

The preamble of the agreements sets forth their purposes in language similar to that used in the preamble of the Mutual Aid Act.

In the words of Prime Minister King in the House of Commons on March 16, 1944:

The policies reflected in the "farseeing philosophy" of the Mutual Aid Act

"will make it possible for mutual aid to prove its post-war value in enabling trade to thrive without the barriers which huge war debts would have imposed. It has been our purpose in instituting the mutual aid procedure to leave at the end of the war no indeterminate obligations arising from the provision of war supplies by Canada which would have to be settled by subsequent negotiations."

The underlying principles of mutual aid and United States lend-lease are the same: That no financial impediment should prevent allies from giving the maximum assistance to one another and that United Nations war resources should be used in the most effective way possible.

While the Lend-Lease Act was adopted when the United States was neutral, the Mutual Aid Act was passed when Canada had been at war for more than 3½ years and had already extended financial aid in excess of \$2,700,000,000 to the United Kingdom and its allies.

Total Mutual Aid expenditures up to March 31, 1944, under various headings were as follows:-

The United Kingdom.....	\$723,755,786.96
The Union of Soviet Socialist Republics.....	23,282,292.53
Australia.....	20,959,845.42
China.....	4,101,587.96
West Indies.....	374,473.82
India.....	432,192.66
Total.....	\$773,454,184.35

Expenditures for war supplies held by the Mutual Aid Board in transit or in storage, to be transferred to recipient countries in future.....	\$139,123,563.85
Expenditures for administration.....	25,472.14
Total Expenditures.....	\$912,603,220.34

The appropriation for the fiscal year ending March 31, 1945, is \$800,000,000, which includes Canada's contribution to the United Nations Relief and Rehabilitation Administration.

EXPORT CONTROL

The war has altered the structure of world trade because of the difficulty of exchange transactions between many countries. German trade is now confined to Europe, and Japan is cut off from the United Nations; trade with neutral countries has been reduced by blockade and counter-blockade. On the allied side, external trade has been freely converted into fields which will best support the war effort. To ensure that it is oriented in the right direction, controls have been set up by the various governments.

The main purpose of these export controls during wartime is:

- (1) To prevent exports falling into enemy hands;
- (2) To conserve critical or strategic materials and supplies;