

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I would have no difficulty except it might create an unfortunate precedent.

Some hon. Members: Oh, oh!

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EXTERNAL AFFAIRS

POSSIBILITY OF INFORMING UNITED STATES SENATE COMMITTEE REASON CANADA NEGOTIATING WITH INDIA FOR RESUMPTION OF NUCLEAR AID

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is supplementary to those asked by the hon. member for Kingston and the Islands relating to the intended agreement with India and the continuation of nuclear aid. In view of the concern shown last night in Washington by members of the U.S. Senate in attempting to find out why Canada is now negotiating with India for the continuation of this nuclear aid, I wonder whether the Secretary of State for External Affairs is taking steps to indicate Canada's position to that Senate committee in Washington?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I understand the report to which the hon. member refers relates to fuel shipped by the United States to the United States supplied reactor in India. That is my understanding of the news report. Obviously, if United States congressmen have certain views on this question, that is their concern. We will attempt to decide whether we ought to resume nuclear shipments to India on the basis of Canadian policy and our adherence to the nuclear suppliers' consensus which was recently certified by Canada.

Mr. Lawrence: A supplementary question, Mr. Speaker. My question is related to the concern shown by U.S. Senators in a Senate sub-committee last night, who were asking why Canada was renegotiating nuclear aid to India. My supplementary question to the minister is this. If he is going to be good enough to indicate that reason to the Americans, would he also have the courtesy to indicate to the House of Commons why this is so?

Mr. MacEachen: Mr. Speaker, I would have no difficulty indicating the reason that we are having these discussions with the government of India. Following the explosion in India, nuclear co-operation between Canada and India was terminated, despite the fact that there was an outstanding requirement to provide equipment for the uncompleted reactor in India. We have not resumed shipments and would not do so unless we were assured, as a result of these discussions and any agreement entered into, that the cause of non-proliferation had been advanced rather than retarded by entering into the agreement. At the very end of the analysis, we will have to make a judgment whether in all the circumstances any understanding arrived at will have advanced that cause, rather than leave the situation as it is now with this particular uncompleted reactor unsafeguarded to the extent of Canadian standards.

Oral Questions

FINANCE

DECLINE OF THE POUND—POSSIBILITY OF ASSISTING UNITED KINGDOM WITH VIEW TO MAINTAINING FLOW OF EXPORTS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, may I direct my question to the Minister of Finance. In view of the decline in the purchasing power of the British pound and the effect of this decline on exports from Canada to that country, will the government be holding any special meetings with British government officials in the hope at least of retaining our present flow of exports to that country while at the same time assisting Britain during this period of extreme economic difficulty, in the same way that we have assisted other countries?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, we would, of course, be concerned about this to be helpful to the British government through our affiliation with the International Monetary Fund during the period of exchange difficulties through which they are passing at the moment. On a longer term basis—that is to say, the balance of trade between the two countries—I would have to defer responding on that matter until I can talk to my colleague the Minister of Industry, Trade and Commerce, who would have the prime responsibility.

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[Translation]

AGRICULTURE

INDUSTRIAL MILK—REQUEST THAT LEVY NOT BE INCREASED AND STORAGE CHARGES NOT COLLECTED

Mr. Roch La Salle (Joliette): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister.

I was very interested in the answer he gave to the hon. member for Levis when he said that on the one hand he has received a brief from dairy producers and on the other another brief from his caucus, and in those circumstances I would like to know whether the Prime Minister would be prepared to assure the dairy producers that the present 65 cents levy will not be increased for the next dairy year and that storage charges will not be collected directly from the producers. If so, I would guarantee the Prime Minister full cooperation from this side of the House.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member is asking me to comment on the brief drafted by the caucus of Quebec, which I mentioned yesterday. May I tell him that I intend to give my answer to the caucus before giving it to him.

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[English]

ENERGY

POSSIBILITY OF EXTENDING WESTERN OIL PIPELINE EAST OF MONTREAL—GOVERNMENT POSITION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question for the minister of energy. Can he shed any light at this point in time on the status of the