.'

<sup>67</sup> Nelles to Macdonald, 4 December 1943, PANS, Macdonald Papers, MG2, F276/39.

informed Macdonald that: "Capt D. [Rowland] can't be so far wrong when the men in Derry + elsewhere support him so strongly. Johnstone here tries to make an argument, which he can't." <sup>68</sup>

It was apparent from the tone of this memorandum that Nelles was now on the offensive. He constantly stressed that Macdonald had not treated the Naval Staff fairly in his sudden confrontation with them over the state of equipment within the RCN. Unwilling to subscribe to the minister's interpretation that he was a victim of NSHQ's negligence, Nelles fired back that he could not understand Macdonald's "hesitancy in asking for further information on Service matters when we meet six days out of seven every week to discuss just such things." <sup>69</sup> Connolly interpreted this statement as an attempt to fix the blame for the equipment crisis squarely on Macdonald as he noted that: "This is most important for the C.N.S. It indicates Johnstone's desire to put you on the spot. You didn't act quickly, he indicates, in getting some thing done before Nov. 20/43." Connolly was convinced that Johnstone had purposely been consulted by various members of the Naval Staff to make an argument to discredit Macdonald. Whether or not this was true is uncertain. What is important was that Connolly believed that the Naval Staff was now conspiring against Macdonald.

Although he was convinced that most of Nelles' memorandum could be credited to Johnstone, Connolly once again reiterated his belief that Macdonald had to send a powerful message to the Naval Staff by firing Nelles. He wanted to take specific action against Johnstone, but realized that this would be difficult because "the so called incriminating files did not go to him, according to the record." <sup>70</sup> While action against Johnstone was impossible, Nelles was a different matter since his dismissal could be justified because he was ultimately responsible for any actions carried out by the Naval Staff. To Connolly, Nelles' December 4 memorandum represented a direct challenge to Macdonald's authority. He understood Macdonald's fear that Nelles' dismissal could immediately lead to the entire affair becoming public knowledge, but he felt that his credibility before the Naval Staff would be irreparably damaged if he did not take direct action. In an effort to overcome Macdonald's reluctance Connolly stated that:

In light of your own reasoned memo and of the existing situation in the Navy, it is impossible to read the memo of the C.N.S. without concluding 1) Either he doesn't appreciate what has gone on. 2) Or, he is determined to resist you on this matter to the end.

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<sup>68</sup> Connolly to Macdonald, 'JJC rough notes on Nelles memo,' nd. [5 December 1943], PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov. 1943-1944,'

<sup>69</sup> Nelles to Macdonald, 4 December 1943, PANS, Macdonald papers, MG2, F 276/39, 5.

<sup>70</sup> Connolly to Macdonald, Unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov 1943-1944,' 7.

In either case, I am bound to say that for one, I cannot read it dispassionately. The first thing to note is that he makes no recommendation, he takes no responsibility... The implication clearly is that you alone must decide of course when the time to take the bows [sic] comes.<sup>71</sup>

While Connolly wanted to send the Naval Staff a message, he had other reasons to encourage Macdonald to make a decision regarding Nelles' dismissal. This involved his belief that it would take time to devise a plan which would ensure the public would not discover the real reasons for Nelles' dismissal.<sup>72</sup>

Unfortunately, there does not appear to be any hard evidence to pinpoint exactly when Macdonald decided to follow Connolly's recommendations. Considering the tone of his December 10 response to both of Nelles' memoranda, it is likely that Macdonald was becoming convinced that the CNS would have to be replaced. The first topic Macdonald addressed within this memorandum was Nelles' charge that he had absolutely no right to claim that the Naval Staff had failed to keep him informed on the equipment crisis. With no more regard to civility, Macdonald noted that:

The imitation here seems to be that if there is anything wrong with the ships, it is my fault as much as anybody else's. This, of course, is an old method of controversy, the method of getting everybody blamed or everybody blameless.<sup>73</sup>

In an attempt to clarify the situation, Macdonald stated that he had a general understanding of the equipment crisis prior to November 20. The minister noted that, as a civilian representative, his knowledge of naval technology was not extensive and therefore he required expert advice from the Naval Staff so that he could make informed decisions. Had they done this, Macdonald explained, he would have spared no effort to ensure that Canadian ships received the equipment they required. The implication was that it was the Naval Staff who were to blame for the minister's ignorance since Macdonald claimed that "something beyond mere general statements was necessary if I was to be properly informed on the point."<sup>74</sup>

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<sup>71</sup> Connolly to Macdonald, nd. [December 1943], PAC, Connolly Papers, MG32C71, Vol 4, 'Naval Personnel nd 1940-1945.'

<sup>72</sup> Connolly to Macdonald, Unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov 1943-1944.'

<sup>73</sup> Macdonald to Nelles, 10 December 1943, PANS, Macdonald Papers, MG2, F276/47.

<sup>74</sup> Ibid. To a large degree it appears that Nelles was unable to keep Macdonald "properly informed" because he was also unaware of the true state of the RCN. In fact, in a letter to British Admiral Sir Charles Kennedy-Purvis, Nelles admitted that NSHQ was even unaware of where its own ships were located. For example, Nelles noted: "The purpose about which I am writing, I realize, will not win or lose wars, and yet, to N.S.H.Q., it is of importance. It is the necessity for us to know the whereabouts, destinations, etc., of H.M.C. Ships wherever they are trying to pull their weight." See Nelles to Admiral Kennedy-Purvis, 13 December 1943, Dhist, Nelles Papers, Folder B:19.

Since Connolly had informed the minister that it would be virtually impossible to punish individual members of the Naval Staff, Macdonald then took direct aim at Nelles. Macdonald was particularly disturbed by the suggestion within Nelles' memorandum that "unless I [Macdonald] call specifically for certain information I cannot afterwards complain that it was not given to me." The purpose of the Naval Staff was to advise him, Macdonald reiterated, and not to withhold information. This was especially true with regards to technical matters which were of a "nature with which a Minister ordinarily is not familiar." It was clear that Macdonald was holding Nelles responsible for this failure as he charged that:

For the above and other reasons, therefore, I repel and repudiate the suggestion that if I did not know certain conditions that it was my own fault. On a question of such importance it was the duty of C.N.S. to bring before me in the most forcible and graphic and explicit way possible the true position of the Canadian Navy.<sup>75</sup>

With all pretense of civility long gone, Macdonald informed Nelles that: "No amount of argument or defence can reconcile me to an acceptance of this result with any degree of equanimity or approval."<sup>76</sup> In other words, Macdonald was unwilling to tolerate any more defences by Nelles. There was an appreciable change in Macdonald's tactics within this memorandum as he was no longer spreading the blame amongst the entire Naval Staff. Instead, Macdonald began to focus most of his criticisms squarely at Nelles.

Admittedly, there is no direct evidence from Macdonald's files which prove that he was following Connolly's advice. However, it is extremely difficult to accept it as coincident that Macdonald was now following all the recommendations which Connolly had outlined in his November 30 memorandum. Only one week earlier Connolly had not only recommended that Nelles be fired, but that it was both 'impossible' and 'undesirable' to take action against the entire Naval Staff. Having a heavy reliance on Connolly, it should hardly be surprising that Macdonald had now shifted the focus of his attention to Nelles.

This correspondence also exposed the fact that the confidence between the minister and the CNS, which was essential for the successful operation of the navy, had been completely shattered. Nelles' and Macdonald's relationship had developed into a disruptive feud of charges and counter-charges. The damage this feud was causing was irreparable as it was obvious that the two men

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<sup>75</sup> Ibid.

<sup>76</sup> Macdonald to Nelles, Draft memorandum, 9 December 1943, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN Ships Nov 22 1943-1944,' 5.

could no longer work together. The problem for Macdonald was how to relieve Nelles without parliament, or the public becoming aware of the reasons why this action was deemed necessary.

This task was complicated by the fact that Macdonald's dispute with King over the balanced fleet was about to approach a climax. As has been noted, King was hesitant to acquire cruisers and aircraft carriers because their uncertain cost, and was also suspicious of the manner in which their proposed acquisition had been brought before the War Cabinet. To make matters more difficult for Macdonald, King had received confirmation that it was the Navy Department rather than the British who had requested that Canada acquire these vessels. This confirmation was the result of a statement by British Admiral Sir Percy Noble, who was visiting Ottawa in late November. On November 27, reports appeared in various newspapers that Noble appreciated Canada's ambition to add cruisers to the navy in an effort to acquire a post-war balanced fleet.<sup>77</sup> King was shocked and dismayed by these accounts within the newspapers. For King, this statement by Noble vindicated the charge he had made on September 8, that the navy had engaged in "behind the scenes" politicking in order to acquire cruisers and aircraft carriers. Later that day, King met personally with Noble in an attempt to uncover the true story of how the acquisition of the cruisers and aircraft carriers was brought before the War Cabinet. While Noble did not disclose many particulars, he said enough to convince King that:

This is very different from what the Navy Department proposed. Sir Percy's statement in morning's press reveals it was our department rather than the British that really occasioned the cruisers being forced upon us by Churchill and Dudley Pound. Noble speaks of it as Canada's ambition to have a balanced Navy after the war. I do not think the war ministers have played the game with the rest of the Cabinet in the way they have forced the pace for their services. Certainly none have had consideration for the tax payer.<sup>78</sup>

King felt that the real purpose of Noble's visit was to secure his approval for the acceptance of the aircraft carriers. Believing that he had uncovered a covert plan by the Navy Department to acquire cruisers and aircraft carriers, King was now determined to resist their procurement. More importantly, he no longer trusted Macdonald.

Since the beginning of the war, Macdonald's and King's professional relationship had worsened. Through a series of political conflicts the two men expressed hostility, and at times, even contempt for one another.<sup>79</sup> Most notably, Macdonald had caused King considerable distress with his attitude and actions during the conscription crisis of 1942. Not only was Macdonald a strong advocate of conscription, but his attitude towards Quebec during this crisis had caused King

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<sup>77</sup> *Globe and Mail*, Toronto, 27 November 1943.

<sup>78</sup> King diary, 27 November 1943, Vol 195:1055.

<sup>79</sup> John Hawkins, *The Life and Times of Angus L.* (Winsor, N.S.: Lancelot Press Ltd, 1969), 221-222.

problems with French Canadians both within the country, and in Cabinet.<sup>80</sup> As the war progressed it became increasingly difficult for Macdonald to conceal his dislike for King. For example, after discussing government policy with Macdonald, Grant Dexter noted that these opinions could be discounted "on account of his keen and continuing dislike of the 'Big Shot.' [King]"<sup>81</sup> An even more damaging indication of Macdonald's disdain for King can be found within his personal notes. Marked 'SECRET' and entitled "Mackenzie King and Me," this document read in part: "he is always down in Quebec coaxing the French Canadian vote, or off at some half assed meeting with two other silly asses and I'm fed up doing all the work myself."<sup>82</sup> While Macdonald never voiced these opinions directly to King (and it is extremely unlikely that he would have kept his cabinet post if he had), his actions in November and December 1943 were enough to irritate the Prime Minister.

