

(b) The United Kingdom, which has been somewhat laggard in establishing any relations with Euratom, announced on May 22 that it was accrediting its representative to E.C.S.C. to Euratom also and that it hoped to negotiate a technical agreement with Euratom providing for co-operation between institutions and individual concerns. Although these negotiations have only recently begun, it is clear that the United Kingdom's interest is mainly commercial. Important political considerations, of course, impel the United Kingdom into entering such an agreement but its main purpose would seem to be to ensure that Britain's access to the European market and to the technological advances which Euratom may make are not blocked by the development of an exclusive association between the United States and Euratom.

5. There are many ways in which Canada might co-operate with Euratom. Among these are:

(a) Technical co-operation.

This might consist merely of the kind of exchanges of information and of scientific visits which now characterize our relations with individual European countries and, to some extent, with ENEA. It might, however, go a good deal further, with provision for an exchange of working scientists, design consultation, work on a contractual basis, etc.;

(b) A joint reactor programme, similar to that on which the United States and Euratom have embarked.

Such a programme might, by pooling Canadian and Euratom technological resources, speed up the development programme for the CANDU reactor and so permit the early construction of such a reactor in Europe where the high costs of conventional power would mean that it was an economic proposition. Access to the European market might follow for Canadian industry. This programme could, however, inevitably be expensive and has one other overwhelming disadvantage, namely that AECL cannot be absolutely sure of the technical and economic feasibility of the CANDU reactor until it has been thoroughly tested in Canada. To undertake its construction in Europe first would be extremely hazardous;

(c) Co-operation with the U.S. in its joint reactor programme with Euratom.

Since the joint Euratom-U.S. programme envisages the construction of boiling water reactors, to which Canada has no real contribution to offer, this possibility would not seem to merit serious considerations;

(d) Co-operation with the U.K. in some form of joint programme with Euratom.

Canada has, of course, co-operated intimately with the U.K. in many aspects of our nuclear programmes. The U.K. does not, however, seem to be particularly interested in embarking on a joint research or reactor programme with European countries except through ENEA and under existing bilateral arrangements and it also appears to be relying mainly on commercial means of interesting foreign countries in its reactors. It would therefore appear that the United Kingdom would prefer that its co-operation with Canada follow the traditional pattern.

(e) A joint programme of research development either with Euratom alone or jointly with the United States.

Such a programme would go a good deal further than the technical co-operation mentioned in subparagraph (a) above since it would involve a joint scientific effort, directed towards agreed objectives and jointly financed. Since the present U.S.A.-Euratom research programme covers the natural uranium/heavy water reactor field, in which