

Business of Supply

described as having no energy in view of the fact that it is swimming in oil.

It is true that we have a responsibility to share our good fortune with our less well endowed fellow nations, but I suggest there are other ways to help these nations which would be far less dangerous. Truly, our first responsibility is to prevent, as far as we can, the destruction which would follow a nuclear holocaust. As far as the developing countries are concerned, it is true that a lack of energy resources might entail some hardship, but a nuclear bomb could involve annihilation. After all, we are not deciding whether we shall share our nuclear technology—we are already doing it—under what conditions we should share it is what we ought to be giving our attention to at this time.

● (1700)

Since last September the Government of Canada has sold almost 40,000 tons of uranium concentrate, U308, to countries such as Japan, Spain, Germany, Italy, and the United Kingdom. On December 20, 1974, as reported at page 2429 of *Hansard*, the Minister of Energy, Mines and Resources said that the government had authorized Atomic Energy of Canada to negotiate sales of the CANDU reactor to Argentina, Iran, South Korea, Denmark, Roumania, the United Kingdom, and Italy.

There is a growing fear in many parts of Canada that Atomic Energy of Canada is pushing sales of the CANDU reactor with much more vigor than the Department of External Affairs is showing in providing for adequate safeguards. Our salesmanship is rapidly outstripping our statesmanship.

Three agencies are involved: Atomic Energy of Canada which wants to sell reactors, the Department of Industry, Trade and Commerce which wants to increase our exports, and the Department of External Affairs which is supposed to make sure that we do not sell these reactors to the wrong people.

On June 10 this year as reported at page 6600 of *Hansard* I put this question to the Secretary of State for External Affairs:

... I am asking the minister if we are interested primarily in promoting peace rather than in selling nuclear reactors?

The minister's reply is interesting. He said:

... we are primarily interested in both...

That is a shocking statement. How can we be "primarily interested in both"? Surely safeguarding the peace of the world should be our primary objection, and selling nuclear reactors should be a secondary consideration. I submit that the government has been shamefully lax in its dealings with this whole question of exporting CANDU reactors and nuclear technology.

We sold the CANDU reactor to India with the result that they produced an explosive device. In answer to a question I asked the other day, the President of the Privy Council said that of course there was no bilateral treaty with India. That is true, but there was an exchange of letters which we were assured at the time would absolutely guarantee that CANDU reactors sent to India would be used only for peaceful purposes.

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

When we came to deal with Italy the government insisted that Italy must ratify the non-proliferation treaty. According to the *Globe and Mail* of March 10 the Italian ambassador to Canada said his government had agreed to ratify the non-proliferation treaty and therefore the exports of uranium would be permitted.

When we came to South Korea the story was different. On January 23 this year the *Globe and Mail* reported South Korean ambassador Young Chou Kim as saying that his country considered the proposal that they ratify the non-proliferation treaty as being an interference in the affairs of South Korea. The Minister of Energy, Mines and Resources in the same issue of the paper was quick to say that of course the signing of a non-proliferation treaty was not a condition but "just a proposal we put out."

As recorded in *Hansard* for June 12, at page 6678, I asked the President of the Privy Council about the requirement for countries receiving a CANDU reactor to sign a non-proliferation treaty. He replied:

The signing of the NPT is not an essential requirement.

To top it all off I find in the *Toronto Star* for June 13 a statement by President Park of South Korea as follows:

If the U.S. nuclear umbrella were to be removed, we would have to start developing our own nuclear capability to defend ourselves.

This is the country to which the Canadian government not only intends to sell a nuclear reactor, but the Export Development Corporation is putting up \$300 million as a loan for the purpose, another \$30 million is coming from the Royal Bank of Canada, and \$50 million from a consortium of British banks.

We are also proposing to sell a nuclear reactor to Argentina, whose ambassador was quoted in the press the other day as saying that all states have the same right, including the possibility of producing nuclear weapons. When I asked about that, the President of the Privy Council said that the ambassador's words had been distorted but he did not quote what the ambassador allegedly said. It is significant that Argentina is one of the countries which has so far neither signed nor ratified the non-proliferation treaty.

What the government is proposing instead is that it will draft a bilateral treaty which will provide for periodic inspection by the International Atomic Energy Agency. But that inspection system is not foolproof by any means. It would allow the inspectors to keep track of the amount of plutonium, the byproduct from the reactor, which can be used to make nuclear bombs, but the possibility of cooking the books is very real. There is no recourse whatsoever and no sanctions whatsoever if the government in question fails to live up to the terms of a bilateral treaty.

We have not seen the proposed treaty so far but I would submit that if it is not any different from the draft of the proposed agreement with Iran, a copy of which I have here, then it is not going to provide a very satisfactory set of safeguards.

What measures can Canada take to reduce the danger of nuclear proliferation? I think it is not enough for us to criticize the government's lack of policy or constant changing of policy. We have to make concrete suggestions.

There is no doubt in my mind that the government has to have a new priority. It has to say that not sales but the