In November 1943 King was suspicious of the manner in which his naval minister had attempted to secure a balanced fleet, but to add to this mistrust he was disturbed by a speech made by Macdonald on November 26, 1943. King recorded his thoughts on this speech within his diary when he noted:

Angus Macdonald spoke just ahead of me. He talked about the Liberal Party having met with serious defeat. This put me on my mettle. I told the audience I could not admit the least defeat. I would not agree that Ontario results had anything to do with the Federal, and said we had not lost a seat in Ontario since the last election.<sup>83</sup>

After spending the past two months attempting to elevate his Cabinet's panic-stricken response to the August elections, King felt that Macdonald's comments were unwarranted. It was a delicate time for King since the Liberals were still developing their Social Security program.

As noted earlier, King believed that the development of the Welfare State within Canada was linked to the stability of his own Party. He had used the concept of Social Security to give his Cabinet a rejuvenated sense of purpose, and the feeling that they could recapture the confidence of the people. The problem was that such a complex policy would take time to develop. In the meantime, some Liberals, such as Macdonald, once again became concerned that the Party had lost touch with the electorate. This feeling within Ottawa was captured by Grant Dexter who noted on November 1, that:

The more I watch things here the more it seems to me that the government is comprised of burnt out men. They are finished, except that they can run the war... After the recent caucus and meeting of the National Liberal Federation [September 24, 27-28] there was a very

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<sup>80</sup> For more information on Macdonald's and King's relationship during the Conscription Crisis see: J.L. Granatstein. Broken Promises (Toronto: Oxford University Press, 1977).

<sup>81</sup> Gibson, Ottawa at War, 429.

<sup>82</sup> Personal Notes, nd., PANS, Macdonald Papers, MG2, F 425/9.

<sup>83</sup> King diary, 26 November 1943, Vol 195:1054.

encouraging flurry of optimism but this has all seeped away. They are back where they were and I can see no disposition to stand up to the C.C.F., to contest the field.<sup>84</sup>

Up until this juncture, the public had heard many promises from the Liberals, but they had seen few results. Under the leadership of Ian Mackenzie, Brooke Claxton and James Isley, a group of younger bureaucrats such as Clifford Clark, and J.W. Pickersgill, had formulated the nucleus of Canada's post-war Social Security net by late November 1943. This program, and the organization of a new Reconstruction Department, were discussed by the government throughout December. Establishing this new policy would take the concentrated effort of the entire Cabinet, and King realized that this was not going to be an easy task. After one Cabinet meeting King noted that; "as we proceeded members began, I think, to appreciate what an appalling series of problems are before the government... and how exceedingly difficult the whole matter of reconstruction and post-war reconstruction is going to be."<sup>85</sup> All the while the public grew restless as the Liberal's were forced to contend with more Labour unrest, and a coal miners' strike in Alberta and British Columbia.<sup>86</sup>

By late November, the pressure of governing a nation at war was taking a tremendous toll on King. On November 29, King confided to his diary that his "nerves seem to be completely on edge, almost anything makes me feel that I might breakdown. I could not face the possibility of meeting Parliament in the condition."<sup>87</sup> King was concerned with the "political situation" and annoyed that certain changes with the "Liberal party reorganization" had not been carried out. Referring to his loss of temper at the Cabinet meeting of November 30, King noted that: "I had never had occasion speak out to colleagues as I had this afternoon... I then said I was sorry for what I had said but that it was meant for most in the party's interest."<sup>88</sup> As with his reaction to the Party's crisis in September, King once again thought about resigning. "I wish with all my heart that they would arrange to have someone take over the leadership of the party," he admitted to his diary, "and let me out of it altogether."<sup>89</sup> It was a delicate period for the Liberal party; a time that would have

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<sup>84</sup> Gibson, *Ottawa at War*, 446.

<sup>85</sup> King diary, 6 January 1944, Vol 197: 13.

<sup>86</sup> Stacey, *Arms, Men and Governments*, 407-409.

<sup>87</sup> King diary, 29 November 1943, Vol 195:1059.

<sup>88</sup> Pickersgill, *The Mackenzie King Record*, 600.

<sup>89</sup> In a similar fashion to the September Cabinet crisis, King used his own initiative to "rescue the Party." On December 4, he made a broadcast to the Canadian people entitled, "The Fight against Inflation." It was a far reaching statement on government policy which outlined the Liberal's continued commitment to social security and human welfare. After the speech, King felt that he "had cut out the ground in large part from under the C.C.F.," and had "given the Liberal Party a place of new beginning if we only follow up with effective organization." Action soon followed as the Cabinet approved the establishment of three new Departments: Reconstruction, Veterans Affairs, and National Health and Welfare. Hailed as a "land mark in the development of the social security state in Canada," the

been severely complicated by a scandal within the navy. Given King's condition in late November 1943, there can be little doubt that he would have held Macdonald in contempt if he, or the public, had discovered what was occurring within the navy.

When it came to protecting the Party's image, King had no problem dismissing or reassigning ministers. Historian Jack Granatstein best describes the fate which could have befallen Macdonald when he noted that: "As any prime minister must, King could wield his axe ruthlessly when necessary."<sup>90</sup> Considering these dangers to Macdonald's career, both his recalcitrant attitude towards the prime minister and his aggressive balanced fleet policy during the later half of 1943 are difficult to explain. He was an intelligent man, and an experienced politician. These developments within the Liberal party and the domestic scene were occurring when Macdonald was engaged in an embarrassing confrontation with Nelles and the Naval Staff. Above all, Macdonald had to ensure that King and the Canadian public did not discover that the present RCN escort fleet was suffering from a crippling equipment crisis. If any of this was discovered, Macdonald's fate would have depended on the support he received from King and his fellow colleagues. Yet he continued to antagonize King throughout the Winter of 1943-44, especially with his nefarious and politically dangerous campaign to secure a post-war balanced fleet for the RCN. In specific, Macdonald would find by January 1944 that his attempt to acquire aircraft carriers for the RCN would place him at logger heads with King. The more King resisted the procurement of these vessels, the harder Macdonald pushed. This complicated situation was largely Macdonald's own doing, and it would take the Herculean effort of Connolly to ensure that the minister would survive politically.

Macdonald had already decided that the shipbuilding program would be drastically cut to ensure that the aircraft carriers were accepted. On December 7, the Naval Board cancelled 41 frigates and 11 corvettes which were to be built in 1944.<sup>91</sup> Although Connolly had been informed overseas that the escort program needed to be curtailed in order to modernize the fleet, this decision to cut the construction program was made to placate King's hesitancy on the costs of the balanced fleet. King was aware of this fact as he noted in his diary on December 16, that: "The Department has agreed to cut down a large part of their proposed addition to the Navy in other ships [escorts]

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Throne Speech of January 27, 1944 finally showed the Canadian public that the Liberals were serious about fulfilling their promises. Moreover, with a comprehensive social security program finally revealed to the public, the Liberal Party appeared to have gained momentum and found direction. For more information see: Granatstein, *Canada's War*, 276.

<sup>90</sup> J.L. Granatstein "King and His Cabinet: The War Years," in *Mackenzie King: Widening the Debate*, eds. John English and J.O. Stubbs (Toronto: Macmillan, 1977), 178.

<sup>91</sup> 'Development of Canadian Naval Policy,' 21 December 1943, RG 24, Vol 11963, 9-4, 2.

so as to get these particular ships [aircraft carriers].”<sup>92</sup> Unfortunately for Macdonald, this attempt to alleviate the Prime Minister’s concerns failed, as King was still opposed to the acquisition of the aircraft carriers. “I said I felt that they were for post-war use” King recorded in his diary, “and would object to that addition.” Macdonald’s persistent attempts to acquire a balanced fleet had continued to strain his relationship with the Prime Minister. As the vote on the acquisition of the aircraft carriers approached, King began to vent his frustration at Macdonald. Losing confidence in his naval minister, King felt that “Macdonald... seem[s] quite indifferent to what obligations we assume or what extent the Navy was expanding.”<sup>93</sup>

Carried by only one vote, the decision to man the aircraft carriers was passed at the Cabinet War Committee meeting on January 12, 1944.<sup>94</sup> King had chosen to abstain from the vote, as he did not want to be involved with any decisions regarding the aircraft carriers. “I wished to be out of the decision altogether” he informed the committee, “as well as recorded as being against the acquisition.”<sup>95</sup> This was because King was convinced that, due to Macdonald’s and the Navy Department’s efforts, he was powerless to stop the acquisition. King explained his rationale within his diary on January 12 where he noted:

The truth of the matter is that the Department had already made arrangements for the whole business with the British Gov’t to help them because of their lack of manpower, in reality to secure something for post-war purposes. They kept at the business until they secured it by one method or another.<sup>96</sup>

In reality, Macdonald had only secured a partial victory over King. While the two aircraft carriers, which later became HMS *Nabob* and HMS *Puncher*, were manned by Canadians they were never officially transferred to the RCN, and therefore remained under the operational control of the Admiralty.<sup>97</sup> Nevertheless, at the time of the Cabinet War Committee vote, King was frustrated that Macdonald and the Navy Department had placed him in a position where he was forced to

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<sup>92</sup> King diary, 16 December 1943, Vol 196:1109.

<sup>93</sup> King diary, 5 January 1944, Vol 196:9. Between his confrontation with the Naval Staff and his worsening relationship with King, Macdonald was under a great deal of stress during the Winter of 1943-44. Even Macdonald’s health was failing him. Most likely the result of the unbelievable pressure, Macdonald had developed a life threatening duodenal ulcer. Grant Dexter commented on Macdonald’s condition during December 1943 when he noted that: “Angus L was diagnosed at Johns Hopkins as having a duodenal ulcer. He cannot have an operation and anyhow I think they would want him to rest beforehand, and he has no time for rest now. They have put him on a strict diet and routine. They told him that if he wants to live he must obey their rules.” For more information see.: Gibson, *Ottawa at War*, 452.

<sup>94</sup> Macdonald diary, 12 January 1944, PANS, Macdonald Papers, MG2, F 391.

<sup>95</sup> King diary, 5 January 1944, Vol 196:10.

<sup>96</sup> King diary, 12 January 1944, Vol 197:35.

