

Post-UNRRA relief totalling approximately \$20,000,000 was provided in 1947 to the International Children's Emergency Fund, to the Canadian Council for Reconstruction through the United Nations Educational, Scientific and Cultural Organization, and in the form of direct aid to Austria, Greece and Italy. In addition, our assessed share in the budget of the International Refugee Organization amounted to \$5,400,000. Adding these items together, our total contribution through Government channels in the form of direct relief to Europe has amounted in round figures to about \$275,000,000.

I cannot complete this review of the contribution made by Canada to the relief of distress in Europe without mentioning the generosity of individual Canadians, both during and since the war. Indeed, in many respects private contributions are more praiseworthy than the assistance rendered through the state, for they reflect even more truly the humanitarian spirit that has motivated the Canadian people during these past few years. Complete figures as to the volume of private aid are not, of course available, but I am told that the value of the supplies shipped overseas from the beginning of the war by agencies which come under the scrutiny of Dominion Government amounted to no less than \$95,000,000. The Post Office has also given me some interesting figures on the volume of overseas parcels, mainly food, that I would like to pass on. In 1945 the weight of parcels sent from Canada to the United Kingdom and other European countries totalled 11,351,000 pounds; in 1946 nearly 25,000,000 pounds; and in 1947 nearly 40,000,000 pounds.

I come now to postwar credits, through which Canada has contributed to reconstruction and recovery on a scale that will bear comparison with any country in the world. First, of course, was the credit of \$1,250,000,000 granted to the United Kingdom in 1946, of which \$978,000,000 had been drawn down by January 31, 1948. This was followed by credits and guarantees to Belgium, China, Czechoslovakia, France, The Netherlands, The Netherlands Indies, Norway and Russia under the Export Credits Insurance Act, totalling about \$607,000,000, of which some \$456,000,000 has been advanced under direct credits at January 31, 1948.

In total, therefore, since the conclusion of hostilities, Canada has extended credits to Europe and China amounting in all to \$1,857,000,000, and has already put at the disposal of the borrowing countries under the credits, goods and services valued at some \$1,434,000,000.

It is difficult to grasp the significance of such large figures and to see them in perspective. Perhaps it will help to give them meaning if I relate them to our current dollar difficulties. As most of you may be aware, we came out of the war with a healthy reserve of United States dollars and gold, amounting to about \$1,500,000,000 at the end of 1945. A year later that reserve had fallen to \$1,245,000,000, and by the middle of November 1947 to approximately \$500,000,000.

Now, if all our transactions in 1946 had been on a cash basis, rather than partly on credit and partly in the form of outright gifts, our exchange reserves, instead of declining by some \$250,000,000, would have increased by \$600,000,000. If all our transactions during the first ten and a half months of 1947 had been on a cash basis, our exchange reserves, instead of falling by \$745,000,000, would have fallen by only \$235,000,000.

In other words, the dire straits of the countries affected by the war, most of them in former years good customers of ours, led us to permit their purchasing a large proportion of their requirements from us on credit at the same time that we financed part, or all, of our U.S. deficit by the using up of previously acquired negotiable assets, our liquid reserves of gold and U.S. dollars.