

All of these supplies are needed for the efficient prosecution of the war and the feeding of the civilian population. Figures which could be given at the present stage would not be exact enough to be of much value but we must reckon on our needs of Canadian dollars in war-time greatly exceeding our peace-time needs, perhaps by 200 and nearer 300 million dollars a year.

7. In the circumstances perhaps the most valuable immediate assistance which Canada could give in this field would be any steps which are possible to assist us in the financing of desired purchases. Ends.

1073.

*Le haut commissaire de Grande-Bretagne au sous-secrétaire d'État
aux Affaires extérieures*

*British High Commissioner to Under-Secretary of State
for External Affairs*

Ottawa, September 6, 1939

SECRET AND IMMEDIATE

My dear Dr. Skelton,

In his telegram No. 59 of the 6th September the Secretary of State for Dominion Affairs gave an outline at the request of the Prime Minister of Canada of the nature of the co-operation which, subject to Canada's own vital requirements, the Government to the United Kingdom would seek from the Canadian Government.

I now enclose a memorandum which gives in considerably further detail, the specific measures in so far as defence questions are concerned, which the United Kingdom Government had in mind in framing the above mentioned telegram. I should be grateful if they could receive the earliest and most careful consideration by the Canadian Government.

Apart from defence questions you will have observed that Mr. Eden, in his telegram No. 59 referred to above, specified certain matters of a financial and supply nature, in which the co-operation of the Canadian Government would be of the highest importance to the United Kingdom Government. Many of these matters have already been the subject of correspondence during recent months. In particular, and at the very outset, I am instructed to say that the opening by the Canadian Government of an immediate credit in favour of the purchasing Departments of the United Kingdom Government would be of the utmost possible value to the United Kingdom.

I need hardly say that I should be most grateful for the earliest possible information as to what action it may be found practicable to take regarding the matters dealt with in the present communication.

Yours sincerely,

GERALD CAMPBELL