

The lines of credit were to support the sale of Canadian goods and services to Mexico.

On November 18, Mr. Regan and Agriculture Minister Whelan jointly announced the signing of the Canada-Mexico Arrangement for the Supply and Purchase of Agricultural Commodities. The Arrangement provides an umbrella to facilitate the sale by Canada of specified agricultural products while assisting Mexico in obtaining essential food products.

Frequent discussions, focusing on Mexico's food requirements and Canada's ability to supply them, would be held under the Arrangement (Government of Canada press release, November 18).

During the Ministerial Meeting it was recognized by both sides that "Canada could and should play a more important role in supplying high quality oil and gas equipment to Pemex [Mexico's national oil company] and in transferring Canadian technology to Mexico." As a result, it was announced on November 30 that International Trade Minister Regan would lead a delegation of twenty-four Canadian manufacturers of oil and gas equipment to Mexico early in December (External Affairs press release, November 30).

## TAIWAN

### Restrictions on Relations with Taiwan

At the November 29 meeting of the Standing Committee on External Affairs and National Defence, committee members Ursula Appoloni (Lib., York South-Weston), Otto Jelinek (PC, Halton), and Ian Watson (Lib., Châteauguay) encouraged the Government to relax its restrictions, particularly on trade, on relations with Taiwan.

International Trade Minister Gerald Regan said that there was considerable trade taking place with Taiwan and that he would be happy to see that amount grow. He said that the Government felt that, while it could not have governmental contacts, nonetheless "we certainly are actively exploring the option you [Mrs. Appoloni] have referred to of an office operated by the Canadian Chamber of Commerce in Taiwan to help facilitate further growth in that trade."

In answer to Mrs. Appoloni's question "Do you see any prospect at all in the fairly near future of Canada being able to sell Candu reactors to Taiwan?" Mr. Regan replied that he saw rather "incredible difficulties" due to the fact that Taiwan had not signed the non-proliferation pact, that there was a requirement for the international inspection organization to be able to inspect regularly and thirdly, "there must be an agreement between governments providing such undertakings [inspections]." Since Canada did not recognize Taiwan and would not as long as the Taiwanese purported to be China, it seemed to Mr. Regan that "there are problems that defy solution in achieving the sale of a nuclear reactor to Taiwan."

He then added that, in the light of steadily expanding trade with China, it would be a "short-sighted policy for any Canadian government to endanger the incredible long-term potential of that market and of the good relations we have enjoyed with China to achieve the benefit of the sale of a nuclear reactor in Taiwan."

## TURKEY

### CANDU Sale

Atomic Energy of Canada announced on November 3 that it had been among the three companies selected to enter contract negotiations with the Government of Turkey for the sale of a 600-megawatt CANDU Nuclear Electrical Generating Station to that country. Although the letter of intent had yet to be translated into a contract, AECL was confident, according to Stan Hatcher, vice-president of proposals, that Turkey was "firmly committed" to the project and that the contract would be signed within a year.

An AECL press release said that the Canadian project would involve a consortium of suppliers from several countries, including Korea which purchased a CANDU reactor in the early 1970s, with AECL playing a leading role. The Export Development Corporation had promised to finance up to 85 percent of the costs for Canadian suppliers.

The CANDU would be built in the well-developed Akkuyu area of southern Turkey. Construction would take six to seven years and would generate as much as 500 million dollars for Canada's nuclear industry (*The Citizen*, November 5).

## USSR

### Soviets Appoint New Ambassador to Canada

The *Diplomats* column by Patrick Best in *The Citizen* of November 2, reported that Ottawa had just agreed to the appointment of Alexei Rodinov, former Soviet Ambassador to Turkey, as the new Soviet Ambassador to Canada. He would succeed Alexander Yakovlev who had returned to Moscow in July after ten years in Ottawa.

Mr. Best interviewed Alexander Novikov who has been Chargé d'Affaires at the Embassy since Ambassador Yakovlev's departure. Mr. Novikov was in charge during the Korean airliner incident and had to contend with formal protests, the ban on Aeroflot flights, and anti-Soviet demonstrations outside his Embassy. He told Mr. Best that he felt Canadian-Soviet relations were "damaged" as a result of the Korean airliner episode but it was as yet difficult to measure the full impact.

Mr. Novikov sought to explain his refusal to accept the text of the unanimous resolution of the House of Commons which deplored the Soviet attack on the Korean plane: "It should be recognized that it is general practice in the world of diplomacy for an ambassador to refuse to accept notes that he knows will not be complied with by the home government. . . . This is quite normal practice, and Canadian MPs should take it into account."

### KAL Aftermath; Aeroflot Ban Lifted

As reported in several newspapers, on Saturday, October 1, Prime Minister Trudeau repeated, before a Montreal audience of Quebec Liberals, his statement made earlier in Sault Ste. Marie that the shooting down of the Korean airliner was an accident. On October 4, the leader of the Opposition, Brian Mulroney, asked Mr. Trudeau who spoke for the Government on this issue, External Affairs Minister Allan MacEachen who had called the tragedy "an unjustified act of murder," or Mr. Trudeau who had called it an accident? Mr. Trudeau said in his reply that