

States and Canada agreed to set up a Permanent Joint Board of Defence, the purpose of which is to work out a common plan of defence for the two countries.

On Oct. 14, 1940, Canada and the United States agreed to begin engineering studies on the St. Lawrence waterway project in order to develop the resources and to provide better transportation facilities for the two countries. A Great Lakes-St. Lawrence Agreement was signed on Mar. 19, 1941. Legislation authorizing the work has been recommended by President Roosevelt to the United States Congress.

On Apr. 20, 1941, the Prime Minister visited President Roosevelt at Hyde Park, New York. At the close of the visit, the Hyde Park Declaration, which provides for collaboration in the production of defence materials, was issued. It is expected that, under this Declaration, Canada will sell to the United States nearly \$300,000,000 worth of defence materials which the Dominion can produce quickly and economically and will buy other materials from United States factories. Further, under the Lease-Lend Act which passed Congress on Mar. 8, 1941, the United States has undertaken to provide Britain with the components required in Canada to fill British orders for war supplies.

This collaboration between Canada and the United States has been an aspect of the closer co-operation between the United States and the British Commonwealth of Nations as a whole. On Sept. 3, the United States and the United Kingdom agreed to exchange 50 destroyers for the use of defence bases in the British possessions in the western hemisphere. Seven of these destroyers are now part of the Royal Canadian Navy.

Canada's closer relations with the United States are also part of a growing intimacy with the other American nations. Canada is planning the establishment of legations in Brazil and Argentina, and Ministers from these nations have already presented their credentials at Ottawa.

National Defence

The Organization and Administration of National Defence.—No further changes have taken place in the organization of the Department of National Defence since those published at p. xxvi of the 1940 edition of the Year Book.

The Navy.—The task of the Navy in time of war is twofold: to protect Canada's coast and to guard all shipping both approaching and leaving its shores. To do this, there must be complete accord and understanding between the various commands responsible for these duties, the Admiralty, the Ministry of Shipping, and other British authorities. Since the start of the War, the closest co-operation between the Royal Navy and the Royal Canadian Navy has been maintained at all times; this accounts in no small way for the fact that members of either fleet can at a moment's notice be transferred to the other without any delay being occasioned for additional training.

The training of officers and ratings is proceeding in the R.C.N.V.R. Divisions. Men are given preliminary training in these Divisions and then sent to the East or West coasts for advanced training. When this is completed, they enter active service afloat or active service ashore. In addition, selected personnel undergo training with the Royal Navy. These men are paid by the R.C.N. and the training they receive contributes to the efficiency of the Canadian Navy when they return.

Canada's extensive coast lines have been patrolled and guarded by the Navy. This patrol has extended even as far as equatorial waters. Ships approaching and leaving Canadian ports are under the constant protection of naval vessels. Operating