

ASSISTANCE TO GREAT BRITAIN

In addition to sending soldiers, sailors, airmen and naval units to Great Britain, Canada has despatched essential war supplies and equipment and rendered financial assistance. Canada's exports to Great Britain in 1940 were about 50% greater than in 1939. These included food stuffs, raw materials such as base metals and timber, and war equipment. During the next twelve months it is expected that Canada will send to Britain approximately \$1,500,000,000 worth of such supplies.

From September 15, 1939, to the end of February this year, the United Kingdom's deficit with Canada amounted to approximately \$737,000,000. Of this deficit, Canada provided 45% by the repatriation of securities, and 21% by the accumulation of Sterling balances in London, while only 34% was met by the transfer of gold. During the six months' period, ending February 28 last, Britain's deficit with Canada was \$359,000,000 and Canada financed the whole of that deficit, except \$65,000,000 which was covered by gold shipments. Since the early part of December, no gold has been received from the United Kingdom. During the present fiscal year, the Canadian people will be rendering financial assistance to Britain which would be equivalent, in comparable United States terms, to something over \$15,000,000,000.

THE NAVY

The Royal Canadian Navy has been in action since the outbreak of war. It has convoyed over 3,700 vessels with a deadweight tonnage of over 23 million tons. It has provided Canada's shores with naval protection; it has taken various measures to protect Canadian ports; it has co-operated with the Royal Navy in British and other waters; and it has captured or helped to capture several enemy vessels.