

INCOMING TELEGRAM

13 Department of State

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CIA DEPARTMENT PASS AGRICULTURE.

FOA FROM DIETZ.

Trade rumor Canada intends sell sizeable quantity flax
to USSR.

Control: 10163
Rec'd: February 21, 1955
4:32 a.m.

This document must be returned to
DC/R
Central
Files
461.429/2-2155

MATTHEWS

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DEPARTMENT OF STATE
AGRICULTURE
ALBSON OFFICE

MAR 3 1955

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FOREIGN SERVICE DESPATCH

FROM : AmConGen, Vancouver

28

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

DO NOT TYPE IN THIS SPACE

461-429/10-356
XR 033, 6142
XR 442, 6141

October 3, 1956

DATE

REF : CERP D2, 5/18/54

WG

No action required
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11/56
File

18 For Dept. Use Only	ACTION EUR-5 REC'D 10/9	DEPT. IN REP-2, RNY/R-2, OLI-6, E-5, ICA-10, U/FW-2 F OTHER O CIA-6, COM-12, TR-3, IN-3 PARIS-1 FOR USRG OSD-2, ARMY-3, NAVY-3, AIR-1
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SUBJECT: Visit of Soviet Minister of Fisheries to British Columbia and Proposed Purchase
of Canadian Ships

EXCON

The recent visit to British Columbia of four officials of the Soviet fishing industry, headed by the Minister of Fisheries, Alexander ISHKOV, was marked by strong efforts on the part of hosts and guests alike to be friendly and to overlook basic differences. According to press reports, the Soviet Minister promised to exchange technical information with the Canadian Minister of Fisheries, James SINCLAIR, and suggested that the Soviet Union would be interested in purchasing Canadian fishing equipment, including ships. During most of the visit, however, the press here concentrated on human interest angles of the visitors' tour of British Columbia.

No effort was spared by the Canadian Minister of Fisheries and his party in showing the visiting Russians life in British Columbia. They were, for example, shown drydocks, fish canneries, pulp plants, schools, and research facilities. They were extended every courtesy and the hospitality of city officials upon whom calls were made. They were wined and dined by both management and labor in the fishing industry, taken to a professional football game, and generally given "VIP" treatment.

On November 14, at the end of his nine-day tour of this province, the Soviet Minister told the press that despite the "conflicting ideologies" of Canada and Soviet Russia, "the visit has been very worthwhile". In addition, he expressed the hope that "this visit can be followed up by an exchange of scientists and research experts". He also called for broader commercial ties.

With respect to the possibility of Soviet purchases of Canadian equipment, he stated: "This is a question of trade relations. We buy from Norway, Denmark and Iceland. If our trade relations are broadened, then we can buy fish here, too. The question is, in what dimensions we can develop our trade ties."

The Vancouver press carried much more specific news of the Soviet Minister's attitude toward the purchase of Canadian equipment in reporting his final press conference in Ottawa on September 18th. The Ottawa correspondent of The Vancouver Province reported that Ishkov stated that, in addition to the purchase of about \$5-million worth of Canadian fish-stick plants, he is "seriously interested" in buying 50 modern trawlers of the type which he had seen in British Columbia, if the price were right. The trawler to which Ishkov had reference is a seine boat recently completed at the Star Shipyards (Mercer's) Limited at New Westminster, near Vancouver. This shipyard

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461-429/10-356

HBS

DRCarlson/bbm
REPORTER

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WG
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JLC
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was visited for most of one day by Igor SEMENOV, Soviet Deputy Minister of Fisheries. The trawler, the first of its kind to be constructed in British Columbia, is described by the Marine Editor of The Vancouver Province as being 72' long, with 21' beam, containing 125 tons of cargo capacity, and powered by a 360 h.p. caterpillar diesel. There are refrigerator holds both fore and aft, a fuel capacity of 6,000 gallons, and accommodation for a crew of 12.

News reports here to the effect that the Soviets might be willing to buy 50 trawlers from Vancouver shipyards were quickly followed by a story, quoting unnamed government officials in Ottawa as indicating that if orders were placed for such trawlers permits might not be granted, since these boats could be on the "strategic list". Such views were denounced by The Vancouver Province, in the leading editorial on September 22nd, which accused Ottawa officials of "conjuring up" reasons why an export permit may not be granted. The Province argued that all types of ships should not be kept under control forever; that many Western observers believe the best means of reducing East-West tension is to expand trade; that the "strategic list" is largely meaningless already since many European nations now sell machine tools and all sorts of industrial machinery to the East; that Canada, Great Britain and the United States should reconsider their positions on strategic items and relax their controls in order not to lose trade opportunities; and, specifically, that a specialized fishing trawler would not add materially to the Soviet war potential.

