

ARGENTINA

Candu Reactor

Controversy surrounding Canada's commitment to honor its contract to complete work on a Candu reactor in Argentina, and to supply nuclear fuel for peaceful purposes to that country, continued during June (See "International Canada" April and May, 1982, in *International Perspectives*, July/August, 1982). St. John, N. B., dockworkers received support from the Canadian Labour Congress (CLC) in their late-May refusal to load nuclear fuel bundles destined for Argentina, which had occupied the British-owned Falkland Islands and was fighting British forces in the Falklands. A press release from the CLC June 4 stated: "The CLC is opposing the sale of nuclear technology to the Argentinian regime, now revealed as an international aggressor as well as a domestic one, and these workers are upholding Canada's international reputation at a time when the federal government refuses to prevent the steady march of the Argentine generals towards nuclear-weapons capability." The dockworkers were also supported by the Saint John Medical Society, the Greenpeace Foundation, other anti-nuclear groups and opposition MPs from both parties (*Globe and Mail*, July 3).

During June, opposition MPs repeatedly called on the government to cancel the nuclear fuel shipments to Argentina. On June 9 Conservative MPs told the House of Commons that a day earlier, an Argentine spokesman at the International Atomic Energy Commission in Vienna had said that Argentina reserved the right to develop nuclear energy for military purposes. Similar statements had been previously reported made by Argentine officials. The government, on June 9, repeated its claim that Canada's nuclear dealings with Argentina were completely safeguarded against any military uses. Canada has an agreement for nuclear cooperation with Argentina. "In addition," Energy Minister Marc Lalonde told the House of Commons, "there is the relevant safeguard agreement with the International Atomic Energy Agency in Vienna. In that agreement Argentina has undertaken that nuclear items supplied by Canada shall not be used for the manufacture of any nuclear weapons, to further any other military purposes, or for the manufacture of any other explosive device."

Prime Minister Pierre Trudeau responded to further opposition to the government's policy in the House of Commons June 16. He said that to withdraw from the contract with Argentina would not "make the world safer," but would mean that "Argentina will have the technology and material which are no longer safeguarded. We prefer to keep those safeguards than to set Argentina free."

It was reported July 3 that 2,000 nuclear fuel bundles, called "Hot Cargo" by the protesting dockworkers, had been quietly flown to Argentina through Montreal's Mirabel airport June 29. On July 5 External Affairs Minister Mark MacGuigan told reporters in Charlottetown that Canada had rejected a suggestion from the Argentine government that it be allowed to reserve the right to use atomic fuel for military-related purposes such as powering nuclear submarines (*The Citizen*, July 6). Mr. MacGuigan also said that the dockworkers' argument used in protest to the fuel shipments — that Argentina was at war with Britain — was

no longer valid. Fighting had ceased on the Falkland Islands June 14.

Sanctions Lifted

Following a similar move by the European Economic Community, Canada lifted its ban on imports from Argentina on June 22. The sanctions had been imposed in April following the Argentine invasion of the Falkland Islands. It was also announced that Canada would begin again to issue credits for export deals with Argentina. Canada's ban of the sale of military goods to Argentina was not lifted (External Affairs press release, June 22).

BRAZIL

Delegation Visits Canada

Brazilian President João Baptista Figueiredo, accompanied by a dozen Brazilian Cabinet Ministers and a delegation of about one hundred businessmen, visited Canada from July 18 to 22. The Presidential visit was the first to Canada by a Brazilian head of state. Bilateral trade between the two countries had exceeded one billion dollars annually for the past two years, although Canadian exports to Brazil have dropped since 1980 (*Globe and Mail*, July 26). Trade promotion was the aim of the bilateral talks, and several agreements were signed between government representatives.

The largest trade agreement, which provided for the export of \$750 million in wheat from Canada over a three-year period, was signed July 20. The same day, the Department of External Affairs released Canada's Export Development Plan for Brazil, a document which highlights the "significant market opportunities in specific sectors which are consistent with Canadian supply capabilities" (External Affairs press release, July 20). Other agreements signed by the two governments were two "Memorandums of Understanding," one establishing a Political Affairs Consultative Committee, and the other concerning technical cooperation and technology transfer in telecommunications and space missions.

In addition, the Canadian Economic Development Corporation and private Canadian banks signed several loan agreements with Brazilian companies to provide financing for the purchase of Canadian goods and services.

The visit also provided an opportunity for representatives from 140 Canadian corporations to meet with Brazilian businessmen. Canadian multinational companies have interests in Brazil worth approximately one billion dollars (*Globe and Mail*, July 21).

CHINA

Trade

A sale of unfinished BC logs to China by MacMillan Bloedel Ltd. was criticized by spokesmen for the woodworker's union in July, who claimed that the company was "exporting jobs" out of Canada. The union had been critical