

It is true that the military situation is better than it was a year ago, and that co-operation among the United Nations is closer than at any time in the past. At Washington, at Quebec, at Moscow, at Cairo and at Teheran, military plans for the coming campaigns were fully co-ordinated. Foundations were also laid for a united approach to the problems of transition from war to peace. The improved military situation does not, however, necessarily mean an early end of the war. Hostilities may continue for a long time in Europe, as well as in the Far East. The German army is still very strong. There are no indications of any general deterioration of German resistance. Germany herself is protected by a vast outwork of conquered territory. She has been fortifying herself against invasion since the beginning of the war. Until the German army has been defeated, the Allied nations cannot count upon an assured victory in Europe. Until the Allied naval forces have grappled successfully with the main Japanese fleet there can be no assurance of an end to the war against Japan. Future operations will involve bitter fighting and heavy losses.

The winning of the war clearly remains the first of all objectives. My ministers believe it is their duty to see that Canada's war effort is firmly maintained until the enemy is defeated in Europe and in Asia. They believe the government's primary task, and the primary duty of the Canadian people, is to concentrate on the prosecution of the war. Our fighting men must be assured that there will be no diversion from this vital task and no relaxation of Canada's war effort. Till the war is won, the policies of my government will continue to be shaped to that end.

Our armed forces at sea, on land and in the air have added lustre to the name of Canada. The armed might of the United Nations has been strengthened by Canadian mutual aid. In the combined Allied assault upon the Nazi fortress, all branches of the armed forces will have still heavier responsibilities.

While giving to the needs of the war precedence over all else, my Ministers are resolved that, so far as the future can be foreseen, Canada will be in a position to meet the difficult situations which will have to be faced when victory is won.

As occupied countries are liberated from the enemy, it will be necessary to provide for the relief of destitute populations, and for the rehabilitation of devastated areas in those countries which have borne the brunt of the terror and destruction of war. A measure to extend the principle of mutual aid so as to provide for relief, as well as for materials of war, will be submitted for your approval.

Canada's prosperity and the well-being of her people are bound up with the restoration and expansion of world trade. Export markets are essential to the efficient employment of vast numbers of Canadians. Larger imports are needed to raise the standard of living. In accordance with the principles of the Atlantic Charter, the arrangements required to clear the channels of trade and promote the flow of goods among all nations after the war are being explored with other countries. Discussions will be advanced as rapidly as the exigencies of war will permit.

The revival of world trade and prosperity after the war will depend upon the speedy recovery of the occupied countries. During the period of transition, the provision of international relief will help to maintain full employment of Canadian manpower and resources.