

hand, there is existing and potential capacity in Canada for the speedy production of certain kinds of munitions, strategic materials, aluminum and ships which are urgently required by the United States for its own purposes.

"While exact estimates cannot yet be made, it is hoped that during the next 12 months Canada can supply the United States with between \$200,000,000. and \$300,000,000. worth of such defence articles. This sum is a small fraction of the total defence program of the United States, but many of the articles to be provided are of vital importance. In addition, it is of great importance to the economic and financial relations between the two countries that payment by the United States for these supplies will materially assist Canada in meeting part of the cost of Canadian defence purchases in the United States.

"In so far as Canada's defence purchases in the United States consist of component parts to be used in equipment and munitions which Canada is producing for Great Britain, it was also agreed that Great Britain will obtain these parts under the Lease-Lend Act and forward them to Canada for inclusion in the finished articles.

"The technical and financial details will be worked out as soon as possible in accordance with the general principles which have been agreed upon between the President and the Prime Minister."

JOINT ECONOMIC COMMITTEES To help implement the Hyde Park Agreement and to act in an advisory capacity to the governments at Ottawa and Washington, the Joint Economic Committees were formed in June, 1941. Each government was to appoint a committee to meet with a committee appointed by the other, and these committees shall, severally and jointly, study and report to their respective governments on the possibility of:

1. Effecting a more economic, more efficient and more coordinated utilization of the combined resources of the two countries in the production of defence requirements (to the extent that this is not now being done) and
2. Reducing the probable post-war economic dislocation consequent upon the changes which the economy in each country is presently undergoing."

CANADIAN MEMBERS

Dr. W. A. Mackintosh, Special Assistant to the Deputy Minister of Finance - Chairman
Dr. J. G. Bouchard, Assistant Deputy Minister of Agriculture
G. C. Bateman, Metals Controller, Department of Munitions and Supply
D. A. Skelton, Director of Research, Bank of Canada
Dr. H. L. Keenleyside, Assistant under Secretary of State for External Affairs (occasional member)
Dr. H. F. Angus, Department of External Affairs - Liaison Officer
J. J. Deutsch - Secretary