to buy surplus Canadian goods both for human consumption and for military needs.

To give an idea how desperate is the plight of Britain today I should like to read into *Hansard* a statement which appears in the *United States News and World Report* of November 9, 1951. It is on page 31. It reads as follows:

Why England Needs More Dollars

What Britain Owes Outside of Britain	
Due other countries in pounds	$13,258,000,000
Due other countries in dollars and other non-sterling currencies	6,143,200,000
	$19,401,200,000
What Britain Holds to Meet These Debts	
Gold and dollars	3,269,000,000
Other currencies	400,400,000
Overseas investments	5,703,600,000
	$ 9,373,000,000
What the British empire still holds in gold and dollars	3,269,000,000
Average annual drain on gold and dollars since world war II, had no loans or gifts been received	1,340,000,000

What Britain apparently needs—At least 1 billion dollars a year in gifts or loans from the U.S.

I imagine Britain needs a good deal more than that to accomplish what she can do in the way of fighting if she were enabled economically to do the best she can.

I come now to some of the details as to why Britain is in the perilous position in which she now finds herself. I have here a document which I had prepared for me by an authority today on Great Britain's post-war predicament. With respect to wartime losses, her physical losses were 18 million tons of shipping, one out of three in housing and 950,794 casualties both civilian and service. She suffered monetary loss by way of reduction in gold and dollar resources, growth of overseas indebtedness, especially sterling balances, and sale of overseas investments. As to trade in wartime, her overseas markets were lost with a need for heavy reinvestment by advertising, a condition of lend lease. Her exports were cut to one-third pre-war volume, and her exporting industries lost their labour force to war industries. Hence the original estimate, before price rise of raw materials, was that Britain would have to export twice as much as pre-war in order to be able to pay for only the same amount of imports as pre-war.

Dealing with her post-war problems, first of all there is her full share in international agencies such as the U.N., UNRRA, etc. Then there are her gifts and grants to overseas countries. In all a greater amount was given away than was received. I shall introduce some figures later on to show how true that is. Then there is also her full share in defence of democracy with a higher proportion of population devoted to defence than any other western power. I hope that gets right home to the United States people, every one of them.

A million men and women in uniform, 300,000 stationed overseas; full contribution of 25,000 to Korea; a single-handed war for four years in Malaya, involving 40,000; unsupported responsibilities in the Middle East, Austria, Trieste and Germany. In the past five years, civil production has been doubled, exports multiplied five times in volume. Yet there has been misdirection of exports because, first, there has been no control of exports in Britain, and secondly, excessive releases from sterling balances. Then, again, there has been overgenerous liberalization of trade with Europe under United States pressure as a condition of Marshall aid—for example, free imports from Europe now have to be cut.

If the part played by the United States in that list were to be detailed at the present time, it would strike members with astonishment. However, we shall pass on to some further details as to why Great Britain is in difficulty.

I wish to give sales of overseas investments, showing what Britain lost as sources of revenue as a result of war. I am reading now from a document entitled "Statistical Material Presented During Washington Negotiations." At page 9, appendix 3, I find this:

Loss of Overseas Investments

1. Repatriations and Realisations During the War. The proceeds realised from the sale overseas of U.K.-owned investments requisitioned or otherwise repatriated during the war (i.e. September 1939 to June 1945 inclusive), so far as known, were as follows:

Table 4

Proceeds of Sale or Repatriation of Overseas Investments during the War

	$ millions
Sterling Area	
Dominions (Australia, New Zealand, South Africa and Eire)	810
India, Burma and Middle East	1,400
Colonies and other sterling area countries	60
Total Sterling area	2,270
North America	
U.S.A.	820
Canada	905
Total North America	1,725
South America	385
Europe	55
Rest of world	65
Total all countries	4,500

[Mr. Blackmore.]