Of more importance was the position of the Canadian Minister of Fisheries, James Sinclair, who was interviewed on a North Vancouver radio station (in his home district) on September 30th. During this interview, Mr. Sinclair was asked about the possibility of Soviet orders for boats from B.C. shipyards. The Minister stated that the Soviets had indicated interest in buying 50 trawlers. The interviewer then asked: "Is it true that these trawlers are on the 'strategic list'?" — to which Mr. Sinclair replied: "Yes, there's a silly little thing there. They are apparently on the list, but the list was designed primarily, in this respect, for warships, and these trawlers, being only 72' long and with only a short range, can scarcely be regarded as warships."

Allegedly the Soviets are planning to build, largely in their own shipyards, a greatly expanded Soviet fishing fleet. According to the Soviet Deputy Minister of Fisheries, Semenov, who was interviewed by a reporter of The Vancouver Sun, just prior to the departure of the Soviet guests from British Columbia, the Russians plan to build a 50,000-ton, atom-powered whaling vessel, within three years, which is to navigate through the Arctic ice. This whaler is already on the drawing boards, and construction is expected to start soon in a northern Russian port. The ship is to be only one of three large whaling vessels, and is to be accompanied by 50 smaller "catcher" vessels. In addition to the whalers, Semenov indicated that there are plans to build, within the next four years, 75 large trawlers, complete with fish reduction plants; 100 trawlers of 1,000 h.p. and up; 600 middle-size trawlers of 400 h.p.; 700 seiners; 55 transport ships, equipped with refrigeration, to be between 2,000 and 4,000 tons; more than 800 small tankers, floating machine shops, deep-sea tugs and fish-collection ships to serve the fishing fleet at sea.

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Page 3 of
Encl. No.
Desp. No. 28
From Vancouver, Canada

Semenov stated that 80 percent of the vessels listed above would be built in Russian shipyards, but he stated: "I will have my engineers go over your plans and costs, and if they prove feasible we would certainly like to place some orders in Canada."

Delmar R. Carlson
Delmar R. Carlson
United States Consul

cc: Embassy, Ottawa (2)
BNA, Department (1)

Distribution note for Department:

Please send copies to USRO / ST, Paris.

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FOREIGN SERVICE DESPATCH

FROM : AmConGen, Vancouver, Canada 36
DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

REF :

ECO - Young
DO NOT TYPE IN THIS SPACE
461-429/11-156
X R 032
YL 8612391

November 1, 1956
DATE

For Dept.	ACTION	DEPT.
Use Only	E-5	RMR-2 RDO-2 OLI-6 EWP-9 ICA-10
REC'D	I N F O	OTHER
11-7		CAM-12 IR-3 AG-5 CIA-22 OSD-2 AFM-3

SUBJECT: Visit of Soviet Forestry Delegation to British Columbia.

EXCON

The recent eight-man Soviet forestry delegation, headed by G. M. ORLOV, minister of timber, wound up its Canadian tour with a visit to British Columbia from October 18 through October 26, 1956, as guests of the British Columbia lumber industry.

Mr. N. R. DUSTING, Secretary of the B.C. Lumber Manufacturers' Association, who accompanied the Soviet delegation on its tour of inspection of mainland and Vancouver Island forest industry installations, gave the following information privately.

All members of the delegation were experts in the field of forestry and tended strictly to business. Politics were not discussed or mentioned except in speeches where Orlov said that increased exchanges of delegations between Canada and the USSR would improve relations between the two countries.

The Russians were allowed to go wherever they wished and to see whatever they wished to see regarding the forest industry. Mr. Dusting felt that the Russians learned a great deal during their visit concerning logging techniques and new types of machinery which they were unfamiliar with, such as rubber-tired mobile yarding equipment and high-lead methods of yarding, using spar trees and necessary cable equipment. Dusting says that the Russians seem desperately eager to open up their Siberian forests which are more similar to those in British Columbia than are the European Russian forests, which more nearly resemble those in the eastern part of Canada. In this connection, it may be significant that the Russians extended their original stay in British Columbia because they felt they were learning more here than elsewhere in Canada.

