

Memorandum re Meeting of

Cabinet War Committee

July 9th, 1940.



MOST SECRET

July 9th, 1940.

CABINET WAR COMMITTEE

A meeting of the War Committee of the Cabinet was held in Room 401, House of Commons, on Tuesday, July the 9th, at 6 p.m.

There were present the following:

The Prime Minister,  
The Leader of the government in the Senate  
(Senator Dandurand),  
The Minister of Justice (Mr. Lapointe),  
The Minister of Mines and Resources (Mr. Crerar),  
The Minister of National Defence (Mr. Ralston).

The Under-Secretary of State for  
External Affairs (Dr. Skelton),  
The Secretary (Mr. Heeney).

Pacific area - Japan

1. The Prime Minister reported that he had had a conversation, this afternoon, with the Japanese Minister regarding developments in the Far East, and the effect upon Canada's relations with Japan of the present Anglo-Japanese situation.

The specific complaint of Baron Tomii was that Great Britain was permitting aid to the Chinese Nationalist government in the way of munitions and supplies over the Burma route. The U. K. government were apparently decided not to accede to Japan's request in this respect. He felt that the results might be serious, and thought Canada might help to persuade the United Kingdom to adopt a more conciliatory attitude.

2. The Under-Secretary of State for External Affairs, stated that the Japanese demands upon Great Britain had been three-fold, namely: to evacuate troops from Shanghai; to stop shipments from Hong Kong; and to close the Burma route into China.

Great Britain had submitted to the first two, but was refusing to close the Burma route. Australia had urged giving in to all three demands, being apprehensive of the effect of refusal.



(c) To suggest to the U. K. government that the 2nd Division (apart from the infantry brigade being retained at Shilo, Manitoba) should proceed to the British Isles for service there, the United Kingdom to undertake complete responsibility for the Iceland garrison.

It was pointed out that there was no artillery available to be sent overseas with the 2nd Division, and that from solely Canadian sources, guns would not be available for some long time.

9. The Prime Minister pointed out that there were two principal points to be considered. In the first place, the nature of the assistance which had been asked by Great Britain, and in the second place, the proper regard to the requirements of Canadian home defence.

10. After further discussion as to the most effective and appropriate employment of the 2nd Division, C. A. S. F., it was agreed that a telegram should be despatched to the U. K. government to the following effect:

Attention should be drawn to the requirements of Canadian internal security, specifically the possibility of Japanese attack, the danger of disaffection amongst Japanese population in British Columbia, and the necessity for protection of the Atlantic Coast against possible raids. For these reasons it was felt that one brigade of the 2nd Division should be retained in Canada until other troops had been sufficiently trained to take over this duty. In the circumstances the Canadian government could make available a second infantry brigade for garrison duty in Iceland, but would prefer that this second brigade, with that now in Iceland, should proceed to Great Britain to operate with the 1st Division, C. A. S. F., as a Canadian force for the defence of the United Kingdom. The Canadian government felt that this would be a more appropriate and useful service, and serious consideration by the U. K. government to the suggestion should be requested.

#### Munitions and Supplies

11. Mr. Ralston requested approval of commitments to an amount of \$52,920,000 additional to that provided in Departmental Estimates, for the fiscal year 1940-41:

These further commitments were to enable the Department of National Defence to place