

Armed forces -

Army	\$1,367 million	
Navy	325 million	
Air Force	847 million	\$2,539 million

Other departments (non-war expenditures but including war service credits and family allowances) 1,154 million

Other departments (war expenditures) 535 million

Department of Reconstruction 505 million

War service gratuities 100 million

Mutual Aid -

Sterling area	1,200 million	
Other countries	100 million	<u>1,300 million</u>

TOTAL \$6,133 million

5. The Deputy Minister of Finance explained that these figures were calculated upon the assumption that European hostilities would have terminated by March the 31st, 1945. If the war in Europe were prolonged, as now seemed likely, there would be increases in the requirements of the Services and some reduction in those of Reconstruction and Mutual Aid. In view of the doubtful time element, consideration might be given to including funds for Mutual Aid and Reconstruction and the War Appropriation in one vote, which would provide greater flexibility.

It was to be noticed that a very large proportion of the Service estimates related to personnel and services maintained in Canada and, in the case of the Army in Britain, awaiting return to this country and demobilization. Every endeavour should be made to accelerate the rate of repatriation and demobilization.

6. The Minister of National Defence suggested that, since, at the end of the war in Europe, shipping was likely to prove the serious difficulty in the way of speedy repatriation of Canadian forces, consideration might be given to converting Canadian-owned cargo vessels as temporary troop transports.

Minutes and Documents of the Cabinet War Committee,  
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