

situation exists with regard to Japan. Switzerland, we have been advised, is very close to signing the NPT and thereby qualifying to receive continuous supplies.

**Mr. Munro (Esquimalt-Saanich):** The minister did not mention either Korea or Argentina and the possibility of these more rigorous safeguards affecting sales, or otherwise, in these particular instances. He did not tell us whether the suggestion that one of these countries might be attempting to acquire an enrichment plant is a factor which might prevent our selling a CANDU reactor in such circumstances.

**Mr. Jamieson:** Is the hon. member referring to an enrichment plant or to a reprocessing plant? Or does he anticipate that a country would only get an enrichment plant if it had the intention of getting a reprocessing plant? I take it he is referring to a reprocessing plant for all practical purposes. It is hypothetical, of course, unless we knew the country concerned, but as I indicated in answer to the question with regard to Pakistan, we have made it perfectly obvious that under no circumstances will we continue co-operation with Pakistan if that country acquires a reprocessing plant as presently suggested. In a couple of other cases, Korea being one, and Argentina, as I recall, being the other, we did succeed in getting a commitment not to acquire reprocessing plants before the agreements were signed. Again, I am not quite clear whether the hon. member was talking about future sales or not. If he was talking about future sales, then in the case of both Argentina and Korea any future sales in either of those countries would be in accordance with the policy I announced today.

**Mr. Speaker:** I propose to conclude the questioning by recognizing the hon. member for Greenwood, the hon. member for Kingston and the Islands, the hon. member for Don Valley, and the hon. member for Wellington.

**Mr. Brewin:** In replying to the hon. member for Northumberland-Durham (Mr. Lawrence) I understand the minister implied that it was intended to proceed with the terms of the agreement to supply a reactor to Argentina. I believe he said the reason for this was that we had signed a contract and it was advisable to live up to our contracts. I want to put this to him, though. I know the question of whether some inducement was paid to members of the former government of Argentina is an open one, still under investigation. But if it were found that some moneys were paid to people representing that government, would the hon. gentleman undertake to obtain advice from the proper source as to the legality of the contract and whether this would not give us an opening to say that the contract was an unprofitable one and that we did not wish to proceed with it?

**Mr. Jamieson:** I am sure the hon. member realizes that the question he has just asked is hypothetical, and one on which I am reluctant to make any judgment or observation at the present time. My reference to contracts was in general terms and had to do with those which are valid, legal and, in every sense of the word, binding upon the government. In terms of

### *Nuclear Exports*

the hon. member's question, I do not know whether any particular contract in Argentina or elsewhere falls into that category. That is not my ministerial responsibility. I was saying that in cases where we have made commitments we would, of course, honour those commitments.

While I am on my feet may I refer to the last answer I gave? I said I thought we had some success in getting a reprocessing plant decision reversed in Argentina. I am speaking from memory, and I am by no means sure whether that is correct or not. I am sure it is correct in the case of Korea and, of course, in the case we are talking about, Pakistan.

**Miss MacDonald (Kingston and the Islands):** My question relates to the approved licensing agreement between AECL and P.M. Nucliar which gives the latter company the right to design, make and sell CANDU reactors in Italy and, in five years' time, to sell CANDU reactors to other countries. As is usual, we have not seen the terms of this agreement but I should like to ask the minister whether, under those terms, Canada has any veto power over sales by the Italian company to other countries which may not have ratified the NPT.

**Mr. Jamieson:** The hon. lady will, I am sure, appreciate my position. I am not talking in legal language, but my understanding is, and I am quite certain I am correct, that our arrangement with Italy in the case she has mentioned is that all the Canadian requirements with regard to safeguards and the like are accepted in the technical agreement and must be adhered to by the Italian exporter in time on the sales it makes. In other words, it would be the same as if Canada were applying its own safeguards.

**Miss MacDonald (Kingston and the Islands):** I should like to direct the minister's attention to the post five-year period in which Italy would have the exclusive right to sell abroad. I should like to know what sanctions Canada will be able to apply if P. M. Nucliar went ahead and sold to countries which were not approved. What kind of control would Canada be able to exercise over such sales once the technology was in the hands of another country?

**Mr. Jamieson:** Let me repeat what I said a few moments ago. For the length of the arrangement, looking five years down the road, the Canadian safeguard requirements would be a total obligation on the Italian exporter using the Canadian technology. In other words, technology is covered by the statement I made today. As to the second point with regard to the reinforcement question, again I would have to look at the legal language but the safeguard agreement to which I referred a few moments ago would either be with Euratom or with Italy bilaterally, so it would be between the governments of Italy and of Canada, and presumably we can assume that the Italian government is going to live up to its word.

**Mr. Gillies:** It is my understanding that if the Government of Canada is not able to gain acceptance of these new safeguards between now and the end of the month, with the Euratom countries or any countries to which it is selling uranium, no sales will be made to those countries. Are these