<sup>97</sup> *Annual Departmental Reports, Report of the Department of National Defence for the Fiscal Year ending March 31 1944*, (Ottawa: Edmond Cloutier, 1945), 9.

accept ships which could cause him political difficulties with the electorate.<sup>98</sup> More importantly, he felt that Macdonald had been less than honest with him. "I really felt a source of annoyance at what had been pressed along so hurriedly," King admitted in his diary, "by anything but methods open and aboveboard with the War Committee and the government."<sup>99</sup>

It is interesting to note that King made this admission on the day after the Navy Department had announced that Nelles was going overseas to direct the RCN's involvement with the upcoming invasion. King had opposed the balanced fleet because of its post-war nature, unpredictable cost, as well as the covert manner in which the Navy Department had secured these ships. It is not difficult to imagine, therefore, what King's reaction would have been had he learned that the present escort force required expensive new equipment. Considering that the dispute with King over the balanced fleet was reaching a climax at the same time Nelles was being removed as CNS, the dangers to Macdonald's political career were all too apparent. Connolly was aware that the chances of Macdonald surviving the political fall-out of the equipment crisis depended on their ability to forestall public awareness. Had the real reasons for Nelles' dismissal been discovered at this time, it was feared that Macdonald would not have been able to escape either the public's or King's wrath. Needless to say, Nelles' dismissal was a delicate affair, and both Connolly and Macdonald realized that they had to proceed with caution.

Trouble with King over the balanced fleet was not the only reason why Connolly believed Macdonald's political career might be endangered if the entire affair became public knowledge. He was also disturbed by the fact that there was no way to predict what Nelles' reaction might be if he was fired under the guise of the equipment crisis. Connolly and Macdonald were not the only members of the Navy Department who were nervous about Nelles' reaction. It appears that the deputy minister, Gordon Mills, was also having second thoughts on the necessity of removing Nelles. Mills reported that after dining with him one night, the Governor General had expressed a concern that "all 'his' Chiefs of Staff were being moved from their positions, and that he hoped that a similar action was not about to occur in the Navy." Additionally, Mills referred to Nelles' threat to take the entire matter to a court martial if Macdonald attempted to take action against him. Mills feared that a court martial would allow Nelles to present his version of the story in

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<sup>98</sup> Besides his fear that the Canadian public would disapprove of the expense associated with the acquisition of aircraft carriers, King was also afraid that he would be accused of nepotism. This was because the first Captain for the *Nabob* was going to be H. Nelson Lay, who happened to be King's nephew. The Cabinet was also leery of the fact that the British offered the aircraft carriers as a gift. The fear was that Canada would then be accused of accepting "lend-lease" armaments, a concept which was unpopular with the public. For more information see: Kealy, *A History of Canadian Naval Aviation*, 23-24.

<sup>99</sup> King diary, 15 January 1944, Vol 197:44.

public. Scared of the implications of such action, Mills believed “that no further action is required on this problem. The matter has been thoroughly aired, action has been taken and N.S.H.Q. has had a thorough shaking.”<sup>100</sup>

The atmosphere within the Navy Department was reaching levels of paranoia. Connolly was convinced that certain members of the Naval Staff had “turned” Mills, and that the deputy minister could no longer be trusted because “his thinking is affected by Naval Officers talk (Johnstone & Hibbard and perhaps even C.N.S.) ... he may have some remote blame.” Connolly even went as far as to claim that Mills was now part of the Nelles’ camp since “I understand that Johnstone and the D.M. [Mills] had a hand in the memo prepared by the C.N.S. for you in reply to your charges.” At one point, Connolly even believed that some members of the Naval Staff were conspiring with Mills in an attempt to undermine Macdonald’s authority. For example, he informed Macdonald that:

I can’t get away from the idea that Johnstone was brought in to make an argument. This he would love to do - if you were on the receiving end of it. If he succeeds he then has established himself with Nelles, He now has the D.M. [Deputy Minister: Gordon Mills] He may have the V.C.N.S. + He was the bird who tried to clip your wings and give your power to the Board...<sup>101</sup>

The underlying message was that Macdonald could never be certain of who his true enemies were. The most cautious approach, therefore, was to paint the entire Naval Staff with the same brush.

While Connolly did not take Nelles’ threat of a court martial seriously, he was aware that the escalating tensions between the minister and the CNS increased the possibility that the equipment crisis could be leaked to the public. If Nelles was given a chance to defend his actions, Connolly realized, the ramifications for Macdonald could be disastrous. He therefore stressed to the minister that the “C.N.S. will have a story” and that “he will say he is blameless... he will say why let Jones, Stephens & Lay and others go free while I take it.”<sup>102</sup> Considering that Nelles had defended the Naval Staff in his memos to Macdonald, it is extremely unlikely that he would have blamed his subordinates. Macdonald, however, was a different matter. Cognizant of this threat, Connolly therefore recommended to the minister that “Nelles should not go out disgraced.” The

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<sup>100</sup> Connolly to Macdonald, ‘The Governor General,’ 30 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN ships 22 Nov 1943-1944.’

<sup>101</sup> Connolly to Macdonald, Unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32C71, Vol 3. and Connolly to Macdonald, JJC rough notes on Nelles’ memo,’ nd. [5 December 1943], PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN ships 22 Nov 1943-1944,’ 8.

<sup>102</sup> Ibid., 8.

task which faced Macdonald was how to remove Nelles while at the same time guaranteeing his silence on the matter. Once again, it was his executive assistant who devised a brilliant solution.

Connolly presented Macdonald with a number of options on how to remove Nelles. These alternatives included retirement, Commanding Officer Pacific Coast, a Washington appointment, or a position in London. In an effort to ensure the CNS' silence, Connolly recommended that Nelles should have the option of which position he preferred. It was advantageous for Connolly's plan if Nelles was sent to the United Kingdom. "London, which has not been publicized" he informed Macdonald, "could be inflated." There were a number of benefits to relocating Nelles to London. First it was overseas, and therefore far away from the Ottawa Press corps. Second, it would be easier to explain Nelles' removal since "the invasion is coming... the R.N. connection should be stressed." In other words, Connolly believed that the public would be less likely to question Nelles' removal if they believed that he was going to Great Britain to direct the RCN's involvement in Operation OVERLORD. As a result, Connolly actually postulated that they could use the Press to "sell" Nelles' "transfer" since "Publicity can be used to help the move in his and in the Service's interests." Focusing on the London posting, Connolly had outlined a plan which described exactly how Macdonald could move Nelles without attracting much attention. Although he favoured the London position, Connolly realized that the ultimate decision of where to place Nelles rested with Macdonald, and wanting to leave the minister's options open he noted that: "for any other post a similar plan could be adopted."

In some segments of this memorandum, it appears that Connolly believed that Macdonald did not fully understand the political dangers which were associated with Nelles' removal. For example, Connolly felt that it was necessary to emphasize to Macdonald that:

I would not give detailed reasons for the move. If you put it on the broad ground of 'general service efficiency' you may be better off all around. I think it would be a mistake to tie it up to the modernization or any other problem specifically.<sup>103</sup>

It is difficult to believe that Macdonald was so ignorant of the political dangers associated with the equipment crisis that Connolly had to guide him through every aspect of Nelles' dismissal. Instead, it is more likely that Connolly merely wanted to ensure that Macdonald was aware that he would have to answer some tough questions if the real reasons for Nelles' dismissal were ever discovered. Nevertheless, by creating the position of Senior Canadian Flag Officer (Overseas), Connolly had already helped the minister out of a difficult position. His plan was ingenious, as it

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<sup>103</sup> Ibid.

provided Nelles with an honourable excuse for vacating the position of CNS, while at the same time producing a viable cover story which explained why the Navy Department was moving him overseas. However, there was still the difficult task of selling this story to the Canadian public as well as Parliament.

Macdonald created three inter-related reasons which he hoped would explain why Nelles' was being sent overseas. Following Connolly's original advice, Macdonald decided to use the invasion as the primary excuse for Nelles' transfer. Considering the importance and size of this task, the choice of the invasion was logical. The public was anxiously awaiting this event, and had been informed that the Battle of Atlantic was well under control. This sentiment was expressed within the Navy Department's Press release on Nelles' transfer which noted that:

All in all, 1943 marked a great stride forward in the winning of the Battle of the Atlantic... Now, however, other great events are impending. ...[the United Kingdom] assumes an additional importance as the area from which an attack... will be launched. ...Realizing the great importance of the overseas post... it has been decided that Vice-Admiral Percy W. Nelles, C.B., R.C.N. should assume the post...<sup>104</sup>

Since other Allied Navies were beginning to focus on preparations for OVERLORD rather than the Battle of the Atlantic, it was only natural that the RCN would follow suit. Sending Nelles to London only appeared to reinforced Canada's commitment to the invasion.

Macdonald also used the fact that the air force and army had sent their former Chiefs of Staff overseas in preparation for the invasion as another excuse to explain Nelles' removal. Only weeks before Nelles' transfer was announced, Air Marshall Lloyd Breadner and Lieutenant General Kenneth Steward were replaced as the Chiefs of Staff of the air force and army for overseas posts. Claiming that he was merely following suit, Macdonald figured that the Canadian public would accept Nelles' relocation as a tri-service effort to prepare for the invasion.

Finally, in a patriotic gesture, Macdonald stated that Nelles was being sent overseas to protect the interests of the Canadian Naval forces involved in the invasion. Not only had the RCN shared a common history with the RN, but since the start of the war it had had a natural dependency on the Admiralty. Throughout the war, both the government and the three services had displayed a desire to make Canada's military forces more autonomous from Britain.<sup>105</sup> Ironically,

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<sup>104</sup> Royal Canadian Navy Press Release, 14 January 1944, Maritime Command Museum, Nelles Collection.

<sup>105</sup> See C.P. Stacey, *Arms, Men and Governments*. Also for an indication of Canada's desire for the RCN to become more independent from the RN in the Pacific theater see: "Strategy for the War against Japan," 10 October 1943, Dhst, 1650-1 'Policy and Plans Papers, 3 August 1944 - 14 August 1945.' and "Aspects of the Pacific War," nd., Dhst, 75/197 CNMO files, 'War Against Japan.'

Nelles had a reputation within the navy as being a “yes-man” for the RN.<sup>106</sup> Nevertheless, following this popular trend, Macdonald argued that only Canada’s top Admiral would have the necessary authority to stand up to the Admiralty. Although the plan for sending Nelles to London had been devised by Connolly, it would be Macdonald who would have to sell it to parliament, and the Canadian public. Armed with three reasonable excuses to explain Nelles’ removal, Macdonald was now ready to present his case.