In contrast to the Russian visit, Mr. Dusting believes that the Canadian nine-man forestry delegation which visited Russia from July 24 to August 15, 1956, learned little if anything. Only two of the members were qualified and interested in the technical aspects of the visit. The others went along for a joy ride. They did not visit Siberia but only European Russia. They were, however, allowed to go where they wished and to change their itinerary at will. They were permitted to take photographs freely except from the air. It seems that the exchange of delegations grew out of an invitation extended by the Soviet Ambassador to Canada.

PMLindsay/bbm
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Page 2 of
Encl. No.
Desp. No. 36
From Vancouver, Canada

Dusting claims that the B.C. lumbermen were not enthusiastic about visiting Russia, but were persuaded to do so from an unnamed quarter of the Federal Government in Ottawa. Although the Soviets have suggested further exchanges of forestry delegations, reportedly none is planned by the Canadians.

The Soviet delegation placed orders for some equipment, including a sawmill from Bingham Equipment Company Ltd., cables and yarding equipment, rubber-tired tractors and logging arches from Le Tourneau. The prospective sellers, according to Dusting, are trying to make arrangements in Ottawa this week to permit shipment of the ordered equipment. It is not known if any of the items are shown in the International Lists of strategic materials.

Delmar R. Carlson
Delmar R. Carlson
United States Consul

cc: BNA, Department (1)
Embassy, Ottawa (2)

Distribution note for Department:

Please send copies of this despatch to USRO/ST, Paris.



DEPARTMENT OF STATE INSTRUCTION

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(Security Classification)

1626

1626 FOR DC USE ONLY

NO.: CA-4304 November 21, 1956

SUBJECT: EXCON: Possible Sale of Timber Equipment to Soviet Russia by Canadian Subsidiary of United States Firm

TO: The American Consulate General, VANCOUVER

RPTD INFO: OTTAWA and USRO/ST PARIS

The Department has been requested by the Treasury Department to transmit the following message:

461.429 XE-032 861.2391
Reference is made to Consulate General Vancouver's Despatch No. 36 of November 1, 1956, repeated to all addressees. The last paragraph of that despatch indicates that R. G. Le Tourneau, Inc., is selling certain equipment to Soviet Russia. In view of this, the Treasury sent the following letter to R. G. Le Tourneau, Inc.:

"This office has received unverified information indicating that your Vancouver, Canada office may be contemplating the sale of logging arches, etc., to Soviet Russia.

461.429/11-2156
CS/PG
79
"In this connection, your attention is invited to the provisions of the Foreign Assets Control Regulations (31 C. F. R. Section 500.101 et seq.). These Regulations prohibit persons subject to the jurisdiction of the United States from engaging, directly or indirectly, in any transaction whatsoever in which there is involved an interest of Communist China or North Korea or nationals thereof, in the absence of a Treasury license. These Regulations have the effect of prohibiting your foreign subsidiaries and other foreign firms substantially owned or controlled by persons subject to the jurisdiction of the United States from selling any merchandise, whether strategic or non-strategic, to Communist China or North Korea, directly or indirectly, without a Treasury license.

"Your attention is also invited to the provisions of the Transaction Control Regulations. These Regulations (31 C. F. R. Section 505.10 et seq.) prohibit residents of the United States from selling strategic materials (e.g., items on the U. S. Department of Commerce's Positive List followed by the letter "A") which are located in a foreign country to any Soviet bloc nation in the absence of a

Treasury license.

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(Security Classification)

DRAFTED BY: Treas: EArnold: SISommerfield

OFD: FN: WFrohlich: jmf 11/19/56

APPROVED BY:

C. M. Carre

CLEARANCES: ECD - Mr. Nyren

RA - Mr. Sandenhoff

BNA - Mr. Vest (in substance)

CA - Mr. McVickar (in substance)

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461.429/11-2156RM/R
Central

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(Security Classification)

Treasury license. The effect of the regulation is also to prohibit a foreign subsidiary of a firm in the United States, or a foreign firm substantially owned or controlled by persons normally resident in the United States, from engaging in such transactions without a Treasury license.

"Two copies of a pamphlet containing the Foreign Assets Control Regulations, which also contains the Transaction Control Regulations, are enclosed for your information."

