

POOR PRINT
Epreuve illisible

R *keland*
C 278664 *file*

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA.

TO: THE HIGH COMMISSIONER FOR CANADA IN GREAT BRITAIN, LONDON.

MOST IMMEDIATE

SECRET

OTTAWA, July 11th, 1940.

CYPHER

No. 926.

PART I

Your telegram 1067 July 8th, Iceland.

It is noted that the United Kingdom Government justify their appreciation of the outcome of a possible Japanese attack on Canada on the assumption that such an attack would immediately result in bringing the United States forces into active participation. The Canadian Government consider that while this is probable it cannot be accepted as a certainty in all cases, and in any event it is obviously necessary for us to have sufficient forces available to provide effective co-operation with our neighbour and to assure the Canadian public regarding our defensive measures. The Canadian Government agree that while a sustained Japanese attack on Canada may be improbable there is a large Japanese population in British Columbia which might become disaffected and a serious menace even prior to any actual attack or even prior to any actual state of war. This was one of the dangers in mind when reference was made to the needs of home defence in the first paragraph of our telegram 834 of June 27th.

2. From Canadian military telegram 707 of July 6th it appears that upon arrival of Convoy "G" from the United Kingdom early this month the full complement of the military forces considered necessary for the defence of Iceland will have reached the island, except for the remainder of the Canadian troops mentioned in Part II of our telegram 834 and the heavy anti-aircraft guns referred to in your telegram 1001 of June 28th. The remainder of the Canadian troops referred to in Part II of our 834 is being despatched about July 18th. The despatch of the remainder of the 2nd Division would of course be in relief of United Kingdom forces and would not increase the defences of Iceland.