The first hurdle which Macdonald faced was informing the Prime Minister of his decision to send Nelles’ overseas. Meeting with Macdonald on January 7, 1944, King stated that he did not see any purpose for a Naval representative of Nelles’ rank and stature to be in the United Kingdom. Despite this initial set-back, Macdonald then used the argument that the army and air force had their highest ranking officers overseas, and that the navy deserved the same opportunity. Relying on his naval minister’s expertise, King finally provided his blessing. King recorded the encounter within his diary where he noted that: “I acquiesced saying he [Macdonald] would know what is best,” but then added, “I hoped Nelles would not lead us into any further effort to have one Navy for the whole British Empire.”<sup>107</sup> King’s comment with regard to Nelles was actually a reference to the RCN’s desire for a balanced fleet. Convinced that the acceptance of aircraft carriers and cruisers could lead to increased control by the RN, King feared that Nelles presence in London risked the possibility that he would turn the RCN into an “Imperial Navy.”<sup>108</sup> This concern was totally unfounded and showed that King had over-estimated the powers and implications of Nelles’ new overseas post. While the Prime Minister was still expressing his mistrust towards the balanced fleet, Macdonald could take heart in the fact that King agreed to allow Nelles to be replaced by Jones. This was achieved without King asking any difficult questions or discovering any details of the equipment crisis. As a result, Connolly’s plan had passed its first test, but a more difficult task still lay ahead. This was to convince the Canadian Press that Nelles was being sent overseas for anything except political reasons.

Nelles’ removal was front page news on all of Canada’s major newspapers. Using the Press to “sell Nelles’ transfer” was a calculated risk by Connolly. During his time in Ottawa, Macdonald had had a poor relationship with the Press. According to Senator Gordon B. Isnor, Macdonald’s “nature was inclined to be reserved and he didn’t get in with the Press...”<sup>109</sup> Likewise,

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<sup>106</sup> German, *The Sea is at our Gates*, 128.

<sup>107</sup> King diary, 7 January 1944, Vol 197:17.

<sup>108</sup> Macdonald diary, 5 January 1944, PANS, Macdonald Papers, MG2, F391.

<sup>109</sup> Interview with Senator Gordon B Isnor, 15 August 1967 in John Hawkins, *The Life and time of Angus L (Winsor, N.S.: Lancelot Press Ltd, 1969)*, 224

another observer noted that: “the effect of the Press-dodging was this: few ever said a good word about him, but plenty of the reverse stuff was written, and more whispered.”<sup>110</sup> To the relief of both Connolly and Macdonald the response to Nelles’ transfer was extremely favourable. The reports from most of the major newspapers were extremely similar, and to the delight of Macdonald the hype was over in a mere two days. With headlines such as “NELLES GOING TO LONDON TO DIRECT NAVY,” and “CANADIAN NAVY PREPARES FOR INVASION,” it appeared that all three reasons for Nelles’ dismissal were accepted by Canadian journalists.<sup>111</sup> As the most experienced man in the RCN, and stressing the importance of the invasion, it was implied that no other officer could possibly be placed in this position of responsibility. Although he had been engaged in a bitter feud with his former CNS, Macdonald had to praise Nelles in order to sell the transfer. Accepting Macdonald’s accolades for Nelles at face value, the *Ottawa Journal* reported:

“Admiral Nelles”, declared Mr. Macdonald, “will have general supervision of the affairs of the Royal Canadian Navy overseas, and the utmost confidence is felt that his experience and distinguished service with the Royal Navy can be put to best possible advantage in this new post.”<sup>112</sup>

With regard to Macdonald’s explanation that the navy was merely following the army and air force’s lead by sending its Chief of Staff overseas, the *Winnipeg Free Press* found that this “new move is in line with invasion plans.”<sup>113</sup> Sounding as though they were reporting on a sporting event rather than covering a war story, the *Montreal Gazette* supported this view as they reported that “Canada completed its line-up of invasion chiefs today with the appointment of Vice-Admiral Percy Nelles.”<sup>114</sup> The overall message to the public was that by sending Nelles, Breadner, and Stuart to London, Canada “means business over there.” Furthermore, the implication that Nelles was going overseas to protect Canadian interests also struck a popular cord with the Press. “Admiral Nelles transfer to London,” reported the *Evening Citizen*, “will strengthen the position of the Canadian navy there, as distinct from the British navy,”<sup>115</sup>

Connolly’s creation of the position of SCFO (O) for Nelles had paid huge dividends in protecting Macdonald’s political career. Nelles’ removal could have led to embarrassing questions

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<sup>110</sup> Ibid., 225.

<sup>111</sup> *Ottawa Journal*, 14 January 1944; *Ottawa Evening Citizen*, 15 January 1944; *Vancouver Province*, 15 January 1944; *Calgary Herald*, 15 January 1944.

<sup>112</sup> *Ottawa Journal* 15 January 1944.

<sup>113</sup> *Winnipeg Free Press*, 14 January 1944.

<sup>114</sup> *Montreal Gazette*, 15 January 1944.

<sup>115</sup> *Ottawa Evening Citizen*, 15 January 1944.

which would have exposed Macdonald's negligence with regard to in the equipment crisis. However, Connolly had correctly predicted that the media could be used to sell their cover story. According to the vast majority of newspaper reports, Nelles was being "transferred" overseas rather than "dismissed," and instead of being disgraced, his new post was interpreted as a "promotion."<sup>116</sup> It is important to note that not all the accounts were favourable, as *Canada Newsweek* reported on January 31, 1944 that "Admiral Nelles's appointment as Senior Canadian Flag Officer in London, leaving him without a command, is admitted in naval circles to be no promotion... The Admiral wanted to continue as chief of staff in Ottawa."<sup>117</sup> Despite the occasional negative report, Connolly's plan had proven its worth since Macdonald was forced to answer only one direct question within the House of Commons with regard to Nelles' removal. On February 24, 1944, CCF MP, Clarence Gillis asked why Nelles had been sent overseas, with which Macdonald provided his standard answer. "In view of the larger number of R.C.N. ships serving in European theater and in view of impending events there," Macdonald informed Gillis, "it was considered desirable that an officer of flag rank be sent to the United Kingdom."<sup>118</sup> This short exchange marked the extent of the debate within the House of Commons concerning Nelles' removal.

The veil of secrecy which surrounded Nelles' dismissal was so successful that only a handful of individuals understood the real reasons why he was replaced by Jones. Not everyone was convinced that the public had received the entire story. These individuals were mostly members of the RCN. While they were aware of some of the details behind Nelles' dismissal, without further evidence this was pure speculation on their part. Although he did not mention the political implications, Murray was not too far off the mark when he stated that, as he understood the situation, Nelles was fired for the state of equipment within the fleet.<sup>119</sup> Perhaps the individual who came closest to identifying the real reasons behind Nelles' dismissal was Commander C.H. Little, who worked with Brand and had become the Director of Naval Intelligence Division in July 1942. During a post-war interview, Little revealed that he had become "great friends" with Nelles "until his death" and had been lead to believe that:

Admiral Nelles was replaced as Chief of the Naval Staff by Admiral G.C. Jones and transferred to London as head of the Canadian Naval Mission Overseas - CNMO. There

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<sup>116</sup> *Ottawa Journal*, 14 January 1944.

<sup>117</sup> 'Canadian Trends,' *Canada Newsweek*, 31 January 1944, 14.

<sup>118</sup> House of Commons, *Debates*, 24 February 1944, 814.

<sup>119</sup> L.W. Murray memoir, PAC, L.W. Murray Papers, MG 30 E 207, Vol 4.

had been a great storm over charges that RCN vessels suffered from lack of up - to -date equipment and it seemed politically expedient to take this step.<sup>120</sup>

As has been seen, Brand was convinced that the entire affair was orchestrated by Jones in an effort to discredit Nelles.<sup>121</sup> Lay, on the other hand, felt that one aspect of the story was that, after loosing confidence in Nelles for his lack of sea-time, Macdonald decided to replace him with Jones because he “would be a much better CNS.” Hinting that there was a degree of nepotism involved, Lay also stated that Macdonald had chosen the VCNS because “Jones was a friend of Angus.”<sup>122</sup>

In reality, Connolly played a significant role in convincing Macdonald that Jones was the best choice to replace Nelles. After providing a list of candidates, which included Murray, Reid, and even Captain Rollo Mainguy, and Captain Harold Grant, Connolly noted that “Personally I would take Jones.” Believing that the men at sea would feel vindicated by Nelles’ dismissal, Connolly argued that Jones was the most capable candidate to rectify the equipment crisis. It is difficult to ascertain whether the morale of the RCNVR was improved by Jones’ appointment.<sup>123</sup> If James Lamb’s account in his book The Corvette Navy is any indication, some members of the RCNVR were not impressed by this move. For example, Lamb noted that:

We all thought it uproariously funny when Vice-Admiral George C. Jones, a solid, unspectacular officer... was given “a new image” by the PR people and launched in the media as Admiral “Tiger” Jones! We did not think it so funny when we began to realize that we were being manipulated to accord with political purposes ashore, and that the public was accepting the ridiculously excessive accounts of media men at face value.<sup>124</sup>

Despite those individuals who believed that there was more to Nelles’ dismissal than the Navy Department’s version, Connolly’s plan to keep the affair from the public cannot be judged as anything short of an unqualified success. Considering the scope of this affair, it was remarkable, even in the days of war-time censorship, that more of this story was not leaked to the Press. This is particularly true since the Navy Department had created the position of SCFO (O) in a very hasty manner. There is evidence which suggests that, due to Macdonald’s hesitancy to make the final decision to replace Nelles, the minister’s office was not left with much time to design this new post.

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<sup>120</sup> C.H. Little, interview with AOS (Salty Dips project) In Salty Dips, Vol 2, ed. Mac Lynch (Ottawa: Privately Printed, 1985), 225-226.

<sup>121</sup> Eric Brand, interview by E.C. Russell, tape recording transcript, 22 February 1967, Dhist, Ottawa, Brand Papers, 84/145, Vol 7, 35-36.

<sup>122</sup> H. Nelson Lay, interview by Hal Lawrence, tape recording transcript, 1984, Dhist, Victoria, Lay Collection, BIOG L, 15.

<sup>123</sup> Connolly to Macdonald, Unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32C71, Vol 3, ‘Equipment on RCN ships 22 Nov 1943-1944,’ 1, 6.

<sup>124</sup> Lamb, The Corvette Navy, 136.

