

Government was going to reduce the rations in order to augment foods in the needy countries. They will do their best to get down to British levels, with due reference to climatic conditions and customs of the people. They are afraid of the black market if drastic cuts are made.

Their producing machinery is intact; the yields of their herds about 25% below prewar. Out of the 1944-45 crop year they estimate surpluses for export as follows:

|                |                     |
|----------------|---------------------|
| Butter         | 37,000 tons         |
| Bacon and Pork | 25,000 tons         |
| Meat           | 7,500 tons          |
| Cheese         | 700 to 800 tons     |
| Eggs           | 4,000 to 5,000 tons |
| Horses         | 7,000 head          |

They are asking for 200,000 tons of oil cakes and 200,000 tons of grain, and figure that, if given same, their increase for export will be significant.

I have only one copy of the agenda of the meetings and I am enclosing it herewith.<sup>†</sup>

Yours faithfully,

G. R. PATERSON

1305.

PCO

*Extrait des Conclusions du Cabinet*

*Extract from Cabinet Conclusions*

TOP SECRET

Ottawa, June 26, 1945

...

WORLD FOOD SUPPLIES; U.K.-U.S.-CANADA CONVERSATIONS;  
MEMORANDUM OF UNDERSTANDING<sup>233</sup>

4. THE MINISTER OF FINANCE, referring to the discussions in Cabinet on May 24th, pointed out that the Minister of Agriculture had reported that the Memorandum of Understanding represented not a firm commitment but an objective which would be subject to modification in the light of changing circumstances. Mr. Gardiner had suggested that, subject to minor modification, the Memorandum should be approved.

<sup>233</sup>Pour le texte du mémorandum d'accord du 27 avril 1945 voir États-Unis, *Foreign Relations of the United States*, 1945, volume II, Washington, U.S. Government Printing Office, 1967, pp. 1086-7.

For the text of the Memorandum of Understanding see United States, *Foreign Relations of the United States*, 1945, Volume II, Washington, U.S. Government Printing Office, 1967, pp. 1086-7.