C-10-3-D

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SECRET CABINET WAR COMMITTEE Document No 305

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## CABINET WAR COMMITTEE

Re: B.W.I. steamship service - continuance of sterling subsidy.

External Affairs reports that under the Canada-British West Indies Trade Agreement Canada undertakes to provide a steamship service to the various B.W.I. colonies and they, in turn, agree to pay an annual subsidy.

Because of war losses and requisitioning of ships, maintenance of this service has become inoreasingly difficult, and certain colonies now receive no service at all. On the other hand, payment of the annual continuation, amounting to 45,500 pounds sterling has been made regularly.

It is proposed to put into effect an alternative but reduced service which it is hoped can be maintained under war conditions. In view of this, it is thought that certain colonies adversely affected might wish to have a reduction in their annual financial contribution considered.

In this connection, a draft despatch for transmission through the U.K. Secretary of State for the Colonies has been submitted for consideration.

> A.D.P. Hooney, Secretary.

Privy Council Office, October 5th, 1942.

> Minutes and Documents of the Cabinet War Committee, Volume XI, October - December 1942, (R.G. 2, 7c, Volume 11)

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