Considering the size of the RCN's contribution to Operation NEPTUNE, which was the sea phase for OVERLORD, it is easy to understand why Nelles' position as SCFO(O) was so readily accepted as an important and powerful posting. In total, the RCN provided 109 vessels of various types, and over 10,000 officers and men for this operation.<sup>125</sup> Macdonald had even used this fact while he was selling Nelles "transfer" overseas by pointing out to the Press that, "the greatest part of the Canadian Navy will be based in the United Kingdom, indicating the importance of Admiral Nelles' post."<sup>126</sup> While Nelles' transfer overseas was hailed as a promotion, the reality was that Connolly had designed the position of SCFO (O) to be a powerless post. Originally, Connolly had pressured Macdonald to make the final decision to replace Nelles because a "plan could be developed... but it needs thinking out; it needs time."<sup>127</sup> By all available evidence it appears that Macdonald's staff had been considering the specifications of Connolly's proposed overseas position for Nelles by at least January 11, 1944, as Mills had reported to the minister that:

I am not too happy over that "Flag Officer" title - as hardly embodying what needs to be put over to the public in order to protect the Service. What would you think of bringing in the word "operations" - such as Chief of Canadian Naval Operations (Overseas) - "C.C.N.O. (O)" ? - more or less meaningless, perhaps, but might sound better.<sup>128</sup>

Not only was Mills implying that Nelles was being fired to protect the service, but also that Macdonald's staff did not have much time to design the this substitute position for Nelles.

The hasty approach to the creation of the position of SCFO (O) can also be detected in the manner in which Jones had reacted to the news of Nelles' transfer. At the time of the announcement that Nelles' was heading overseas, Jones was in New York City participating in the Canada-United States Joint Defence Board. According to newspaper reports, a Canadian journalist had tracked Jones down, and asked the front desk of the hotel where he was staying whether the new CNS would be amicable to an interview. Jones' was stupefied by the request as he responded with:

Oh, no! I'm down here for a meeting of the Canada-United States Defence Board - I'm running around in circles. Tonight I'm going back to Montreal and Ottawa via Canadian National. I can't comment on these changes until I've had a chance to talk things over with the minister.<sup>129</sup>

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<sup>125</sup> *Annual Departmental Reports, Report of the Department of National Defence for the Fiscal Year ending March 31 1944.* (Ottawa: Edmond Cloutier, 1945).

<sup>126</sup> *Ottawa Journal*, 14 January 1944.

<sup>127</sup> Connolly to Macdonald, Unsigned memorandum for the minister, 30 November 1943, PAC, Connolly Papers, MG32C71, Vol3, 'Equipment on RCN ships 22Nov 1943-1944,' 5.

<sup>128</sup> Mills to Macdonald, 11 January 1944, PANS, Macdonald Papers, MG 2, F 736/4.

<sup>129</sup> *Montreal Gazette*, 15 January 1944.

Jones' appeared to be totally oblivious to the fact that he was now the Canadian CNS. It is possible that Jones had been aware of Connolly's plan to make Nelles SCFO (O), and was merely protecting his own involvement in the affair by pleading ignorance. This is extremely unlikely considering his reaction could have led to difficult questions by the Press. Jones displayed a genuine sense of bewilderment to the fact that he was now the CNS, and it was an embarrassment to the navy that the *Ottawa Journal* had run a by-line which read: " 'News to me' Says Admiral Jones Busy in New York." <sup>130</sup> The damage could have been much worse, since Macdonald would have had difficulty explaining why Jones was unaware that he was the new CNS. If the position of SCFO (O) was so important, reporters could have asked, why was the RCN's second highest ranking officer totally caught off guard by these changes? Fortunately for Macdonald, the Press speculated in a different direction. Realizing that Jones had previously been stationed on the West coast, they pondered if his appointment indicated that the tempo of North Pacific Operations against the Japanese were about to be increased. Jones was quick to dispel this reasoning as he noted that his "most notable experience at the [West] coast was getting married there." <sup>131</sup> With events over taking calculated planning it appeared as though no one in the minister's office was able to communicate these changes to Jones. Unaware of the entire situation, Jones' comments could have led to disaster for Connolly's plan.

Jones was not the only individual who was unprepared for Nelles' transfer. Four days after Nelles' position as SCFO (O) had become official, Houghton, who was now the Senior Canadian Naval Officer (L), sent a signal from London in which he noted that the Admiralty was unaware that the RCN was planning this move and therefore wanted information on Nelles' new post before he arrived. <sup>132</sup> It is significant to note that as SCNO (L), Houghton was about to become subordinate to Nelles. Although his future duties and responsibilities in the United Kingdom were now uncertain because of the transfer, Houghton had never been officially informed of this "unexpected" move by NSHQ. <sup>133</sup> Additionally, Vincent Massey, who was the High Commissioner for Canada in Great Britain, sent a message to Norman Robertson, who was with the Department of External affairs, in which he stated that "Although announcement of the Minister of Defence for Naval Affairs regarding the appointment of Nelles has appeared in press

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<sup>130</sup> *Ottawa Journal*, 15 January 1944.

<sup>131</sup> Ibid.

<sup>132</sup> Houghton to NSHQ, Naval message 182212Z, 18 January 1944, PANS, Macdonald Papers, MG2, F 736/31.

<sup>133</sup> Houghton to Sec.N.B., SCNO Report, 3 February 1944, Senior Canadian Naval Officer (London) Files, PAC, RG 24, Vol 11759.

here, no official information has been received by the United Kingdom authorities...”<sup>134</sup> The contradiction was all too apparent; if this overseas post was so “important” for the RCN why had no one at NSHQ bothered to inform both Canadian and British authorities in the United Kingdom that Nelles was coming? The most reasonable explanation for this discrepancy appears to be that the position of SCFO (O) was created so quickly that Macdonald’s staff did not have enough time to make the proper arrangements.

While Nelles’ terms of reference had been discussed throughout the week, they were still incomplete by the time his transfer was announced. Consequently, Macdonald was placed in the awkward position of having to respond to Robertson’s request for information. It is evident from his correspondence with Robertson, that Nelles’ terms of reference were, for the most part, quickly pieced together in only one day. For example on the morning of January 19, Macdonald informed Robertson that Nelles’ “instructions have not been finally prepared but, generally, he will oversee the affairs of the Royal Canadian Navy in the United Kingdom....”<sup>135</sup> Later that day, however, he sent another letter to Robertson in which he stated that “with further reference to my memorandum to you of this morning, I am enclosing herewith Admiral Nelles’ terms of reference in respect of his new post in the United Kingdom.”<sup>136</sup> Additionally, it appeared that Macdonald and Connolly simply used a copy of Air Marshall Breadner’s terms of reference in order to help them define Nelles’ duties and responsibilities overseas.<sup>137</sup> Apparently, pressed for time by the request for information on Nelles’ appointment from the United Kingdom, Connolly and Macdonald could not afford the luxury of being original.

The final version of Nelles’ terms of reference was, to say the least, vague and obscure. He was charged with the general “care and welfare of Canadian Naval Officers and Men overseas,” as well as ensuring that every effort was made to maintain effective liaison with the Admiralty.<sup>138</sup> The irony of this situation is difficult to overlook. Throughout his confrontation with Nelles, Macdonald had charged that the former CNS had not kept him properly informed as to the state of the RCN; had failed to ensure that the RCN maintained proper technical liaison with the Admiralty; and had generally lost touch with the needs of the men at sea. However, by making him SCFO (O), Macdonald had now made Nelles responsible for the RCN’s liaison organization

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<sup>134</sup> Massey to Norman Robertson, Telegram No. 165, 18 January 1944, PANS, Macdonald Papers, F376/24.

<sup>135</sup> Macdonald to Robertson, 19 January 1944, PANS, Macdonald Papers, F 736/26

<sup>136</sup> Macdonald to Robertson, 19 January 1944, PANS, Macdonald Papers, F 736/33.

<sup>137</sup> Chubby Power to Breadner, Terms of Reference, 9 December 1943, PANS, Macdonald Papers, F736/23; and ‘First draft of Terms of Reference for Nelles,’ nd, PANS, Macdonald Papers, F 736/27.

<sup>138</sup> Macdonald to Nelles, ‘SCFO(O) Terms of Reference,’ 19 January 1944, PANS, Macdonald papers, MG2, F736/30.

on the other side of the Atlantic. The key to understanding this discrepancy involves the actual contents of his terms of reference. Not only did they duplicate the functions of the SCNO (L), who was head of the liaison organization already in London, but they also failed to provide Nelles' with any real power or authority. Indicating the importance of the overseas post, Macdonald had attempted to convince the Press that Nelles' transfer involved "new and heavier responsibilities" as the SCFO (O).<sup>139</sup> Upon closer examination they merely made Nelles' a figurehead, and in fact set him up to be a possible scapegoat if disaster were to befall RCN forces involved in NEPTUNE.<sup>140</sup>

It did not take long before Nelles realized that he had been placed into a meaningless position. During the first two months as SCFO (O), Nelles quickly discovered that he had very few duties in London. Since the RCN forces involved in NEPTUNE were under the operational control of the RN, he was not included in any planning for the invasion.<sup>141</sup> Furthermore, his duties duplicated those already assigned to Houghton, and therefore there was very little administrative work for Nelles. It was obvious to Nelles by mid-March 1944 that he had been "set out to pasture", and he therefore decided to confront Macdonald. On March 15, he sent a message to Macdonald where he stated that:

After seven weeks of practical exercise in trying to implement these terms of reference however I have been obliged to conclude that my own terms of reference, and my own in conjuncture with those of S.C.N.O. (L) are unworkable.<sup>142</sup>

Nelles noted that there was an impractical dichotomy in supervision and liaison between himself and Houghton on the one hand, and the Admiralty on the other. This was made possible because his own terms of reference did not give him any authority to carry out his duties. Nelles believed that this lack of authority, coupled with the duplication of his duties, allowed Houghton to make decisions without even consulting him. "If S.C.N.O. (L) should choose neither to consult nor inform me regarding such action," Nelles reported to Macdonald on March 30, 1944 "he would be entirely within his rights since he is not responsible to myself."<sup>143</sup> This interpretation was reinforced by Houghton who noted in his memoirs that:

Since the operational roles of all R.C.N. Ships in U.K. waters were necessarily under Admiralty control. The job [SCFO (O)] was purely administrative and there was no function appropriate to a senior Admiral; and in any case, with D-Day in the near offing,

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<sup>139</sup> *Toronto Daily Star*, 14 January 1944.

<sup>140</sup> Tucker, *Naval Service of Canada*, 462.

<sup>141</sup> Robert W. Love and John Majors, eds. *The Year of D-Day: The 1944 Diary of Admiral Sir Bertram Ramsay* (London: University of Hull Press, 1994), 18, 32, 52-53.

<sup>142</sup> Nelles to Macdonald, 15 March 1944, Dhst, Nelles Papers, Folder E:11.

