

*Nuclear Proliferation*

member in his speech. It is being constantly improved. It is implemented not only by personnel but by mechanisms. No one has ever said—and the Prime Minister made this clear in the speech to which I referred a few minutes ago—that it is a 100 per cent foolproof. But the degree of statistical certainty is high and there is a high level of inhibition against diversion. We have recently completed a series of meetings with other nuclear suppliers in an effort to improve our system of international safeguards.

**Mr. Stanfield:** What are those safeguards?

**Mr. MacEachen:** I will outline them a little later, for the benefit of the hon. member for Halifax (Mr. Stanfield). International standards, as hon. members will realize, are not static. They have been in evolution since the first agreements for co-operation in the peaceful application of nuclear energy were concluded in the 1950s. The trend in safeguards evolution has been one toward increased stringency both in the legal commitments and verification mechanisms which are required.

● (1620)

The most significant development, of course, that has taken place in the evolution of the safeguards system was the entry into effect of the non-proliferation treaty in 1970. Nuclear suppliers, who have certain generally defined obligations under the NPT, met for a number of years in order to define these obligations to a satisfactory working level. In August, 1974, countries that shared or were about to share these obligations, including the United Kingdom, the U.S.S.R., the United States, the Federal Republic of Germany, Japan and Canada, reached a basic consensus, one which was notified to the International Atomic Energy Agency on August 22 of that year, setting out their interpretation in some detail.

The policy of the countries which accepted this consensus required, as a minimum, that in transfers of certain nuclear equipment and materials to non-nuclear weapons states not party to the NPT the safeguards system of the IAEA applicable to individual projects be applied. The participating countries, which were later joined by others, also stated an undertaking by the recipient not to use the supplied items for any explosive or other non-peaceful purposes as a prerequisite for the transfer. Recognizing the non-proliferation treaty as the keystone for international safeguards, Canada participated in these discussions and accepted the norms which were already consistent with Canadian policy as a basic standard for the safeguards it required. We did, as a country, go further than this particular consensus to which I refer; we went beyond the breath of the "trigger list", which is fully outlined in the background paper that I tabled in the House on January 30. The details of that policy are clearly set out in that document.

In line with the argument that has been made today by the hon. member for Nanaimo-Cowichan-The Islands, the government was acutely conscious of the fact that one supplier cannot succeed unilaterally in raising the international safeguards standard and that Canada's forward position on safeguards and exports would only have real value and significance if the other major, significant suppliers also agreed to a similar set of policies.

[Mr. MacEachen.]

Accordingly, a number of bilateral discussions have been initiated by Canada since the end of 1974 both on the level of officials and in the context of meetings held by the Prime Minister and myself. In part—and I think in significant part—as a result of these initiatives meetings among the officials of a number of countries have been held over the past year to examine the question of safeguards in great detail. There were diplomatic discussions of a sensitive nature, as the hon. member pointed out earlier, and in such cases it is up to the participants, if they wish to do so, to outline their role and policy. I should like to do that today on behalf of the government of Canada. I might say that all major suppliers presently on the international market shared these consultations, and more may do so. Let me only say this, that as a result of these international meetings Canada has notified certain other interested countries of the standards of safeguards required under its national policy pursuant to the consensus. This was also done by other participants.

This position reflects much, though not necessarily all, of the policy set out in the background paper I have tabled. It is, however, fully consistent with that policy, stipulating, as it does, that transfers of certain equipment, materials and technology will only be authorized on the basis of a formal governmental assurance from recipients to exclude uses which would result in any nuclear explosive devices. These transfers would also trigger the application of the safeguard system of the IAEA, and their retransfer to any third country could only be done on the basis of the consent of the government of Canada.

It is also stipulated that safeguards should apply to the items covered for their useful life as well as to the subsequent generation of nuclear material produced. It refers to the desirability of imposing provisions for mutual agreement between supplier and recipient on arrangements for reprocessing, storage, alternative use, transfer or retransfer or any plutonium and highly-enriched uranium that is covered. The observance of recommendations and standards for the physical protection of nuclear materials and facilities forms part of this undertaking. The standards also call for safeguards to be triggered by the transfer of technology for heavy-water production enrichment and reprocessing. Canadian policy, I should say parenthetically, places safeguards as well on reactor technology, which as I understand it was not agreed to for various reasons by the group suppliers.

It also sets out some of the areas where the government considers progress necessary for promoting non-proliferation, such as the promotion of regional fuel cycles. These are described in the background paper. The standard does not, as Canada would have wished, stipulate that safeguards be applied to the full nuclear program of the recipient country. Such a requirement is not, however, precluded and achievement of a consensus on this question may be a future result of efforts in the suppliers' group.

I have just given an exposition of Canada's position. This position, or policy is, of course, shared by the other supplier countries concerned about the problem. As the Prime Minister has stated, however, there has been no secret agreement or binding international treaty enforcing this standard. What there has been, as a result of consultation among senior technical officials, is a consensus deci-