

total personnel of 82,000 by March 31st, 1944.

In addition, it was regarded as desirable that two aircraft carriers, with necessary shore facilities, be provided for the Canadian Navy. This would involve some 4,350 men.

17. Admiral Nelles explained that delays in Naval ship-building would make it possible to provide the personnel required within the limits of the present programme. Subject to the possibility of a deterioration in the U-boat situation, it would be possible, too, further to slow down, plans for construction of escort craft, and certain older corvettes and destroyers could be laid up thus releasing officers and ratings for the larger vessels.

It was the view of the Naval staff that the Admiralty's proposals should be accepted, that a start should also be made with aircraft carriers and that the result would be an effective use of Canadian personnel and a well based addition to the Canadian Navy.

18. Mr. Macdonald said that provision of larger naval craft would be in accordance with plans for development both now and after the war. With reference to the proposed provision of aircraft carriers, the Naval staff remained of the opinion that carrier aircraft should be operated by Naval personnel, although an arrangement might be made whereby the R.C.A.F. might provide training and shore facilities and crews.

19. Mr. King emphasized that Canada had now reached the limits of her resources in the war effort. No new commitments, involving additional calls upon Canadian resources, human and material, could be accepted.

At the next session, Parliament would not be disposed to accept new commitments and would, indeed, be unlikely to renew the billion dollar appropriation for Mutual Aid. The Armed Services should lay their plans accordingly.

Any new proposals put forward should, therefore, be confined within the limits of programmes already approved.