

an exchange of Consuls between Canada and the Union of Soviet Socialist Republics. Following is draft of text of proposed Agreement as put forward by Maisky, who states that he has full power to sign on behalf of his Government, Begins:

The Government of the U.S.S.R. and the Government of the Dominion of Canada have reached an agreement as follows:

- (1) The two Governments have agreed to exchange Consular representatives, the number and residence of which will be decided by subsequent negotiations between them.
- (2) The present Agreement comes into force immediately after its signature and is not subject to ratification.
- (3) The present Agreement is drawn up in two copies, each of them in the Russian and English languages. Both texts have equal force. Ends.

I may point out that I have always given Maisky clearly to understand that *reciprocity* in exchange of Consuls was only mentioned as a question of principle, and that so far as I was aware the Canadian Government had no immediate intention of appointing Consuls in the U.S.S.R.

It may, however, be considered desirable to pin the Russians down now in the matter of reciprocity in case the Canadian Government at a later date should find it expedient to take advantage of proposal.

The United Kingdom Government are, as I explained in my despatch under reference, interested in establishment of principle of exchange of Consuls with the U.S.S.R. as this would strengthen their hand in negotiations to obtain the appointment of British Consuls in the U.S.S.R.

The South African and New Zealand Governments have also been approached by the U.S.S.R. As far as South Africa is concerned, the proposal is for appointment of a Russian Consul General in Durban or Capetown. So far the proposal has only been put to the South African High Commissioner unofficially, but in the event of an official proposal, General Smuts has authorized him to accept a Russian Consul but to insist upon reciprocity. While South Africa has apparently no immediate intention of appointing a Consul, they may find it convenient to do so later, and consider that a South African Consul in the U.S.S.R. could play the additional role of an observer on behalf of the British Government, much as Dupuy has done at Vichy.

New Zealand has been unofficially approached in the matter, but New Zealand Government have not yet made up their minds.

I should be grateful to receive your instructions as to whether you desire me to sign the above Agreement on behalf of the Canadian Government, either in its present form or modified in any particular manner.

I should be most grateful for early instructions.

MASSEY