

[PIÈCE JOINTE 2/ENCLOSURE 2]

VALUE OF EXPORT PERMITS ISSUED IN 1954 AND 1955 IN RESPECT OF
NON-NATO COUNTRIES IN THE MIDDLE EAST FOR ITEMS LISTED IN
GROUP 8, SCHEDULE 2 OF THE ACT¹

		<u>Military Items</u>		<u>Civilian Items</u>		<u>Total</u>	
ISRAEL	1954	735,574.60 ²		760.00		736,334.60	
	1955	<u>1,332,110.59</u>	<u>2,067,685.19</u>	<u>1,245.00</u>	<u>2,005.00</u>	<u>1,333,355.59</u>	<u>2,069,690.19</u>
EGYPT	1954	296.00		49,800.00		50,096.00	
	1955	<u>770,825.00</u>	<u>771,121.00</u>	<u>74,000.00</u>	<u>123,800.00</u>	<u>844,825.00</u>	<u>894,921.00</u>
SAUDI ARABIA	1954	—		101,500.00		101,500.00	
	1955	<u>—</u>	<u>—</u>	<u>45,000.00</u>	<u>146,500.00</u>	<u>45,000.00</u>	<u>146,500.00</u>
SYRIA	1954	—		—		—	
	1955	<u>70.00</u>	<u>70.00</u>	<u>9,780.00</u>	<u>9,780.00</u>	<u>9,850.00</u>	<u>9,850.00</u>
						<u>COMBINED TOTAL</u>	<u>3,120,961.19</u>

Footnotes:

¹ The division between military and civilian items has been made as precisely as possible, although it is recognized that some items could be used for either purpose. In this table the military items consist of: military aircraft or military training aircraft and parts for them; 3.7" A/A guns, accessories and ammunition; 25 pounder equipment, accessories and spares; 20 mm. automatic guns and accessories; .303 Browning machine guns, accessories and ammunition; Bren guns, parts and ammunition; Oerliken ammunition; 75 mm. shells and fuzes; 2" rocket flare projectors and flares; Piat bomb bases; tracks and parts for Sherman tanks. The civilian items include: Beaver aircraft and spares; spare parts for various civilian aircraft such as C-47's.

² Excludes \$964,071.36 of Permits issued in 1954 which were not used within the year and were cancelled. Shipments of some of the items concerned which took place in the following year under a new Permit are shown in the figures for 1955.

[PIÈCE JOINTE 3/ENCLOSURE 3]

*Note du sous-secrétaire d'État aux Affaires extérieures
pour le secrétaire d'État aux Affaires extérieures*

*Memorandum from Under-Secretary of State for External Affairs
to Secretary of State for External Affairs*

SECRET

[Ottawa], January 27, 1956

EXPORT OF ARMS TO SENSITIVE AREAS

In a separate memorandum† I have outlined an answer which might be given to the question asked by Mr. Churchill (Winnipeg South Centre) on this subject. There are two points connected with that answer which I would like to bring to your attention.

I have suggested that you should indicate the total value of permits as "just below 6 1/2 million dollars". There are two reasons for putting it this way, rather than naming a precise figure. For one thing, it is not always easy to define what constitutes military equipment, and there are borderline cases such as used military clothing which could raise or lower the total slightly depending on whether or not you include them. In the second place, the great majority of the permits (all in the case of Middle East countries) provide a maximum dol-