

- (a) ⁴³ technical cooperation;⁴⁴
 (b) construction in Europe of a reactor fuelled by natural uranium and moderated by heavy water;
 (c) cooperation with the United States in constructing such a reactor in Europe;
 (d) cooperation with the United Kingdom in constructing in Europe a reactor fuelled by natural uranium but moderated by a graphite pile.

4. Finally, the memorandum might list the various possible degrees of financial involvement for Canada. These would form a broad spectrum, ranging all the way from the extension of a fairly substantial loan with low rates of interest on the model of what the United States has undertaken to do, through the possibility (as suggested in your memorandum) that we might be responsible for designing and manufacturing in Canada the reactor portion of the atomic power plant, and including at the other end of the range of possibilities a commitment merely to make our experience and knowhow available. For the time being, I think we might refrain from expressing any views on these various possibilities and merely invite discussion of them at the proposed meeting, to which, of course, representatives of the Department of Finance should be invited.

5. I imagine that the Under-Secretary would be interested in attending such a meeting. In addition, representatives of Atomic Energy of Canada, Limited, and of the Department of Trade and Commerce should also be present.

6. If, in your opinion, there are aspects of this matter that require discussion before such a paper as I have tried to outline can be drafted, I should be glad to be consulted early next week. In spite of any delay in following up the suggestions made in your earlier memorandum to me, I regard this as a matter of very considerable urgency and hope we can now move forward on it rapidly.

D.V. LEP[AN]

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*Note de la Direction économique
 pour le sous-secrétaire d'État adjoint aux Affaires extérieures*⁴⁵

*Memorandum from Economic Division
 to Assistant Under-Secretary of State for External Affairs*⁴³

CONFIDENTIAL

[Ottawa], July 23, 1958

CANADIAN CO-OPERATION WITH EURATOM

We thought that the best procedure, in order to relieve you of the necessity of wading through a further draft of our paper on "Canadian Co-operation with Euratom," would be to prepare this paper in final form. It is attached herewith, together with a covering letter to Mr. Gray,† for your signature if you agree.

⁴³ Note marginale :/Marginal note:
 various forms of [J. Langley]

⁴⁴ Note marginale :/Marginal note:
 (1) on informal basis; (2) Est. of formal rela[tion]s. [J. Langley]

⁴⁵ Note marginale :/Marginal note:
 Mr. LePan: this is a very good memorandum. Many thanks. J. L[éger]