

period, and if so on what terms. Similar instances will probably arise in the near future.

It is appreciated, of course, that in the case of the farm implement relief programme, Canadian difficulties were accentuated by doubts whether the programme was for UNRRA or military relief or both. Nevertheless, if there had been no doubts on this point, certain of the difficulties referred to in the previous paragraph would have remained.

Two steps would seem to us to be urgently necessary. They have no doubt already occurred to you.

1. The establishment in Ottawa of permanent machinery for handling relief questions generally and in particular for determining what allocations for relief can be sponsored by Canada and how those so sponsored can be implemented.

2. Pending the establishment of such permanent machinery, the immediate adoption of an interim procedure covering the sponsoring of allocations. Though interim machinery for procurement may not be so urgently required, it is also very necessary.

2. Permanent machinery in Ottawa for relief questions.

In this connection, the United Kingdom organisation to handle Relief matters may be of interest. In London, the Foreign Office is responsible for Relief Policy, and the Ministry of Production for Relief operations, in particular for the detailed work of procurement.

There are two committees on operations and supply questions; a ministerial committee, under the Minister of Production, and an inter-departmental committee of officials under a member of the Ministry of Production.

When there are conflicting United Kingdom claimants for available supplies, the case for Relief is put before Ministers by the Foreign Office which also handles relations with UNRRA generally.

There will, no doubt, be required in Ottawa some ministerial body to give direction and exercise control on Relief policy matters. This might be the Cabinet, or a Committee of the Cabinet. If the latter, possibly the Mutual Aid Board might be satisfactory, though the absence of the Secretary of State for External Affairs would be a disadvantage.

There should also, of course, be an inter-departmental committee of officials. It is understood that consideration is already being given to the establishment of such a committee, consisting of representatives of the Departments of External Affairs, Finance, Trade and Commerce, Agriculture, Munitions and Supply, and Wartime Prices and Trade Board.

Such a Committee would, under the general direction of the Cabinet or Cabinet Committee, be in a position to decide what types of goods Canada was prepared to supply for relief purposes and, broadly, the amounts and values of those supplies.

In considering questions of military relief, the policy of the committee will, of course, be affected by arrangements for financing such relief. This is discussed later in this despatch. With regard to non-military relief, the