

of such relief, and no access to the moral credit or financial returns obtained for such relief in liberated territories. I fully concur in this attitude.

On the other hand, it seems to me that we should anticipate a position in which some or all of the difficulties and objections mentioned above were withdrawn. For example, it is conceivable that Canada might be offered a place at the meetings of the Combined Civil Affairs Committee, which, under the Combined Chiefs of Staff, is responsible (I understand) for planning and organizing military relief; further, arrangements might be made for Canada to participate in the receipts from military relief distributed in liberated territories; and so forth. In short, circumstances might arise in which it might be considered desirable for Canada to participate in financing military relief, or at any rate, in which it might be quite embarrassing for Canada to refuse point blank to do so.

This raises the question in my mind whether the Mutual Aid Bill in its present form (or any other Bill), if passed, would permit the inclusion of a certain amount of expenditures for military relief. I fully appreciate the fact that the Mutual Aid appropriation at present proposed is insufficient to meet all the demands which are likely to be made upon it, and that you naturally cannot welcome any suggestion of additional burdens on it. Nevertheless, I would like to urge upon you most strongly that the way should be left open, either in the Mutual Aid Bill or in some other financial measure, for Canada to provide some military relief under acceptable circumstances.

My reason for urging this policy is because of the difficulties which might be expected to arise in Washington if, by Parliamentary action, Canada was precluded from providing any military relief under any circumstances. As you know, the Combined Boards are actively allocating sources of supply for relief purposes. It is urgently necessary that the production and procurement of relief supplies should proceed with the least possible delay. If the Canadian Government's hand is so tied by Parliamentary action that we are forced into the intransigent and unyielding attitude that under no circumstances will we finance any military relief, it will almost certainly evoke a similarly intransigent attitude on the part of the U.S. and U.K. procurement authorities, who will state that under no circumstances will they purchase any military relief in Canada. Such an attitude might not be alarming if it were possible to distinguish clearly in advance between relief for use in the military period and in the UNRRA period. But this is absolutely impossible. Accordingly, if we take an absolutely intransigent attitude on the question of military relief, it is likely seriously to interfere with arrangements for the placing in Canada of UNRRA relief requirements.

The position outlined in the preceding paragraph is not merely my own imagination. It is a situation which is actually emerging in the field of farm implements and other relief supplies.

Let me emphasize that, in view of the considerations mentioned in the first paragraph of this letter, I am not suggesting that we should make any commitment whatever at the present time in regard to military relief. I am only urging that we should be left some freedom of manoeuvre in that field and that