Dill, were setting out by air for Cairo on 12th February to discuss our policy and strategy in the Middle East. They were delayed owing to bad weather in the Mediterranean and did not arrive in Cairo till late at night on 19th February, five valuable days being thus lost at a critical time. Shortly after their arrival, on 22nd February, British representatives, including Mr. Eden, General Sir John Dill, Air Chief Marshal Sir Arthur Longmore (Air Officer Commanding-in-Chief, Middle East) and myself flew to Greece and held a series of conversations that evening at Tatoi Palace near Athens.

Military Position in Middle East at beginning of February.

6. It is necessary at this stage to recapitulate the troops available in the Middle East Command and their state of readiness for battle. The following formations existed:—

In Western Desert 7th Armoured Division. 6th Australian Divison. and Armoured Division. In Egypt New Zealand Division. 6th British Division (in process of formation). Polish Brigade Group. 7th Australian Division. In Palestine 9th Australian Division. (Engaged in front of In Eritrea Keren). 4th Indian Division. 5th Indian Division. African South In East Africa Ist Division, 11th African Division, 12th African Division (about to begin operations against Kismayu).

7. Of the above, the 7th Armoured Division had been fighting continuously for eight months and was mechanically incapable of further action; only a fraction of its tanks had succeeded, thanks to most skilful maintenance, in reaching Beda Fomm for the final engagement of the Cyrenaican campaign. It was obvious that the armoured vehicles of this division would require a complete overhaul and would be in workshops for many weeks to come. For all practical purposes the 7th Armoured Division had ceased to be available as a fighting formation.

The 2nd Armoured Division, which arrived from the United Kingdom on 1st January, 1941, consisted of two Cruiser regiments and two Light Tank regiments only, the other two regiments of the division having been sent out some months previously to bring up to strength the 7th Armoured Division which had always been short of two regiments of its establishment. These two regiments of the 2nd Armoured Division had formed part of the 7th Armoured Division throughout the Western Desert operation and shared with the rest of the 7th Armoured Division the same mechanical exhaustion.

Thus all the armoured troops available were the four regiments and Support Group of the 2nd Armoured Division, and from these I had to find armoured forces for both Cyrenaica and Greece. The Commander of the 2nd Armoured Division, Major-General J. C. Tilly, on arrival in Egypt gave me a most alarming

account of the mechanical state of his two Cruiser regiments, of which he said the tracks were practically worn out, while the engines had already done a considerable mileage. He had been informed that fresh tracks would be supplied him in the Middle East, which had been specially made in Australia. After some investigation these tracks were discovered but on trial proved to be practically useless; and the two Cruiser regiments continued with their old tracks, which it was hoped would give less trouble in the desert than they had at home.

8. Of the three Australian divisions, the 6th Australian Division had taken part in the Cyrenaican campaign from Bardia to Benghazi, was seasoned and fully equipped and had not suffered heavy casualties. The 7th Australian Division had had no training as a division and was still in process of equipment, while the 9th Australian Division had only recently arrived, was only partially trained and was very short of equipment.

The New Zealand Division was fully trained and equipped and available for operations, but the 6th British Division, which was being formed out of various British battalions in Egypt, had practically speaking no existence as a division and was without artillery and supporting arms; it was being trained for landing operations against the Italian Dodecanese. The Polish Brigade Group was available but was not fully equipped.

The 4th and 5th Indian Divisions were engaged in front of Keren; it was hoped, should Keren fall and the campaign in Eritrea be concluded, to withdraw one of these divisions to garrison Cyrenaica; meantime neither division could be reckoned as available.

Of the troops in East Africa, the South African Division had been provided by South Africa for the operations in East Africa only and had not been released for operations further north, while the two African divisions were not suitable in personnel, training or equipment for operations in North Africa or on the continent of Europe.

9. Thus the maximum force that could be made available for Greece was part of the 2nd Armoured Division, the New Zealand Division, two Australian Divisions (the 6th and 7th) and the Polish Brigade Group, and of these both the 7th Australian Division and the Polish Brigade Group were still incomplete in equipment.

It was not considered that any smaller force than the above would be likely to affect the operations in Greece, but the despatch of this force involved removing from the Middle East practically the whole of the troops which were fully equipped and fit for operations.

To. At the time when the decision as to the maximum force which could be despatched to Greece had to be made, there seemed no serious risk to our position anywhere in North Africa. The Italian armies in Cyrenaica had been so completely defeated that any counter-attack by them could be ruled out for some time to come, practically the whole of their armoured fighting vehicles and nearly all the Italian artillery in North Africa had been captured or destroyed and the fighting value of the Italian troops remaining in Tripolitania could, for all practical purposes, be discounted.

Though unconfirmed reports had been received from time to time of the preparation of German troops for despatch to Libya and of