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TELEGRAM

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From THE SECRETARY OF STATE FOR DOMINION AFFAIRS
To THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

LONDON, January 24th, 1940.

MOST SECRET AND PERSONAL

CYPHER

CIRCULAR D. 38

Circular D. 38. Most Secret and Personal.

Following for your Prime Minister, Begins:

Attention has recently been called to the extent to which German operations against shipping have recently tended to fall with increasing severity on the shipping of neutral countries.

The figures for shipping of three Scandinavian countries, Norway, Sweden and Denmark, show that during the first three months of the war the total number of ships sunk was twenty-three of a total tonnage of 63,000 tons; number of reported deaths was 50. During the month of December, twenty-eight Scandinavian ships were sunk of a total tonnage of 51,000 with one hundred and thirty-three reported deaths. In the present month up to date twelve ships have been sunk of a total tonnage of 23,000 and reported casualties of fifty-three.

In the earlier stages the German operations were limited to vessels trading with this country but more recently indiscriminate warfare has been practised, not only as a result of mine laying but also by submarine attacks on merchant vessels trading between neutral ports. Germany's violations of International Law and of rights of neutrals on the High Seas are thus becoming steadily more numerous and more flagrant while at the same time she continues to derive great benefit from our scrupulous observance of International Law in matters of iron ore shipments.