HOOVER, ACTING

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**DEPARTMENT OF STATE
CORRESPONDENCE RECORD CARD**

FROM AND TYPE OF DOCUMENT

DATE DUE

DATE

FILED

DATE REC'D

1/27/51

NO.

SUBJECT

RECORDED COPY OF TELEGRAM FROM THE DEPARTMENT OF STATE
TO THE AMERICAN EMBASSY, KABUL, REPUBLIC OF AFGHANISTAN

TO: 243

TO:

TO:

TO:

DATE

DATE

DATE

DATE

ANSWERED

95-GO
1/27/51

NO REPLY NECESSARY



TREASURY DEPARTMENT
WASHINGTON 25

FOREIGN ASSETS CONTROL

IN REPLY REFER TO: No. 21362

WT
File
RM/R

NOV 15 1956
MESSAGE CENTER
DEPARTMENT OF STATE
11:01 AM NOV 16 1956

TO: Chief, International Finance Division (FN)
Attention: Mr. Chester Carre, Room 501, SA-7
Department of State

FROM: Elting Arnold, Acting Director *E.A.*

It is requested that the following instruction be sent to Vancouver, copy for information to Ottawa and USRO/ST:

LIMITED OFFICIAL USE

*Subject:
Usual opening*
EXCON: Possible Sale of Timber Equipment to Soviet Russia by Canadian Subsidiary of United States Firm

Concierge General No.

Reference is made to Vancouver Despatch 36 of November 1, 1956. The last paragraph of that despatch indicates that R. G. Le Tourneau, Inc., is selling certain equipment to Soviet Russia. In view of this, the Treasury sent the following letter to R. G. Le Tourneau, Inc.:

"This office has received unverified information indicating that your Vancouver, Canada office may be contemplating the sale of logging arches, etc., to Soviet Russia.

Referred to all addressees.
10-864-298
79
"In this connection, your attention is invited to the provisions of the Foreign Assets Control Regulations (31 C. F. R. § 500.101 et seq.). These Regulations prohibit persons subject to the jurisdiction of the United States from engaging, directly or indirectly, in any transaction whatsoever in which there is involved an interest of Communist China or North Korea or nationals thereof, in the absence of a Treasury license. These Regulations have the effect of prohibiting your foreign subsidiaries and other foreign firms substantially owned or controlled by persons subject to the jurisdiction of the United States from selling any merchandise, whether strategic or nonstrategic, to Communist China or North Korea, directly or indirectly, without a Treasury license.

LIMITED OFFICIAL USE

ECD - Mr. Nyren

RA - Mr. Sanderhoff

✓ DWA - Mr. Vest (in substance)

✓ CA - Mr. McClellan (in substance)

Instruction drafted in FN
by W. Frohlich on 11/19/56

CML
11/16

FEB 16 1957 / 11-2156

- 2 -

"Your attention is also invited to the provisions of the Transaction Control Regulations. These Regulations (31 C. F. R. § 505.10 et seq.) prohibit residents of the United States from selling strategic materials (e.g., items on the U. S. Department of Commerce's Positive List followed by the letter "A") which are located in a foreign country to any Soviet bloc nation in the absence of a Treasury license. The effect of the regulation is also to prohibit a foreign subsidiary of a firm in the United States, or a foreign firm substantially owned or controlled by persons normally resident in the United States, from engaging in such transactions without a Treasury license.

"Two copies of a pamphlet containing the Foreign Assets Control Regulations, which also contains the Transaction Control Regulations, are enclosed for your information."

LIMITED OFFICIAL USE

It is suggested that any question arising in connection with the above instruction be taken up with Mr. Sommerfield.



DEPARTMENT OF STATE INSTRUCTION

903

903

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(Security Classification)

FOR DC USE ONLY

NO.: CA-4858 December 11, 1956

SUBJECT: EXCON: Possible Sale of Timber Equipment to Soviet Russia
by Canadian Subsidiary of United States Firm.

TO: The American Consulate General, VANCOUVER

RPTD INFO: OTTAWA and USRO/ST PARIS

This Document Must Be Returned to
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Central
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The Department has been requested by the Treasury Department to transmit the following message:

Reference is made to the Department's CA-4304 of November 21, 1956, on the above subject. The Treasury has received the following letter from R. G. LeTourneau, Inc., Long View, Texas.

"We wish to acknowledge receipt of your referenced communications, relative to your unverified information indicating that our Vancouver, Canada office may be contemplating the sale of Logging Arches, etc., to Soviet Russia.

