

The Government, assuming that it expresses the will of the nation, is now asking Parliament to endorse its position, and as a member of the British Commonwealth to stand by Great Britain. In many vital respects the conditions of the present struggle differ very greatly from those of the last war. We must frame our policy in the light of our knowledge of the present situation. To that end, the Canadian Government is in close consultation with the Government of the United Kingdom.

Our first concern, naturally, is the defence and security of Canada. Measures have already been taken for our safety by the calling out of the Active Militia, the Naval Service and the Air Forces. We must provide for internal security, and guard against sabotage and hostile propaganda. My right honourable friend has said that this is not all that is necessary; that the trouble, the danger and the solution lie elsewhere. I recognize that, but I say we must face the situation as we find it, and must meet it with all the means at our disposal. Economic defence measures have to be taken. The outbreak of war involves a tremendous upheaval in both international and internal trade. Necessary financial support for military measures must be attended to, and the credit and financial relations of Canada maintained. Profiteering must be rigidly controlled. Close co-operation with the provinces, and with representatives of industry, agriculture, labour and commerce, will be established. Some of the measures immediately necessary to that end have already been enacted.

The safety of Canada depends upon the adequate safeguarding of our coastal regions. At the entrance to the St. Lawrence stands the neighbouring British territory of Newfoundland, the integrity of which is essential to the security of Canada. By assisting with the defence of Newfoundland and other nearby British and French territories, we shall be not only defending Canada but also enabling Great Britain and France to concentrate their forces more closely in that part of the world where their own immediate security is at stake.

Hon. Mr. BALLANTYNE: Would the honourable leader tell the House how we are going to do that?

Hon. Mr. DANDURAND: With all the means at our disposal.

The British Government, in reply to our inquiry, has indicated that this would be an effective and desirable means of co-operation. We propose also to co-operate in economic pressure, which is so essential to meet the present situation. Measures designed to prevent trading with the enemy and for the

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control of vital exports, as well as appropriate measures with regard to alien enemies, merchant ships and property, will be adopted.

The furnishing of supplies of all kinds, munitions, manufactures, raw materials and food stuffs, is of vital importance to the British and Allied powers. There is urgent necessity for a constant supply of munitions, and it is apparent that Canada, because of her industrial equipment and relative accessibility to the European theatres of war, is able to meet these needs in great measure. This is a subject on which there has been consultation with the United Kingdom. The British Aircraft Mission, which was sent to this country in 1938, received effective co-operation from a group of Canadian aircraft manufacturers in placing initial orders. With the concurrence of the Governments of Canada and the United Kingdom, a delegation organized by the Canadian Manufacturers' Association recently visited the United Kingdom to study all forms of armament and munitions production, with a view to the speedy adaptation of Canadian industry to meet the requirements in this field. Representatives of the delegation recently presented to the Government a report of their mission and its conclusions. I may say that the inquiry was carried out in a most thorough way, and will be of decided help to the Governments of both Canada and Great Britain. This is a good example of the capacity and readiness of leaders in Canadian business to co-operate.

A special mission is now on its way from the United Kingdom to Canada. It has been authorized to make a further survey of the situation, and to place certain orders in this country along the lines explored in consultation with the Canadian mission.

Canada, of all non-European countries, is the nearest and surest source of these indispensable materials and supplies. It may be said with assurance that a determined national effort to bring our industry and agriculture to the point of highest efficiency, and to maintain them at that high level, will be of the utmost importance to the common cause.

As regards other theatres of war, essential information must be available before any intelligent and definitive decision can be made as to Canadian action. I may say in this connection that the Canadian Government has been, and is, in daily contact with the British Government, and knows what the exact situation is, and what Canada can do at the moment to help Great Britain and France. The question of an expeditionary force, or of units for service overseas, is particularly one of far-reaching significance, and will require the fullest examination. Sir Henry Gullet, Aus-