

Canada cuts nuclear co-operation with India

Canada has decided to make permanent its suspension of nuclear co-operation with India. The Secretary of State for External Affairs, Allan J. MacEachen, announced in the House of Commons on May 18 that further nuclear co-operation with that country was not possible. Nuclear co-operation was suspended in May 1974, when India exploded a bomb made with plutonium from a small Canadian-supplied pilot reactor.

Mr. MacEachen explained the reason for the Federal Government's decision:

* * * *

India's detonation of a nuclear explosive device in 1974 made it evident that Canada and India have taken profoundly differing views of what should be encompassed in the peaceful application of nuclear energy by non-nuclear weapon states. Canada is one of the earliest and most vigorous proponents of the nuclear Non-Proliferation Treaty. A basic element of the Treaty, which guides Canadian policy in the field of nuclear exports and safeguards, is that it recognizes no technical distinction between nuclear explosives for peaceful and non-peaceful purposes.

Canada has foregone the possible benefits of developing so-called peaceful nuclear explosions on the basis that pursuant to the NPT, nuclear explosive services would be available from a nuclear-weapon state at such time as need and feasibility are demonstrated. India, however, does not accept what it views as discrimination between the nuclear powers and other states and insists that all countries should be free to use all phases of nuclear technology for whatever they view as peaceful purposes.

Safeguards essential

Notwithstanding these differences, both countries agreed to explore together a negotiated termination of nuclear co-operation. These negotiations had, earlier this spring, reached a point where both sides decided that governmental decisions were required. The decision now taken by Cabinet takes into full account the issues that I raised when I spoke in the House on March 23. Canada has insisted that any co-operation in the nuclear field be fully covered by safeguards which satisfy the Canadian people that Canadian assistance will not be diverted to nuclear-explosive purposes. This Canadian objective could not be

achieved in these negotiations.

Both sides have made a concerted effort in good faith to reach a basis for agreement. However the Canadian Government has decided that it could agree to make new nuclear shipments only on an undertaking by India that Canadian supplies, whether of technology, nuclear equipment or materials, whether past or future, shall not be used for the manufacture of any nuclear-explosive device. In the present case, this undertaking would require that all nuclear facilities, involving Canadian technology, in India be safeguarded. We would be prepared to reach agreement with India on this basis only. In view of earlier discussions, however, we have concluded that the Indian Government would not be prepared to accept safeguards on other than the RAPP reactors, which are already under international safeguards.

...The decisions reached by the Government relating to one aspect of our relations are not intended to preclude the pursuit of other elements of mutual interest in our over-all links with India. The Canadian Government remains prepared to review these elements and to pursue our common objectives in both bilateral and multilateral fields because we believe that our ties with this important developing Commonwealth nation must not be allowed to lapse through any lack of will on our part.

Canadian cattle in India

Canadian dairy cattle are helping India achieve increased milk production.

Research indicates that offspring of native Indian cows and Canadian dairy bulls produce eight times as much milk as native cattle. Three cross-bred

cows can raise an Indian farmer's wage above poverty level.

Two shipments of dairy heifers made the 8,000-mile air flight this winter from Toronto — one each to Bombay and Delhi. The Canadian Hunger Foundation, an affiliate of the United Nations Food and Agriculture Organization, sent the heifers — and enough semen to service them at maturity — to two non-profit Indian organizations for local herd-improvement programs.

"These are projects to better the lot of marginal farmers," says Catherine Harvey, project officer with the Canadian Hunger Foundation in Ottawa.

The Canadian heifers will form the basis of a purebred breeding herd from which the progeny tested male offspring will be kept for semen collection. Semen from these bulls will be used for artificial insemination services and dairy herd-management extension programs in rural areas by Indian veterinarians. Sale of milk from the female progeny will help support the foundation breeding herd.

The first shipment of 86 Holstein and 60 Jersey heifers, six to 18 months old, went to Bharatiya Agro-industry Foundation near Poona. The foundation's director personally selected the heifers from southwestern Ontario purebred herds.

The second shipment of 300, three-month-old, purebred Holstein heifers went to the Punjab Dairy Development Corporation near Chandigarh, capital of the Punjab.

Oil and gas prices rise

The domestic price of crude oil will be increased by \$1.75 a barrel in two stages over the next year, announced Energy Minister Alastair Gillespie on May 18. The price will rise \$1.05 a barrel on July 1 and a further 70 cents on January 1. The current price is \$8 a barrel.

The increase in July will mean an additional three cents on a gallon of gasoline or heating fuel; the increase in January will add a further two cents a gallon.

The price of natural gas will increase by 15.5 cents a thousand cubic feet on July 1 and by a further ten cents next January 1. It now sells for \$1.25 wholesale in Toronto.