<sup>143</sup> Nelles to Macdonald, 30 March 1944, PANS, Macdonald Papers, MG2, F 737/7.

any change in administrative control at this juncture would have been disastrous. Admiral Nelles undoubtedly understood the situation and instructed me to carry on as before. <sup>144</sup>

Besides rank, Nelles had no clear authority in the United Kingdom, but his terms of reference made him responsible for the actions and fate of RCN forces overseas. The dangers of this situation were apparent to Nelles. "I find this unworkable for the reason that grave responsibilities are imposed on me," he announced to Macdonald, "without commensurate authority or adequate means to execute the responsibilities." <sup>145</sup> Nelles' lack of authority was not an accident. In reality, Connolly had warned Macdonald that it would be dangerous to place Nelles in London with any type of power which resembled those usually assigned to a Commander-in-Chief. It was intended that Nelles would represent an authority figure in London, while Houghton would carry on as usual and ensure all the "important" work was accomplished. Connolly's attitude towards Nelles' attempt to gain more authority was revealed in a letter written to Price on April 3, 1944 where he noted: "You will probably be interested (confidentially) to know that Percy has been putting on a flap to make himself a Commander - in - Chief with all the powers and duties of one as laid down in K.R. and A.I. He won't get any were with it, of course." After mocking Nelles' attempts to gain more power, Connolly confidentially admitted to Price that they had initially kept Houghton's position the same in order to "get the work done." At the same time Nelles' position in London was beneficial because "it would allow for the presence of a senior man in the in the U.K. to do the visiting and inspecting and on occasion, to put on the heat in higher places." <sup>146</sup>

For all intents and purposes, it had appeared that Connolly's plan to send Nelles to London as SCFO (O) was an overwhelming success. Not only had he managed to keep the real reasons for Nelles' dismissal from parliament and the Press, but he had also placed the former CNS into a meaningless post. The only problem was that Nelles would not disappear without a fight. As a result, Nelles and Macdonald spent much of March and April 1944 disputing the powers of the SCFO (O). Even though Nelles was appointed to head the newly-formed Canadian Naval Mission Overseas on May 15, the difficulties between Macdonald and Nelles continued throughout 1944. In fact this antagonistic relationship would not end until Macdonald finally forced Nelles to retire in January 1945.

Nelles' dismissal marked the end of a period which contained one of the greatest threats to Macdonald's political career. Unaware of the true extent of the equipment crisis until Connolly's

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<sup>144</sup> Frank L Houghton, *A Sailor's Life for me*, PAC, Houghton Papers, MG 30 E 444, 165.

<sup>145</sup> Nelles to Macdonald, 15 March 1944, Dhist, Nelles Papers, Folder E:12.

<sup>146</sup> Connolly to Price, 3 April 1944, PAC, Connolly Papers, MG 32C71, Vol 2,

return from overseas, Macdonald had pursued a flawed policy of acquiring a post-war balanced fleet. Once Connolly returned, Macdonald discovered that the present escort fleet was suffering from an equipment crisis which was far worse than he originally imagined. This placed Macdonald in a difficult position, since he was unable to reverse his balanced fleet policy without facing serious political ramifications. Additionally, King was still dealing with a panic-stricken Cabinet, whose members believed that they had lost the confidence of the public. It was a delicate period for the Liberal party and a dangerous time for the government to be rocked by a Naval Scandal. No longer trusting the Naval Staff, Macdonald had to rely on his executive assistant for advice. Having witnessed the equipment crisis first hand, Connolly was concerned that a very real possibility existed that Macdonald could lose his cabinet post over the present state of the RCN. With the confrontation between Macdonald and Nelles reaching a climax, and convinced that the equipment crisis would eventually become public knowledge, Connolly devised a strategy to protect the minister's political career. It was Connolly's opinion that, once the equipment situation within the became public knowledge, the minister would only be able to maintain his cabinet post if he could prove that he had taken strong action to correct the situation. He therefore saw no alternative but to relieve Nelles as CNS. Realizing that Macdonald's chances of survival depended on their ability to delay the public's awareness of this affair, he specifically created the position of SCFO(O) in an attempt to get Nelles out of the way. Using the invasion as a pretense, Nelles was sent overseas in an effort to ensure his silence. Hailed as a promotion, Nelles traveled to London, only to discover that he had been appointed to a meaningless post. Overall, Connolly's strategy was a resounding success and the fact that the true reasons behind Nelles' dismissal remained a secret for more than fifty years stands a testament to his abilities as a bureaucrat.

## 5 Summary and Conclusions:

“It was an honour to have been associated with you.”

The equipment crisis represented one of the greatest threats to Macdonald’s tenure as Minister of National Defence for Naval Services; fortunately he had employed the services of an extremely capable bureaucrat during the Summer of 1941. Well-educated, and possessing a brilliant understanding of bureaucratic politics, Connolly proved to be Macdonald’s strongest asset when he confronted Nelles and the Naval Staff during the Fall and Winter of 1943. Macdonald could hardly have asked for more from an executive assistant – Connolly worked tirelessly and his loyalty and devotion to the minister ensured that the details of Nelles’ dismissal were never discovered by parliament or the public. A modest man, Connolly would often ensure that the credit for his work and efforts was attributed to Macdonald rather than himself. While there were countless examples of this self-sacrifice throughout his association with the minister, perhaps the most touching illustration of Connolly’s devotion to Macdonald was provided in a parting letter. After Macdonald relinquished his cabinet post during the Spring of 1945, Connolly wrote to him on April 22, 1945 and noted:

You have ignored so many of my shortcomings... I want you to know how grateful I am to you. It was an honour to have been associated with you- That is compensation enough. But through that opportunity I was able to do some war work, to see a Navy both from behind a desk and from the bridge of a ship - to know what it was to be afraid... I had an inside to government, saw the heartbreak of politics but through it all I had the privilege of a delightful and inspiring association.<sup>1</sup>

Consistently humble, and praising Macdonald to the very end, Connolly appears to have understated his own important role in shaping the history of the RCN. As the minister’s executive assistant, his efforts were carried out behind the scenes, and he was rarely in the spotlight: a capacity which seems to have suited both Connolly’s personality and his working relationship with Macdonald. Consequently, his impact on both Macdonald’s and Nelles’ fate have been widely overlooked. The evidence, however, speaks for itself as it is clear that Connolly played a significant part not only in Nelles’ dismissal, but also in saving Macdonald’s political career.

By his own admission, Macdonald had not only been caught off-guard by the magnitude of the equipment crisis, but he also possessed a vague comprehension of naval warfare, and the technical requirements for ships fighting in an anti-submarine environment. He therefore had a

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<sup>1</sup> Connolly to Macdonald, 15 April 1945, PAC, Connolly Papers, MG 32 C71, Vol 4:15.

dependency on the Naval Staff and Naval Board to advise him on policy matters and equipment requirements for the RCN. Through a breakdown in the channels of communication between Nelles' and his subordinates on the Naval Staff, important memoranda on the state of equipment within the RCN were never passed on to Macdonald. This naturally affected Macdonald's ability to rectify the equipment crisis at an earlier date. In this regard both men were at fault. On the one hand, Nelles had clearly lost control of his subordinates since they did not always keep him properly informed as to the actual state of equipment on Canadian warships. Likewise, Macdonald, who bore the ultimate responsibility for the performance of the navy, became complacent, and therefore failed to properly supervise the conduct of the Naval Staff.

The fact remains that once Macdonald was alerted in August 1943 to the possibility that the RCN was suffering from extreme modernization problems, he was unable to take immediate and proper action to confront the Naval Staff. Having lost confidence in Nelles and the Naval Staff and possessing an extremely weak understanding of the equipment crisis, Macdonald turned to Connolly. This was not Connolly's first introduction to the equipment crisis. Through his pre-war association with Voluntary Reserve officers, Connolly was slowly introduced to the equipment crisis throughout late 1942 and early 1943. Before the war these individuals had either been friends or legal colleagues with Connolly, and as war-time commanding officers they found that they could use this connection to directly communicate their equipment concerns to the executive assistant. By far, it was Audette who had the greatest impact on Connolly. Not only had he kept the executive assistant abreast of developments on his own ship, but according to Connolly, was responsible for first proposing the idea of an overseas investigation into the state of equipment within the RCN. Although Audette made this recommendation to Connolly in October 1942, it would take over eleven months before Connolly would travel overseas to investigate the state of equipment within the RCN.

There is evidence which suggests that Connolly discussed the state of equipment on Canadian ships with Macdonald between the Fall of 1942 and Spring 1943. Unfortunately, there does not appear to be any indication why Connolly did not press the importance of the RCN's modernization problems at this time. In any event, it appears the minister did not take Connolly seriously, and judging by his actions throughout the first half of 1943, Macdonald remained aloof to the situation. The most likely explanation is that, despite the efforts of his VR contacts, Connolly did not possess a strong enough understanding of the equipment crisis before his investigation, and therefore would have been unable to present a solid case to Macdonald.

Macdonald's attitude towards the equipment crisis changed dramatically once he received the Strange memorandum. Having been introduced to the Strange memorandum, and unhappy with the Naval Staff's response to his request for information on the state of equipment on RCN ships in late August 1943, Macdonald finally agreed to allow Connolly to travel overseas. While Connolly's knowledge of the state of equipment on Canada's escort fleet might not have been much more extensive than Macdonald's before October 1943, he would soon receive a rudimentary education on the Canadian Navy's technical problems by a network of RN, RCN and USN officers in Londonderry and London.

Led by Simpson, these officers presented Connolly with their particular perspective on the equipment crisis. Based on their deep admiration for the average Canadian sailor, these officers wanted to change what they interpreted as a lackadaisical attitude at NSHQ towards the modernization of the RCN. Having been forewarned by Strange that Macdonald's executive assistant was traveling overseas to investigate the state of equipment within the RCN, they were determined to take full advantage of Connolly's visit. Since these officers were on the other side of the Atlantic, they could not possibly understand all the problems and difficulties faced by NSHQ when it attempted to deal with the equipment crisis. Much of the information presented to Connolly was at times biased and more often than not unfavourable to NSHQ. These observations formed the vast majority of the evidence which Connolly recommended Macdonald should use in his confrontation with Nelles and his subordinates. Perhaps it was a little unfair to the Naval Staff, but Connolly never questioned the accuracy of this information. Also, due to the covert nature of his investigation, the Naval Staff was never allowed to present a proper counter-argument to the specific points raised by the officers in Londonderry.

By the end of his investigation Connolly was not only convinced that NSHQ was at fault for this situation, but he also slowly began to appreciate the political dangers which were associated with the equipment crisis and Macdonald's career. As the civilian representative in charge of the navy it would have been Macdonald who would have had to carry the burden of explaining the equipment crisis to parliament and the Canadian public. Possibly he would have been forced to admit that the reason that the equipment crisis had persisted throughout 1943 was because he of his own negligence in the matter. Meanwhile, the situation within the navy paralleled a crisis within the Liberal party.<sup>2</sup> The task of protecting Macdonald was also complicated by the fact that Macdonald had been attempting to acquire a post-war balanced fleet at the same time that the present fleet required expensive new equipment. Realizing that the minister's knowledge of the

equipment crisis was extremely limited, and no longer trusting the Naval Staff, Connolly's overseas experience not only made him Macdonald's equipment expert, but also his *de facto* chief advisor throughout November and December 1943. Therefore, Connolly found himself playing the pivotal role of protecting Macdonald's political interests and reputation during the inevitable confrontation with Nelles and the Naval Staff.

