

This assistance was an integral part of the Canadian war effort and can be justified entirely on that basis. I bring it to your attention at this time because it also marked the beginning of the measures we have taken to assist in post-war reconstruction. One of the major considerations behind the decision to furnish war materials and food without expense to our Allies was the desire to avoid the creation of war debts. We knew from the bitter experience of the previous war what a heavy burden such debts can impose upon the debtors and how they can hamper the recovery of world trade. In the light of recent developments, no one will, I am sure, question the wisdom of that decision.

Canada did not accept United States Lend Lease assistance, even though at times we were critically short of United States dollars. As my predecessor in office, the Right Honourable J. L. Ilesley, explained on one occasion: "We never wished to ask the United States for lend lease assistance - we felt that as a nation in a favored position, free from the ravages of war, we were in duty bound to stand on our own feet, and indeed share with the United States in assisting other less fortunate of our Allies in carrying on the war against the common enemy." This attitude towards Lend Lease is worth particular note because it accords in principle with the attitude that Canada is now taking towards the European Recovery Plan.

While the outright gift of a billion dollars in supplies to Britain and Mutual Aid comprised the chief forms of assistance by Canada to overseas countries during the war, the wartime record would not be complete without mention of several other significant items. The legislation relating to the so-called "billion dollar gift" also included a loan of \$700,000,000 to Britain to cover supplies previously purchased. This loan has never carried interest and about half of it still remains outstanding. In 1943 we repaid to the United Kingdom Government some \$200,000,000 to cover its share of the cost of constructing special munitions plants in Canada early in the war. As part of the overall financial settlement reached between Canada and the United Kingdom in 1946, we agreed to assume the United Kingdom share of the costs of the Commonwealth Air Training Scheme in Canada amounting to \$425,000,000. Prior to Mutual Aid we extended a credit of \$10,000,000 to Russia for the purchase of wheat and flour, and when Mutual Aid came to an end made a temporary advance of \$8,800,000 to the same country for the same purpose. When Greece was faced with starvation we made free shipments of wheat valued at \$19,000,000.

I do not list these items of wartime assistance with the idea in mind that Britain or any other recipient country is indebted to us in any way, or that we did these things purely out of the goodness of our hearts. We did them because they were in our own long run interests. Who can measure in monetary terms, Britain's contribution to the defence of freedom? My purpose in referring to these things which Canada has done is to indicate that during wartime our policy was such as to place as few obstacles as possible in the way of the eventual rehabilitation of a war-torn world.

As the end of the war approached, European countries looked to Canada for help in the relief of distress and in the work of reconstruction. They did not look in vain. The Governments of the United Kingdom, the United States and Canada, realizing that conditions in the countries of Europe were being cleared of the enemy were so desperate that action would have to be taken before the concerted efforts of the United Nations could be directed to that end, formed a Civil Affairs Committee to distribute relief through the medium of the armed forces stationed in the devastated areas. Canada's share of the outlay of this tri-partite effort was approximately \$95,000,000, of which part is recoverable.

Military relief was followed by the formation of the United Nations Relief and Rehabilitation Administration. When this humanitarian agency finally completed its work we had contributed supplies valued at \$154,000,000. Nor did the dissolution of UNRRA mark the end of Canada's aid to Europe.