"Accordingly we wish to advise that R. G. LeTourneau, Inc. does not have an office, subsidiary, controlled corporation or controlled firm in Canada. However, we do appreciate being alerted to the existing controls and wish to thank you for the enclosed copies of the Foreign Assets Control Regulations (31 C. F. R. - 500.101 et seq.) outlining these provisions."

In view of the foregoing, the Consulate General at Vancouver is requested to endeavor to provide further information which would enable the Treasury to identify the person or firm in Canada who is alleged, in Vancouver Despatch No. 36 of November 1, 1956, to be planning to sell certain timber equipment to Soviet Russia.

REP

PRIORITY 3.

461.429/11-156

XR032

861.2391

HOOVER, ACTING

DEC 11 1956 P.M.

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(Security Classification) OS

DRAFTED BY: Treas: EArnold: SISommerfield 12/6/56

APPROVED BY:

C. M. Carre, *Carre*

CLEARANCES: ECD - Mr. Nyren

RA - Mr. Sanderhoff

CA - Mr. Tucker *PW*

am

BNA - Mr. Vest,

REP *MJW*

461.429/12-1156

CS/F

461.429/12-1156



TREASURY DEPARTMENT

WASHINGTON 25

FOREIGN ASSETS CONTROL

IN REPLY REFER TO: No. 21394

File
RM/R

DEC 5 1956

TO: Chief, International Finance Division (FN)
Attention: Mr. Chester Carre, Room 501, SA-7
Department of State

FROM: Elting Arnold, Acting Director *CA.*

It is requested that the following instruction be sent to Vancouver, copy for information to Ottawa and USRO/ST:

LIMITED OFFICIAL USE

Subject
< usual opening > EXCON: Possible Sale of Timber Equipment to Soviet Russia by Canadian Subsidiary of United States Firm

to departments
Reference is made to CA-4304 of November 21, 1956, on the above subject. The Treasury has received the following letter from R. G. LeTourneau, Inc.:

"We wish to acknowledge receipt of your referenced communications, relative to your unverified information indicating that our Vancouver, Canada office may be contemplating the sale of Logging Arches, etc., to Soviet Russia.

"Accordingly we wish to advise that R. G. LeTourneau, Inc. does not have an office, subsidiary, controlled corporation or controlled firm in Canada. However we do appreciate being alerted to the existing controls and wish to thank you for the enclosed copies of the Foreign Assets Control Regulations (31 C.F.R. - 500.101 et seq.) outlining these provisions."

at Vancouver could provide further information which would enable us to identify the person or firm in Canada who is alleged in Vancouver Despatch 36 of November 1, 1956, to be planning to sell certain timber equipment to Soviet Russia.

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the Treasury
It is suggested that any questions arising in connection with the above instruction be taken up with Mr. Sommerfield

ECD - Mr. Nyren
RA - Mr. Sanderson
CA - Mr. Indecker
BNA - Mr. Vess
REP

MF
GE CENTER
STATE
PM

Instruction drafted in FN
by W. Frohlich on 12/6/56

enc
12/6

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FOREIGN SERVICE DESPATCH

FROM : AMCONGEN, Vancouver, Canada 52
DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

REF : Vancouver Despatch No. 36 of Nov. 1, 1956; CA-4858 of Dec. 11, 1956

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RMP file
461-429/1-2557

xR 032

861-239

January 25, 1957

DATE

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	E-5 1-30	I N Rpm/IR-2 REPR 0218 EUR 9 1CA-10 F OTHER O Com-12 TR 3 Ag-8 Ca-22 USIA-4 050-2 WSPO-Paris-1 NAVY-3 AIP-1	

SUBJECT: SOVIET ATTEMPTS TO BUY LOGGING EQUIPMENT IN VANCOUVER

EXCON

(2) In an effort to learn more about reported attempts by the Soviet forestry delegation which visited British Columbia last fall to buy logging equipment in this city, an officer of the Consulate General called on officials of two equipment dealers here recently.

The general manager of Logan Mayhew, Ltd., the local dealer for R.G. Le Tourneau, confirmed that he and others of his firm had had discussions with the Russian delegation, had demonstrated equipment for them, and had received an order for one Le Tourneau logging arch and a quantity of spare parts for the unit far in excess of normal needs. ORLOV, the head of the Soviet delegation, instructed Logan Mayhew to send price quotations to the Soviet Embassy in Ottawa. Logan Mayhew did this and to date has heard nothing further on the matter.

