There is a third subject, Mr. Chairman, which deserves the attention of the Pugwash Movement in the years ahead. It is horizontal proliferation of nuclear weapons. At UNSSOD II member states including Canada quite rightly concentrated on vertical proliferation. But Canada, as a strong supporter of the Non-Proliferation Treaty, has always insisted that the two cannot be separated in reality. Thus Canadian priorities in arms control and disarmament include the promotion of the evolution of an effective non-proliferation régime based on the NPT.

Canada's non-proliferation policy as it is applied to nuclear exports is intended to inhibit the diversion of nuclear materials for weapons purposes. Our two-tiered approach to the safeguarding of nuclear exports provides a strong lead to the rest of the world.

In the first instance, we require that prospective nuclear partners, if they are non-nuclear weapons states, be parties to the Non-Proliferation Treaty (NPT) or have made equivalent commitments, including "fullscope" safeguards. Secondly, countries must enter into a bilateral nuclear cooperation agreement with Canada which incorporates, inter alia, the provision of "fallback" safeguards. These two requirements combine in a comprehensive, systematic manner and form the foundation of Canadian nuclear export policy, which is applied without discrimination, and under which proliferation cannot occur unless treaty obligations are broken.

Canada's commitment to the use and diffusion of nuclear technology for peaceful purposes continues. Indeed, in the context of a broad Canadian effort to redouble its assistance to developing countries, Canada has recently signed or negotiated nuclear cooperation agreements with Egypt, Indonesia, Mexico and the Philippines, as well as with Sweden, Euratom and Australia. We are currently engaged in an initiative to enlarge cooperation to include regulatory training, the exchange of technical information, and cooperative responses to potential radiation emergencies. It is our hope that this initiative can become a model of technology transfer to strengthen nuclear cooperation with the Third World.

A realistic assessment, however, suggests that Canada has, for the most part, proceeded as far as is feasible on its own in exerting national influence to prevent a spread of nuclear weapons. It is now clear that further progress will be largely contingent upon multilateral agreements under the auspices of the United Nations and the IAEA.