

continent by opening up the northern approaches. Defence planning must be re-oriented to take this into account.

9. Canada, lying across the shortest air routes from either Europe or Asia, has now become of more direct strategic importance to the United States. Consciousness of the need for close co-ordination in defence began to grow even before the war, but it was the fall of France that forcibly brought to the fore the need for practical action. Thus, at a time when the defeat of Britain seemed possible, and with Canada at war but the United States at peace, the Canada-United States Permanent Joint Board on Defence was established.

10. The essential importance of Newfoundland and the Maritimes to the security of both Canada and the United States was fully recognized in the earliest meetings of the Board. At the first meeting, as a direct result of its recommendations, Canada agreed to despatch further forces to Newfoundland and to undertake further defence measures there. One of the main topics of the second meeting of the Board was the defence of the Maritime Provinces. Eventually, following the recommendation of the Board, a joint defence plan was evolved by the Service members and accepted by the Governments of both countries.

11. Nearly all the tasks set out in this plan involved measures to be implemented in Canada, Newfoundland and Alaska. It is possible that if Canada had not been able to carry out the defence measures required on Canadian territory the United States would have done so, even though the United States was not then at war.

12. This attitude of the United States became more apparent after the entry of that country into the war. If Canada had refused or failed to undertake projects which formed part of United States plans (such as the Crimson Air Staging Route), or measures in Canadian territory for the special protection of the United States (e.g. the Radar Chain across Northern Ontario to protect industrial installations in the mid-continent), the United States was willing and even anxious to proceed alone. As time went on, it became increasingly apparent that the existence of major military installations in Canada built, paid for and operated by the United States might impair Canada's freedom of action. This difficulty has been mitigated, if not eliminated, by the Canadian Government's decision, agreed to by the United States, to reimburse the United States for construction costs of all airfields and certain other facilities of continuing value erected in Canada by the United States.

13. Thus, developments in the present war have brought about a new set of defence relationships between Canada and the United States of which the following are the most significant:

- (a) Opinion in both countries has gone far towards recognizing that the two oceans do not provide full protection for North America from attack, and further that the ultimate security of the continent depends on the maintenance of peace in Europe and Asia.
- (b) Both the United States and Canada have accepted the fact that in addition to protection against seaborne attack they must have adequate protection against airborne attack, especially from the North, Northeast and Northwest.
- (c) Canada along with Newfoundland, Alaska, Greenland, Iceland, Bermuda and the West Indies will continue to be vital to the defence of