The firm's general manager appeared to be aware of United States views on the sale of such equipment to the Russians, and in fact said that the "rumor around town" was that the Russian failure to follow up on its initial orders was due to the fact that American authorities had made representations to the manufacturers of the equipment in which the Russians were interested. This led to the question as to how many Vancouver equipment dealers had taken orders from the Russians, and from the discussion it appears that several had done so. The firm's general manager gave it as his opinion, however, that none of the orders had been filled, since he feels that he would have heard about it if any local firm had moved such equipment.

The reporting officer then called on an official of Bingham Equipment Company, Ltd. (mentioned in the reference despatch as having taken an order from the Russians for a portable sawmill), and learned that the Russians had also offered to buy from Bingham a Wagner tractor. The order had been referred to the Wagner office in Portland, Oregon, and the Bingham official has heard nothing more from the factory or from the Russians.

In addition to leaving orders with Logan Mayhew and Bingham, the Russians apparently also gave orders to the Vancouver Equipment Corp., Ltd., (which is the dealer for Westinghouse - LeTourneau), and to Fanning Tractor and Equipment Company, Ltd. (the Caterpillar dealer). The Consulate General has not contacted

RTBurns/rf

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Reply to Vancouver drafted by OTD:FN:Wrohlich:kv
2/7/57 461-429/1-2557

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(Classification)

Page 2 of

Encl. No. -

Desp. No. 52

From Vancouver, Canada

these last two firms and does not know precisely what the Russians ordered from them, but believes that the orders probably were for tractors and logging arches. If the Department desires, the Consulate General will also seek to contact these two firms.

As far as is known all the dealers mentioned are Canadian firms. However, because of the nature of the equipment in which the Russians are interested, it appears unlikely that the Vancouver dealers would be able to complete the processing of such orders without the knowledge of the American manufacturers.

Edward G. Trueblood

Edward G. Trueblood
United States Consul

Distribution note for Department:

Please send copies of this despatch to USRO/ST, Paris.

Copies to:

AmEmbassy, Ottawa (2)
BNA, Department (1)



DEPARTMENT OF STATE INSTRUCTION

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1216

1216

FOR DC USE ONLY

NO.: CA-6501 February 12, 1957

SUBJECT: EXCON: Soviet Attempts to Buy Logging Equipment in Vancouver

TO: The American Consulate General, VANCOUVER

RPTD INFO: OTTAWA and USRO/ST PARIS

The Department has been requested by the Treasury Department to transmit the following message:

Reference is made to Vancouver Despatch No. 52 of January 25, 1957. For your information, the Treasury has sent letters to Le Tourneau - Westinghouse Company and to Caterpillar Tractor Company, similar to the one previously sent to R. G. Le Tourneau, Inc. as set forth in Department's CA-4304 of November 21, 1956. A follow-up letter was also sent to the latter firm in view of its earlier reply that it had not received any such order.

The United States manufacturer of the "Wagner tractor" referred to in the reference despatch as having a Portland office could not be identified from available reference directories. It would be appreciated if further details could be supplied in this regard.

PRIORITY 3.

DULLES

BNA/OS/J

REP

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DRAFTED BY: Treas:EArnold:SLSommerfield 2/7/57

APPROVED BY:

C. M. Carre' *her*OED:FN:WFrohlich:kv 2/7/57 *WJ*S/S-CR *SCA*
FEB 12 1957 P.M.CLEARANCES: ECDA *Mr. Nyren*RA - Mr. Sanderhoff *SM*BNA - Mr. Vest *gw*
REP Miss Mitchell *gw*

461-429/2-1257

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461-429/2-1257



TREASURY DEPARTMENT
WASHINGTON 25

FOREIGN ASSETS CONTROL
IN REPLY REFER TO: No. 22279

FEB 7 1957

CC
WPA
RHF
file

TO: Chief, International Finance Division (FN)
Attention: Mr. Chester Carre, Room 501, SA-7
Department of State

FROM: Elting Arnold, Acting Director *EA.*

It is requested that the following instruction be sent to Vancouver, ~~copy for information to USRO/ST, PARIS~~

Rptd & info: Ottawa and
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EXCON: Soviet Attempts to Buy Logging Equipment in Vancouver

< usual opening paragraph > Vancouver
Reference is made to your Despatch No. 52 of January 25, 1957. For your information, the Treasury has sent letters to Le Tourneau - Westinghouse Company and to Caterpillar Tractor Company, similar to the one previously sent to R. G. Le Tourneau, Inc. A follow-up letter was also sent to the latter firm in view of its earlier reply that it had not received any such order.

