

that the particular aircraft in question were not in fact equipped with any armament or armament mountings. No items of armament have been released by the RCAF for export to Egypt, nor has any been requested of the RCAF.

3. While it does not appear in A/M Slemon's report, we have been informed by the JIB that they have, with the assistance of an RCAF expert, checked through the lists of aircraft spare parts for which permits covering export to Egypt have been issued, and are satisfied that no items which could be used to arm Harvards are included.

History of the Harvards for Egypt

4. During the spring of 1955 the Trade Commissioner in Cairo reported to his Department that a representative of Canadair had held discussions with Egyptian authorities who wished to purchase military aircraft from Canada. The upshot of these discussions had been an Egyptian request to Canadair to provide quotations on 20 Orenda Sabre jets and/or on 20 Super Sabres, and to accept orders to provide 15 Harvard training aircraft. We were informed of this request, and sought the comments of the United States and United Kingdom governments. The United Kingdom replied that there was no objection to the export to Egypt of 15 Harvard T6G reconditioned aircraft, but that they did not want any modern aircraft in the hands of any Arab State or Israel. The United States authorities reported that they would offer no objection if Canada accepted an Egyptian order for five jet or super-jet aircraft, but would prefer it if the Egyptians could be satisfied with Orenda Sabres instead of super-jets. They did not comment directly on the matter of the Harvards, but the implication was clear that they had no objection to the export of this type of aircraft to Egypt.

5. At the same time the JIB was consulted, and reported in a letter dated July 18 that they had "no objection to the export of reconditioned Harvard trainers", while they opposed the release of modern jet aircraft to countries in the Middle East.

6. In a letter dated July 19 we informed the Department of Trade and Commerce that we were not able to give "a final view on the position which should be taken with respect to the proposal that Canada sell Sabre jets to Egypt." We stated, however, that we "would have no objection to the development of firm orders for 15 Harvard T6G reconditioned aircraft which, we understand, the Egyptians wish to purchase". This action followed your approval of the proposal to take this course recommended in our memorandum of July 8, 1955.¹⁴ Before making this recommendation we had been informed by telephone of the JIB position later confirmed in the letter of July 18 mentioned in my preceding paragraph. Our letter to Trade and Commerce is dated after that letter from JIB.

7. Our files show nothing further on this matter until the middle of October, when we received from Trade and Commerce the list of export permits for September recording the issue on September 8 of an export permit for these 15 Harvard aircraft. We have since been informed by telephone that the authority quoted in the Trade and Commerce file is our letter of July 19 which approved the development of firm orders but not specifically the issue of an export permit. This is no more than a technical departure from the established procedure, since our letter was tantamount to approval of the issue of an export permit and nothing occurred in the intervening period which would have altered our attitude. The incident does, however, draw attention to the desirability of tightening the procedures as suggested in my memorandum of January 19.

Survey of Requests for Arms from the Middle East

8. The annex to my memorandum of January 19 provides a summary of the export permits issued during 1954 and 1955 for shipment of military equipment to countries in the

¹⁴ Voir/See Volume 21, Document 548.