

them. If this review showed an excess of U.K. stocks over the minimum essential that excess could of course be made available for other purposes, or, to avoid uneconomic "double handling" of supplies, the U.K. import programme could be correspondingly reduced. Mr. Law assumed that the civilian programmes of the U.S. and other countries which called for the use of shipping would be reviewed at the same time.

15. As a result of the neglect of supply questions (or their deferment to a later stage when the shipping questions have been more satisfactorily resolved) there was no occasion in these preliminary discussions to present formally the proposal put forward by the Government of Canada in despatch No. 1819 of December 18, 1944.

16. Although the outcome of the discussions on this subject at the Staff Conference cannot be anticipated, it is apparent that the result will be of great significance to a country such as Canada which is already participating in the provision of Civil Affairs supplies and which must be regarded as an important potential supplier of the import requirements of the liberated countries. The completion of the interim arrangement and the imminence of more comprehensive policy decisions by the U.S. and U.K. would seem to emphasize the desirability of determining at an early date Canada's policy concerning the national civil import programmes (for raw materials and equipment, as well as foodstuffs) of the liberated countries, and of completing the necessary supply and financial arrangements to implement these policy decisions.

I have etc.

L. B. PEARSON

1287.

DEA/186s

*Le secrétaire d'État aux Affaires extérieures
à l'ambassadeur aux États-Unis
Secretary of State for External Affairs
to Ambassador in United States*

DESPATCH 136

Ottawa, January 29, 1945

TOP SECRET.

Sir,

I have the honour to refer to your despatch No. 173 of January 23rd, concerning the discussions which have taken place between the representatives of His Majesty's Government in the United Kingdom and the United States Government on the subject of the necessity of increasing the volume of civilian supplies provided to liberated areas in Europe. I am very glad to have this admirably clear account of the lines which the discussion has followed. It is disappointing, though not altogether surprising, that the United States War Department should take a narrowly military view of the situation and should not be as sensitive as the Government of the United Kingdom to the necessity of providing for the welfare of the civilian population in the liberated countries