During the early stages of the confrontation, Connolly provided Macdonald with comprehensive briefs on what he had discovered while overseas. This not only exposed the seriousness of the situation, but it also provided Macdonald a better understanding of the equipment crisis. Additionally, he had discovered the Rowland, Bidwell, and Adams memoranda, proving that the Naval Staff had known of this crisis since at least May 1, 1943. This also exposed the fact that they had failed to bring these memoranda to Macdonald's attention.

Connolly helped Macdonald draft large portions of the various memoranda which presented to Nelles and the Naval Staff. These memoranda were filled with specific examples of equipment problems within the RCN, and how the Naval Staff had mismanaged the crisis. Almost all of these examples originated from Connolly's overseas investigation. As well, Connolly played a crucial role in explaining the content, meaning, and true significance of the correspondence which the Naval Staff sent in return. All of these factors strengthened Macdonald's case against the Naval Staff. In fact, since he possessed a weak understanding of the equipment crisis, Macdonald would have found it extremely difficult, if not impossible, to confront the Naval Staff without Connolly. This is supported by the fact that most of Macdonald's actions towards Nelles and the Naval Staff during the confrontation can be traced to advice and recommendations made by Connolly.

At no time during the confrontation with the Naval Staff did Connolly believe that Nelles was the primary culprit for the equipment crisis. Instead, he felt that the blame ran through the entire Naval Staff organization. In specific, Connolly felt that Creery was accountable for failing to ensure that the Rowland, Bidwell, and Adams memoranda were passed onto Nelles and Macdonald. On the other hand, as the Director of Organization, and later the Chief of Naval Equipment and Supply, Connolly felt that Johnstone was ultimately the man who was responsible for failing to guarantee that Canadian warships had received the equipment they required. Consequently, neither Connolly nor Macdonald felt that Nelles was entirely to blame for the equipment crisis at this time. As indicated in the correspondence with Nelles and the Naval Staff during the first half of the confrontation, Connolly and Macdonald distributed the blame for the

equipment crisis on various Directorates at NSHQ. As Nelles and the Naval Staff responded to these criticisms, Connolly became convinced that they were determined to ensure that Macdonald shared some of the accountability for the equipment crisis. Connolly resented the way the Naval Staff had treated Macdonald, and he was convinced that they were determined to resist him at every turn. More importantly, Connolly realized that the heavier the burden of blame which was placed on Macdonald, the greater the danger to his career.

It is an oversimplification to claim that the only reason Macdonald fired Nelles was because Canadian ships were going to sea under-equipped. If this had been the case Macdonald should have had little difficulty in dismissing Nelles shortly after Connolly's return in November 1943. To a large degree his dismissal was dictated by political considerations which agreed with Connolly's desire to protect Macdonald's career. Believing that the crisis might be discovered by the public as early as the Spring of 1944, Connolly and Macdonald had to act quickly to establish that the minister was not only blameless, but that he had also taken action to punish the guilty. As a politician, this was an important factor for Macdonald, since both parliament and the Canadian people would want someone to be held accountable if the crisis were ever to be revealed.

As the Minister of National Defence for Naval Services, the ultimate responsibility for Nelles' removal rested with Macdonald. But Connolly's role in this process should not be underestimated. To a large degree, his actions and opinions played a crucial factor in sealing Nelles' fate. Connolly would later admit that his role in Nelles' dismissal increased as the confrontation with the Naval Staff intensified. Realizing that the confrontation was spiraling out of control, Connolly knew that immediate action was required from Macdonald. The key was to find a way to regain control of the Naval Staff while at the same time ensuring that the details of this dispute were concealed from the public. Connolly was aware that the task of keeping this affair from parliament would become more difficult if action was taken against various members of the Naval Staff. Until this juncture, Connolly had informed Macdonald that Nelles had also been let down by the Naval Staff and therefore, like the minister, had not been properly advised on the seriousness of the situation. If this was admitted, however, it would have provided Nelles with the same excuse which Macdonald would use to protect his cabinet post. This situation would also have been complicated by the fact that Nelles most likely would have refused to abandon the Naval Staff, thereby reducing the effectiveness of Macdonald's position that he was the victim of gross incompetence by his subordinates. Taking on the Naval Staff was not only undesirable and dangerous in Connolly's opinion, but also implausible; explaining why he advised against this

option. On November 30, Connolly therefore recommended to Macdonald that he fire Nelles. Admittedly, there is no direct evidence from Macdonald's files which indicates that Connolly's November 30 memorandum was the decisive document which sealed Nelles fate. But it is extremely difficult to overlook the fact that the suggestions and recommendations within this memorandum precisely describe the actions Macdonald took when dealing with Nelles' dismissal throughout December 1943 and January 1944. Not only had he explained within this document why Nelles needed to be relieved, but he also devised an ingenious plan on how to remove the CNS without arousing suspicion from parliament or the public.

By no means an easy task, Connolly's creation of the position of Senior Canadian Flag Officer (Overseas) ensured that Nelles would not be disgraced, thereby guaranteeing his silence on the matter. In the end, this maneuver by Connolly saved Macdonald. Instead of the Press asking difficult and threatening questions, Nelles' dismissal was heralded as a promotion and a sign that the Canadian navy was gearing up for the invasion of the continent. On the other hand, if the equipment crisis was ever revealed in the future, Macdonald could then focus the blame on Nelles and claim that he had actually fired the CNS; demonstrating that he had taken strong action to remedy the situation. Furthermore, after dealing with a disruptive confrontation with the Naval Staff, Connolly believed that Nelles' dismissal would send a powerful message. In effect, it indicated to the Naval Staff that they had to respect Macdonald's authority or they too could suffer the same fate as Nelles.

Besides regaining control of the Naval Staff, Nelles' dismissal had served a number of purposes. Since Jones had been conspiring to replace Nelles throughout 1943, Connolly realized that the former VCNS would be unwilling to jeopardize his new appointment by continuing the confrontation over equipment with Macdonald. It was accepted that, under Nelles' leadership, the Naval Staff had been entirely responsible for the equipment crisis. Not only did this exonerate Macdonald, but the end of the confrontation with the Naval Staff reduced the possibility that the entire affair would be leaked to the public. As a result of Connolly's efforts, no one outside the Navy Department was aware of the controversy and consequently Macdonald's conduct during the Fall and Winter of 1943 was never challenged by anyone except the Naval Staff. With Nelles successfully removed, and the Naval Staff once again under his firm control, Macdonald would achieve another one of his goals after the War Cabinet gave their final approval for his controversial balanced fleet policy. Although the events of the previous four months, specifically

the confrontation with the Naval Staff, had caused the minister much anxiety, Connolly's tactics throughout this period ensured that Macdonald would emerge as the victor.

Although Connolly had achieved tremendous success in protecting Macdonald's career, he failed to affect immediate change within the RCN in one vital area. Originally based on his observations overseas and his deep personal admiration for Canada's sailors, Connolly had recommended shortly after his return to Ottawa that modernizing the fleet should become the department's top priority. Despite his noble intentions, Connolly was first and foremost a bureaucrat whose loyalty was to Macdonald. Therefore, ensuring that Macdonald would not shoulder the blame for the crisis not only dictated his actions during the confrontation with the Naval Staff, but it inadvertently became his primary goal. It was no longer a question of modernizing the RCN, but rather a matter of how to protect Macdonald from the possible political fallout associated with the equipment crisis. This was demonstrated by the fact that while Connolly and Macdonald confronted the Naval Staff, the question of re-equipping Canadian warships did not receive the attention it required or deserved.

It was only after Nelles' removal that Connolly and Macdonald seriously began to devote their attention to remedying the equipment crisis. Five days after Nelles removal was announced, Connolly sent Macdonald a memorandum in which he recommended that Jones, as the new CNS, should propose a list of matters, in the order of their priority, which should engage the attention of the department. It was Connolly's opinion that the modernization of the fleet should be placed as the top priority of this list. "On the modernization of ships" Connolly informed Macdonald, "I think it is now high time that a good thorough plan was laid down by C.N.S. [Jones] You have yet to be told what should be done."<sup>3</sup> Connolly then proceeded to provide Macdonald with a step by step analysis of how the Navy Department could correct the equipment crisis. These recommendations should have been implemented as soon as Connolly had returned from overseas. Instead the focus of the equipment crisis immediately shifted to assigning blame. In all, four and a half months had passed since Macdonald first questioned the Naval Staff on the state of equipment in August 1943 to Nelles' dismissal. During this time little action had been taken to correct the equipment crisis, a fact which was exposed by Connolly when he noted to Macdonald on January 19, 1944 that "As I see the entire situation at present time, you are completely in the dark as to what definite action is being taken."<sup>4</sup> Connolly may have helped Macdonald secure his political

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<sup>3</sup> Connolly to Macdonald, 19 January 1944, PAC, Connolly Papers, MG32C71, Vol 3, 'Equipment on RCN ships 22 Nov 1943-1944.'

<sup>4</sup> Ibid.

future during the confrontation with the Naval Staff, but he had not achieved much success in making equipment an immediate priority after his return from the United Kingdom. In fact, it is debatable whether Canada's escort fleet ever reached a satisfactory state of modernization. Perhaps the ultimate tragedy of this episode was that while Macdonald and the Naval Staff were brokering for who was responsible for this crisis in the first place, the men at sea continued to battle a potent U-boat menace with outmoded equipment. The casualties at NSHQ during the confrontation with the Naval Staff amounted to lost careers and injured pride, but for the men at sea the cost of their struggle was life or death -- they deserved better.

## Epilogue

As is so often the case with the study of history, the end of one story marks the beginning of another. The focus of this paper has been to analyze the role that Connolly played in Nelles' dismissal. Naturally, a major portion of this thesis centered on the disruptive feud which developed between Nelles and Macdonald from the time the minister received the Strange memorandum in August 1942 until the CNS' dismissal in January 1944. In reality, this was merely the first phase of their feud; there would be two others. This thesis touched upon the second phase of Macdonald's and Nelles' feud. Beginning with his arrival in London to serve as Senior Canadian Flag Officer (Overseas), Nelles and Macdonald would spend the following three months disputing the former CNS' new terms of reference. Largely the result of Nelles' refusal to "go out quietly", Macdonald agreed to establish the Canadian Naval Mission Overseas in May 1944. Nelles wanted to carve out a new niche for himself, and Macdonald reluctantly made him the head of this Mission. Their correspondence between January and May 1944, shows that development of this Mission was not an easy affair.

