

action was taken in consultation with the British Government to garrison Iceland with a mixed force of Imperial and Canadian troops. Canadian forces were also despatched to strengthen the defences of Newfoundland, Jamaica and Bermuda. Following the evacuation of the British Expeditionary Force from Dunkirk in June, the mobilization of the 4th Division was ordered.

On Dec. 25, 1940, the Canadian Corps was formed in the United Kingdom, consisting of the 1st and 2nd Divisions and Corps Troops.

Lessons of the campaign in France had been studied during the year by the British Imperial Staff, and observations of the German successes pointed to: (a) The necessity for providing a greater degree of anti-aircraft defence and anti-tank protection; (b) increased mobility; and (c) greatly increased use of armoured units.

The reorganization planned as a result of these studies involved considerable changes in the structure of Corps and Divisions, and the Canadian Army was reorganized to conform to the new British establishments and Orders of Battle.

By Apr. 1, 1941, a rapid expansion of the Canadian defence forces had been effected, reaching a total strength of 367,920 all ranks. This total was divided as follows:—

Active Army Overseas.....	66,037
Active Army in Canada.....	117,676
Reserve Army in Canada.....	104,006
Reserve Recruits trained or under training under the provisions of the National Resources Mobilization Act	80,201

During the summer of 1941 the 3rd Canadian Division was despatched overseas. The 1st Canadian Army Tank Brigade, which had been organized in 1940, was despatched abroad, where, after a suitable period of intensive training, it was included in the Order of Battle of the Canadian Corps. Later during this same year the 5th Canadian Armoured Division, which had been organized in Canada, reached England. The number of ancillary units necessary to maintain this larger force overseas was correspondingly increased. Some of these units were formed overseas, but the majority were organized in and despatched from Canada.

In November, 1941, two infantry battalions and a brigade headquarters were sent to strengthen the British garrison at Hong Kong. After a valiant stand they were forced to surrender to overwhelming Japanese forces on Dec. 25, 1941.

By Mar. 31, 1942, the forces in the United Kingdom had grown to a Corps of three divisions, an Army Tank Brigade, an Armoured Division, and an expanded quota of ancillary units. The total of forces overseas was in excess of 130,000.

During 1942, further organizational changes were undertaken. The most important of these was the formation of an Army Headquarters and an additional Corps Headquarters. Headquarters, First Canadian Army, under the command of Lieutenant-General A. G. L. McNaughton, came into being on Apr. 6, 1942. During the year the 4th Canadian Division was converted from an infantry to an armoured division and was despatched to England. A second Army Tank Brigade was organized. In the same year the 1st Canadian Parachute Battalion, which later became part of the British 6th Airborne Division, and the 1st Canadian Special