

Proposal follows:

Canada to send to Iceland, about July 15th, the Essex Scottish and the other troops to be despatched as per part II of our telegram No. 834. Canada to send to England as soon as shipping and relief of Black Watch permit, the three additional battalions first above mentioned, and Divisional units of the 2nd Division. On arrival of these troops in England, the United Kingdom to relieve the four Canadian battalions which will then be in Iceland. The three battalions of the 2nd Division which will thus be relieved to go to England and the other Canadian battalion thus relieved to return to Canada. The remaining 6th Brigade of the 2nd Division now in Canada to join the Division in England just as soon as further troops are sufficiently trained to replace it. Proposal ends.

PART III

4. This would result in the concentration of the 2nd Division in England where winter training facilities are available and would also advance the date of the formation of the Canadian Corps while the force in Iceland would be a homogenous division of the United Kingdom forces. Further it is pointed out that most of the mechanical transport of the 2nd Canadian Division has been sent to England and cannot be replaced in Canada for some time and also emphasized that advance parties of the 2nd Division are now in England and many of its Officers and other ranks are taking courses in anticipation of the arrival of the Division.

5. It is assumed that training equipment for the 2nd Canadian Division would be available in England as stated in Canadian Military G.S.576 June 9th. Please indicate to the United Kingdom Government the strong preference which the Canadian Government have for this alternative proposal, and that they would appreciate having the views of the United Kingdom Government as early as possible.

*Hand to Tolson  
July 12-45  
W.H.K.*  
SECRETARY OF STATE FOR EXTERNAL AFFAIRS.