The final phase of their disruptive feud occurred between June 1944 and January 1945. Within this phase, the main issue between these two men involved the role that the RCN would play in the Pacific War. The end of the war with Germany was on the horizon, and as a result the Allies began to focus their attention on Japan. Canada's future Pacific Policy caused King much concern, and in many ways he wanted to limit the participation of Canada's Armed Forces in this theater. Macdonald, on the other hand, believed that the RCN should play a significant role in the Pacific. He also saw it as an opportunity for his long sought after balanced fleet to gain battle honours. There were other delicate issues such as the question of whether the RCN would operate under British or American control. In the end a confusing message was sent to the Admiralty. Nelles, who had not been properly briefed by Macdonald on Canada's Pacific Policy, informed the Admiralty that they could expect seventy percent of the RCN to participate in the final assault on Japan. On the other hand, the Canadian government had indicated that the RCN would play a limited role in the Pacific.

Not only was the Admiralty receiving a confusing message, but the RCN's role in the Pacific was causing strained relations between Macdonald and King. In an effort to clarify this policy, Nelles asked Macdonald's permission to return to Ottawa. This request was granted, but Nelles would never again return to London. As a means of protecting himself from King, Macdonald fired Nelles for a second time. Although Macdonald promoted him to the rank of full

Admiral, he forced Nelles to retire in January 1945. A bitter man, Nelles would fade from public view. This finally marked the end of their feud; ironically Macdonald would suffer a similar fate. Tired of the trouble that Macdonald had caused him throughout the war, King coerced his naval minister to retire from federal politics, thereby ending their long-standing antagonistic relationship. Macdonald would return to Nova Scotia where he once again became that province's premier.

To date, the Macdonald-Nelles feud for the period of January 1944 to January 1945 has not received the attention it deserves. The sources for such a topic are available at the Directorate of History and the National Archives of Canada in Ottawa as well as the Public Archives of Nova Scotia in Halifax. In particular, the Connolly, Nelles and Macdonald Papers as well as the CNMO files provide enough material for any future historian to outline the development of this feud throughout 1944. It is a very interesting story, and definitely worth telling.

## ***Appendix 1***

### ***Selective List of Principal Appointments at NSHQ prior to the June 1943 Reorganization.***

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+ denotes members of the Naval Board.

\* denotes members of the Naval Staff.

Chief of the Naval Staff +\*

Vice Admiral P. W. Nelles

Vice Chief of the Naval Staff +\*

Rear Admiral G. C. Jones

Chief Of Naval Personnel +\*

Captain E. R. Mainguy

Chief of Naval Equipment and Supply +

Captain G. M. Hibbard

Chief of Naval Engineering and Construction +

Engineering Rear Admiral G. L. Stephens

Secretary of the Naval Board +

Paymaster Commander R. A. Pennington

Director of Operations Division

Captain W. B. Creery

Director of Trade Division

Captain E. R. Brand

Director of Plans Division

Captain H. G. Dewolf

Director of Signals Division \*

Commander G. A. Worth

Director of Naval Intelligence Division \*

Lieutenant C. H. Little

## *Appendix 2*

### *Selective List of Principal Appointments at NSHQ after the June 1943 Reorganization.*

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+ denotes members of the Naval Board.

\* denotes members of the Naval Staff.

x denotes position created or incorporated into the Naval Staff after the June reorganization at NSHQ.

Chief of the Naval Staff + \*

Vice Admiral P. W. Nelles

Vice Chief of the Naval Staff + \*

Rear Admiral G. C. Jones

Assistant Chief of the Naval Staff x

Captain W. B. Creery

Chief of Naval Personnel + \*

Captain E.R. Mainguy

Chief of Naval Equipment and Supply +

Captain G. M. Hibbard was replaced by  
Captain E. Johnstone in October 1943

Chief of Naval Engineering and Construction +

Engineer Rear Admiral G. L. Stephens

Secretary of the Naval Board +

Paymaster Commander J. Jeffrey

Director of Operations Division x

Commander G. F. Griffiths

Director of Trade Division x

Captain Eric Brand

Director of Plans Division x

Captain H. G. Dewolf was replaced by  
Captain G. R. Miles in August 1943

Director of Signals Division \*

Commander G. A. Worth

Director of Naval Intelligence x

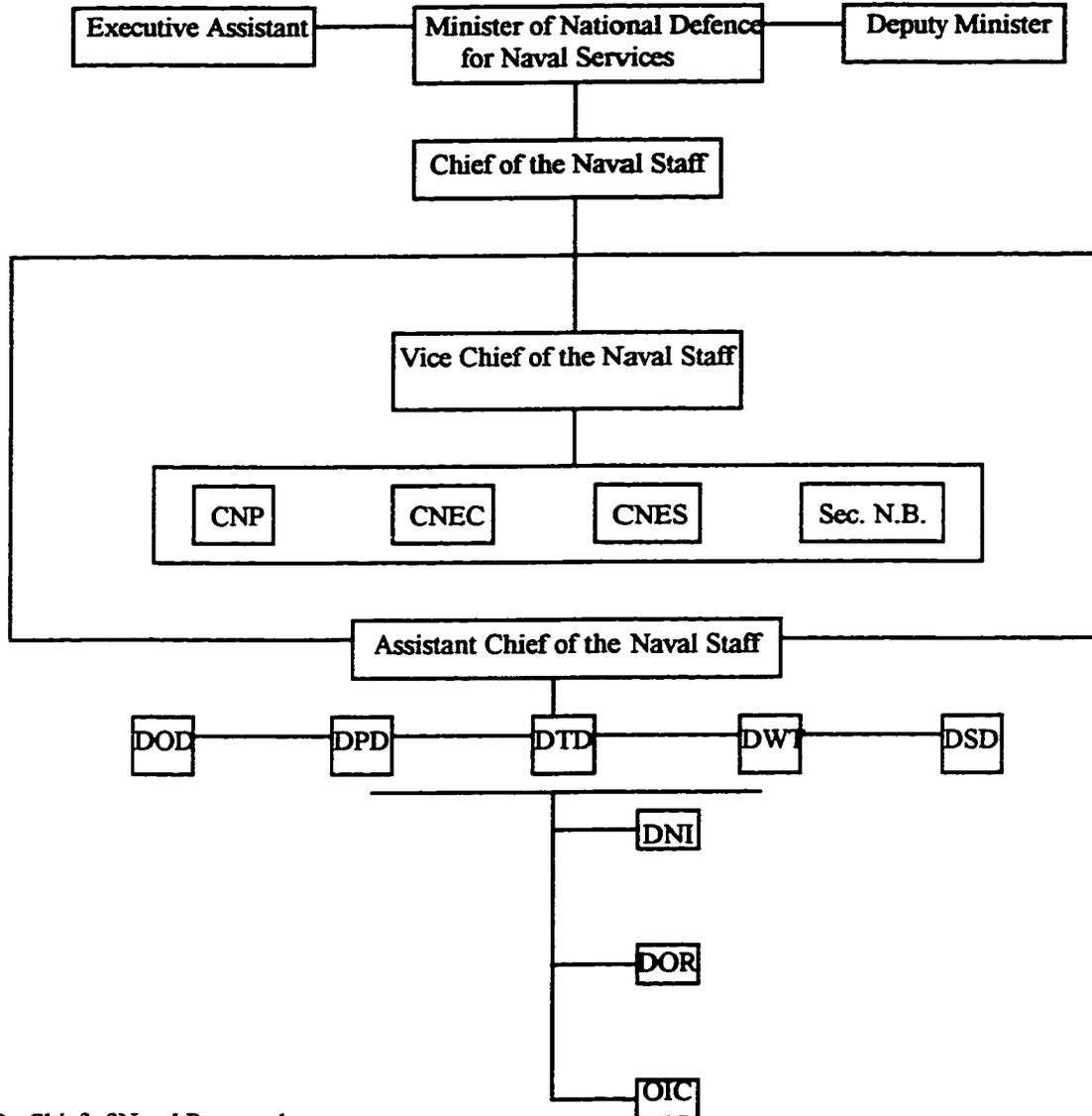
Lieutenant C.H. Little

Director of Warfare and Training Division x

This position was filled by Captain K.F. Adams in  
December 1943. Between June - December 1943  
it was run by the Deputy DWT  
Captain H. McMaster

### Appendix 3

#### Selected organizational chart of NSHQ after the June reorganization

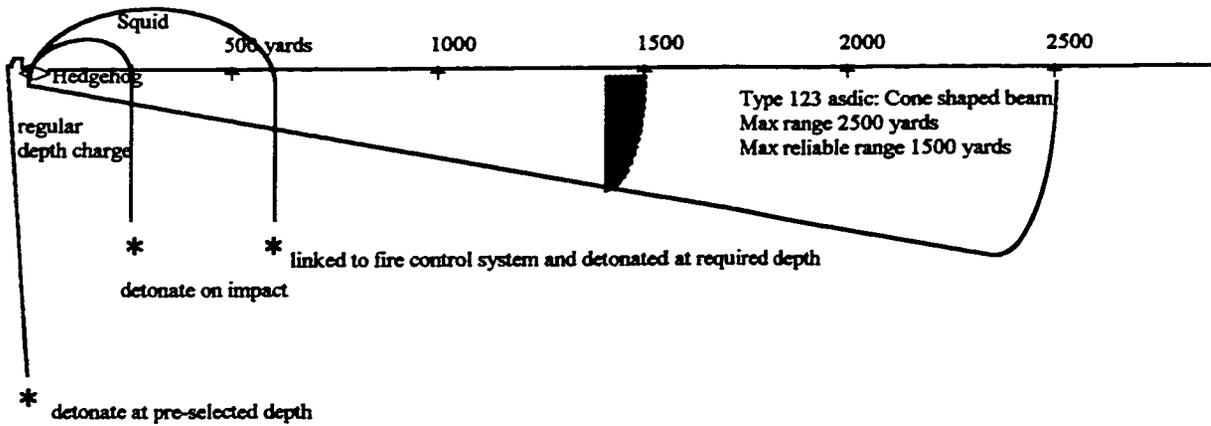


CNP Chief of Naval Personnel  
 CNEC Chief of Naval Engineering and Construction  
 CNES Chief of Naval Equipment and Supply  
 Sec. N.B. Secretary of the Naval Board  
 DOD Director of Operations Division  
 DPD Director of Plans Division  
 DTD Director of Trade Division  
 DWT Director of Warfare and Training  
 DSD Director of Signals Division  
 DNI Director of Naval Intelligence  
 DOR Director of Operational Research  
 OIC Operational Intelligence Center

**Figure 1**

**Effective range of Anti-submarine equipment and weaponry.**

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Information for this figure was gathered from Marc Milner's The U-Boat Hunters.

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RG 24 D 1 NSHQ Central Registry Files  
D13 Senior Canadian Naval Officer (London) Files

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