

74. *Prime Minister to Acting High Commissioner
in United Kingdom*

TELEGRAM

Ottawa, September 12, 1914

Following from White. Replying your letter twenty-eighth August impossible for Dominion to meet obligations unless Bank of England discounts our Bills or Imperial Government makes us advance. American market closed against us and British market will take nothing but Imperial securities. Inflation of Dominion currency here beyond what we shall be obliged to do to assist Provinces and municipalities and commercial community through banks most inadvisable. If Imperial Government unwilling to assist directly they can arrange with Bank of England to discount Dominion Bills thus making our bills floaters and readily saleable. Canadian finances almost paralyzed by cessation of money flow from England and United States.

BORDEN

75. *Order in Council*

P.C. 2448

September 26, 1914

The Committee of the Privy Council have had before them a report, dated 24th September, 1914, from the Right Honourable the Secretary of State for External Affairs to whom was referred a secret despatch from the Right Honourable the Secretary of State for the Colonies, dated 1st September 1914, on the subject of the composition of the Canadian Expeditionary Force.

The Minister states that it has been decided to despatch to England the entire force now under arms at Valcartier, namely, one division with army troops, line of communication units, and a surplus over war establishment of about forty per cent, making a total in round numbers of 31,200 all ranks and 7,500 horses. Additional transports will of course be required, but the entire force, it is hoped, will embark next week under the escort already promised.

The Minister observes that it has not been overlooked that further reinforcement may be required by the time the force has been twelve months in the field; and provision will be made accordingly.

The Minister further observes that the advisability of sending reinforcements to England, there to be trained and held ready for immediate despatch to the front, is fully recognized; and steps will be taken in the direction indicated.

The Committee on the recommendation of the Right Honourable the Secretary of State for External Affairs advise that Your Royal Highness may be pleased to inform the Right Honourable the Secretary of State for the Colonies in this sense.

All of which is respectfully submitted for approval.