

## Canada-United States defence testing pact

Deputy Prime Minister and Secretary of State for External Affairs Allan J. MacEachen and Minister of National Defence Gilles Lamontagne announced the signing of an agreement between Canada and the United States of America concerning the use of Canadian facilities and airspace for the test and evaluation of United States defence systems.

Systems to be tested under the agreement could include artillery equipment, helicopters, surveillance and identification systems, advanced non-nuclear munitions, aircraft navigation systems, and the guidance system for unarmed cruise missiles.

The exchange of notes constituting the agreement was signed February 10 in Washington, D.C. by Canada's Ambassador to the United States Allan Gotlieb and US Acting Secretary of State Kenneth W. Dam. The notes were tabled on February 10 in the House of Commons by the Secretary of State for External Affairs. The agreement will remain in effect for five years and will be renewed for a further five years unless terminated. It may be terminated on 12 months' notice in writing, or without advance notice under certain circumstances.

Under the framework agreement, specific test and evaluation proposals may be put forward by the US Department of Defense for consideration by the Canadian Minister of National Defence or his representative. If approved, a project arrangement will be concluded between the US Department of Defense and the Canadian Department of National Defence. Canada may refuse any proposal.

An important subject for a project arrangement is expected to be the testing of the guidance system for the cruise missile. Such testing is linked intimately to Canada's security as a member of NATO and NORAD and to Canada's policy on arms control and disarmament.

### NATO concerned

Since 1977, NATO members have been deeply concerned about the Soviet Union's deployment of a powerful intermediate-range missile with triple warheads — the SS-20, which poses a very serious threat to many of the European member states. In 1979, a special meeting of NATO foreign and defence ministers took what is known as the "two-track decision" to counter this

Soviet threat: to deploy 108 *Pershing II* launchers and 464 Ground Launched Cruise Missiles to replace shorter-range missiles, and to propose negotiations between the Soviet Union and the United States to limit land-based intermediate-range missile systems on both sides.

Since 1979, the Soviet Union has continued to expand its force of SS-20s, which now numbers 333 missiles with 999 warheads. In addition, it continues to deploy some 250 intermediate-range SS-4 and SS-5 missiles which threaten European centres.

In November 1981, however, the Soviet Union and the United States opened formal negotiations in Geneva to limit intermediate-range nuclear forces (INF). The outcome of these Geneva talks on intermediate-range missiles will have very important implications for the security of all NATO countries, but particularly of Canadian allies in Europe. The talks are also a crucial step in the broader context of arms control and disarmament negotiations aimed at the prevention of nuclear war.

Canada shares the deep NATO interest in successful INF negotiations. The government is following the talks closely and intends to continue consulting actively with the United States in the development of the Western negotiating position. Canada is willing to give full consideration to any serious Soviet proposals that would enhance the chances for effective and verifiable agreements. At the same time it is the government's deeply held conviction that real progress can only be made on the basis of the principle of mutual security.

Canada and its allies would prefer not to deploy new missiles. They are convinced, however, that the INF negotiations will not succeed if the Western alliance shows signs of weakness. They cannot accept a result which would require NATO to abandon the modernization of its forces in Europe while the Soviet Union maintains its missiles. The conclusion of the present agreement is fully consistent with and is a manifestation of Canada's support for the NATO two-track decision.

## Petro Canada participates in Thai oil and gas development

Petro Canada International Assistance Corporation (PCI), the development arm of Canada's national oil company Petro-Canada, has extended \$5.5 million in assistance to the government of Thailand.

The decision was taken following a recent mission to Thailand led by Petro-Canada International chairman Peter Towe. The aid, the first of its kind to Thailand

by Canada, represents a further step in the development of economic relations between the two countries. The program will also benefit the Canadian oil and gas industry with the aid being used to purchase Canadian goods and services to assist in developing Thailand's oil and gas industry.

The PCI initiative will consist of



(From left to right): Commercial Counsellor Maurice Hladik; PCI Chairman Peter Towe; Canadian Ambassador Fred Bild; Industry Minister's Advisor Korn Dabharangsi and Thai Minister of Industry Chatichai Choonhavan.