

AIDE MEMOIRE

re: B.C.A.T.P. AND OTHER SETTLEMENTS

1. Disposal of B.C.A.T.P. Assets - U.K. to waive interest in 50% after March 31, 1945, but to obtain Surplus for R.A.F. as free issue.

Impracticable to hand over 50% to U.K.

Sale of assets will require years - War Assets, 15 to 20 years' life.

Desirable to finalize quickly.

Political and economic considerations.

Disposal left entirely to Canada will permit political and economic considerations and avoid long drawn out settlement with U.K.

Proposed offset - equipment surplus to Plan and other Armed Forces to be free issue to U.K. if required for R.A.F. subject U.K. pays shipping costs.

2. B.C.A.T.P. Obligations accruing at March 31, 1945 - U.K. to be relieved

Present estimate \$40,000,000 - U.K. share 50% or \$20,000,000.

Equipment off such contracts available for R.C.A.F. Post war activities.

Is more properly a liability of R.C.A.F. post war operations. Should be reduced to minimum anyway.

3. Cost of Winding Up B.C.A.T.P. - U.K. to be relieved after March 31, 1945

Difficult to define and determine - complicated by demobilization of Overseas and W.H.O. personnel.

Winding up now in progress and in current costs. Retarding of demobilization as policy.

Includes care and maintenance of assets.

4. Disposal of R.C.A.F. Overseas Assets - Canada to waive interest in.

\$125,000,000 for Squadron capital plus \$135,000,000 for reserve stores and pipe line supplies.

Heavy disposal costs.

Canada to be relieved of all responsibility.

Canada permitted to take Squadron aircraft and equipment for post-war organization.

5. Training Costs in U.K. and Canada - offset for fiscal year 1945 - 46

Advanced training in U.K. for R.C.A.F. Squadrons - \$40,000,000.

Training of R.A.F. personnel in Canada - \$30,000,000, based on using up depot stocks.

Political considerations - offset rather than waiver.

October 17, 1944.

Minutes and Documents of the Cabinet War Committee,  
Volume XVI, July - December 1944, (R.G. 2, 7c, Volume 16)

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