

- (b) U.K. to be entitled to receive free either before or after March, 1945, any Plan equipment declared surplus to the Plan and other Canadian Armed Services if required by U.K. for Royal Air Force purposes, subject to payment by U.K. for packing and shipping.

To this I answer yes.

- (c) U.K. to be relieved of liability under section 27 to pay share of outstanding obligation at March 1945 as well as cost of winding up the Plan subsequent to that date.

To this I am inclined to answer yes, but would prefer to be guided by the advice of your Department.

Certain other matters in connection with Canada's financial obligations Overseas have also been discussed and further proposals in connection therewith have been made by the United Kingdom. Full details of the considerations affecting these and the B.C...T.P. proposals are given in the attached "Aide Memoire" and Memorandum dated 17th October, 1944, addressed to me by my financial people. These further proposals are briefly;

- (d) Canada not to assume any financial obligation in respect of disposal of assets paid for in U.K. or cost of returning such assets to U.K.

To this I answer yes.

- (e) Canada to waive interest at conclusion of hostilities in residual value of assets purchased for squadrons, reserve stocks and pipe line supplies and have no responsibility for their ultimate disposal except Canada may, upon cessation of hostilities, take any aircraft and equipment which had been paid for by them subject to cost of packing and shipping to Canada.

To this I answer yes because I believe these stocks will be useful in providing capital and maintenance for our second phase operations.

- (f) The cost of advanced training in U.K. of aircrew replacements for the R.C.A.F. Overseas Squadrons to be considered as offset by the cost of training R.A.F. pupils in Canada during the year 1945-46.

This is very desirable for simplicity of administration but whether it is advantageous financially is for decision by your Department after consultation with my responsible officers.

I would be very glad if you would consult with your officers and have them consult with mine as Dr. Clark seems to be disinclined to

Minutes and Documents of the Cabinet War Committee,  
Volume XVI, July - December 1944, (R.G. 2, 7c, Volume 16)

**PUBLIC ARCHIVES**  
**ARCHIVES PUBLIQUES**  
**CANADA**