The U. S. manufacturer of the "Wagner tractor" referred to in the reference despatch as having a Portland office could not be identified from available reference directories. It would be appreciated if further details could be supplied in this regard.

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*as set forth
as transcribed in Department's CA-4304 of
November 21, 1956.*

ECD - Mr. Nyren
RA - Mr. Sandenhoff
BNA - Mr. Vest
REP -

MESSAGE CENTER
FEB 7 PM 16 16
STATE

Instruction to Vancouver
drafted in OFD:FN:WFrohlich:kv
2/7/57
file

CMC 2/1

INCOMING TELEGRAM

6 ✓ Department of State

ACTION COPY

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Action

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Info

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AIR

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CONFIDENTIAL

Control: 8845

Rec'd: FEBRUARY 14, 1957
2:03 PM

461.429/2 1457

FROM: PARIS

TO: Secretary of State

NO: POLTO 1862, FEBRUARY 14, 6 PM

SENT DEPT POLTO 1862 RPTD INFO OTTAWA POLTO UNN

EXCON

SUBJECT: CANADIAN ENQUIRY ON TRACTORS

REFERENCE: POLTO 1857

VEHICLE MENTIONED REFTEL IS HAYES H.D. LOGGING TRUCK MADE BY HAYES MFG CO LTD, VANCOUVER. PHOTO FORWARDED WITH DOC 2313.21/1 POUCHED FEBRUARY 14 TO ROBERT WRIGHT ECD.

SGC

RMR will phone when this
doc. comes in
dly

PERKINS

HBS

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and MAR 1 1957 FILE
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461-429/2-1557

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1. IN BILATERAL COMMENT TO USDEL ON INQUIRY RE COVERAGE
TRACTORS, CANADIAN DELEGATE

GAVE FOLLOWING BACKGROUND: SOV FORESTRY MISSION WHICH
HAD VISITED CANADA (DATE UNSPECIFIED) HAD BEEN MUCH IMPRESSED
BY CAN HEAVY EQUIPMENT FOR HAULING LOGS. CAN SUBSEQUENTLY
RECEIVED INQUIRIES FROM USSR LOOKING TOWARD PURCHASE SUCH
EQUIPMENT. SOME EQUIPMENT SOUGHT BY SOVS SO BIG AND RUGGED
THAT CAN CONSIDER COULD BE READILY USED OR CONVERTED FOR
MILITARY PURPOSES, E.G. TANK TRANSPORT, AND WOULD NOT
CONSIDER SUPPLYING. CAN DEL NOT CERTAIN "SMALLER VEHICLES"
(SUCH AS HAYES LOGGING TRUCK, REF B) OBJECTIONABLE;
THEREFORE QUERY TO COCOM.

2. CLEAR FROM CAN DEL DESCRIPTION EQUIPMENT MAINLY FOR
OFF-ROAD USE. ALSO EQUIPMENT NOT (AS SUGGESTED, REF A)
"TRACTOR-TRAILER" USED IN US FOR LONG-DISTANCE HAULING.
TRAILER PORTION CAN VEHICLE HAS ONLY TWO WHEELS, SUBSTANTIAL
WEIGHT THEREFORE RESTING ON PRIME MOVER SECTION.
THEREFORE, CAN DEL SUGGESTS PRIME MOVER PORTION OF VEHICLE
MIGHT POSSIBLY BE CONSIDERED TRUCK, (USDEL BELIEVES ITEM
1450 SHOULD ALSO BE EXAMINED IN CONNECTION CAN INQUIRY,
ALTHOUGH ITEM STIPULATES INCLUSION "BOTH FRONT AND REAR
DRIVES".)

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-2- POLTO 1882, FEBRUARY 15, 2 PM FROM PARIS

3. GER DEL IS EXPRESSING INFORMAL OPINION TO OTHER DELS
THAT CAN VEHICLE NOT COVERED BY IL I.

PERKINS

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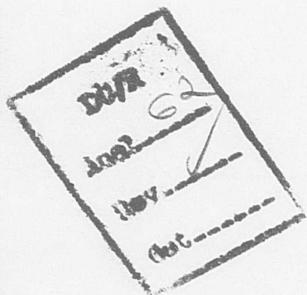
Canadian Inquiry RE Tractors POLTO 1882.

Technicians still studying question raised by CANDEL.

Will not have US position until FEB 26. Request appropriate delay.

Origin

Info:

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(MLW)

" DULLES "

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461.429/2-1557

461.429

Drafted by: *Son*
ITR:ECD:SDNelson:sbp:2/20/57Telegraphic transmission and
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Clearance:

WG I *Son*
RA - Mr. Sanderhoff *Son*S/S-CR
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FOREIGN SERVICE DESPATCH

FROM : AmConGen, Vancouver, Canada

59
DESP. NO.
AR 861.2391

TO : THE DEPARTMENT OF STATE, WASHINGTON.

461.429/2-1957 feb
RM/R

February 19, 1957

REF : CA-6501, February 12, 1957, and Vancouver's Despatch No. 52, January 25, 1957.

27 For Dept.	ACTION	DEPT.
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SUBJECT: EXCON: Soviet Attempts to Buy Logging Equipment in Vancouver

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Bingham Equipment Company Ltd. reports that the firm whose tractor it handles here is:

Wagner Tractor, Inc.,
8027 N.E. Killingsworth,
Portland, Oregon.

Delmar R. Carlson
Delmar R. Carlson
United States Consul

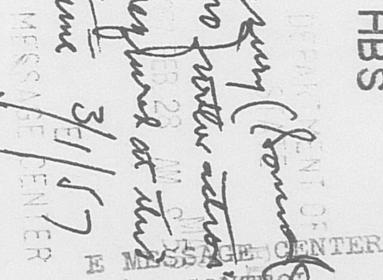
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Distribution note for Department:

Please send copies of this despatch
to USRO/ST, Paris.

cc: BNA, Department (1)
Embassy, Ottawa (2)



IN 3/1/57

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S/S-CR Please note: —

This letter was requested orally by Colonel J. M. Chambers who ^{also} requested his company be informed that he has received a copy of the letter which is attached.

December 17 1957

In reply refer to
EE

M. Golodetz and Company,
120 Wall Street,
New York, New York.

Sirs:

Your Washington representative, Colonel J. M. Chambers, has requested guidance from the Department of State on a transaction which he described as follows.

M. Golodetz and Company is considering participation in the sale of Canadian wheat to the Union of Soviet Socialist Republics. In a separate transaction, the USSR would supply certain ores and minerals to Canada. Colonel Chambers requested that your firm be advised whether its participation would be legal and consistent with United States policy.

As a general practice the Department of State does not endorse particular private transactions. However, this Department has no objection to trade with the USSR so long as applicable United States regulations are observed. The transaction in question does not appear to involve any import into the United States or export from the United States, therefore it does not appear to affect United States export or import regulations but may involve transaction controls administered by the Treasury Department.

Your firm may wish to check with Canadian authorities regarding the applicability of Canadian regulations.

Very truly yours,

79

Carroll H. Woods
Office of Eastern European Affairs

cc: Colonel J. M.
Chambers.

EE - Mr. Colbert

S7S CR

DEC 17 1957 P.M.

EUR:EE:CHWoods:dy 12/16/57

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Central File: Decimal File 461.429, International Trade And Commerce. Trade Relations, Treaties, Agreements. Customs Administration., Trade Between Union Of Soviet Socialist Republics And Canada., Union Of Soviet Socialist Republics And Canada, Other Administrative Measures Affecting Export Trade. Embargo, Includes Determination Of Ultimate Destination Of Exported Goods. End-Use Checks. Export Licenses. Pre-Licensing Checks. Subsidies. Export Bounties., February 21, 1955 - February 19, 1957. February 21, 1955 - February 19, 1957. MS Commercial and Trade Relations Between Tsarist Russia, the Soviet Union and the U.S., 1910-1963: RG 59, State Department, Central Files, Commercial Relations (411.61 and 461.11), United States-Soviet Union, 1950-1963. National Archives (United States). Archives Unbound, [link.gale.com/apps/doc/SC5106461402/GDSC?](http://link.gale.com/apps/doc/SC5106461402/GDSC?u=camb55135&sid=bookmark-GDSC&pg=1)
u=camb55135&sid=bookmark-GDSC&pg=1. Accessed 1 May 2024.