

In 1990, on the basis of IAEA recommendations, Canada offered limited safety assistance to help India meet the serious, urgent safety problems with the RAPPs 1 and 2 reactors that it supplied in the 1960s and which are under IAEA safeguards. The offer to assist was made with safety concerns in mind; it was not intended to make the reactors operate more effectively. Canada's limited assistance would be carried out under IAEA auspices. So far, India has not accepted the offer of assistance.

The safety of the RAPPs reactors is clearly the responsibility of the Indian authorities.

It is important to note, however, that the RAPPs 1 and 2 reactors are not currently in operation. The Indian authorities have shut them down for safety reasons due to deteriorating pressure tubes. Canadian experts were notified of the problem in a February 1994 meeting of an IAEA technical committee. In July 1994, an IAEA consultants meeting involving Canadian and Indian experts prepared a report to assist the Indian authorities on solving the problem.

In view of the energy India will need now and in the near future to sustain economic development, the government may be reconsidering the offer of assistance made by Canada in 1990.

POTENTIAL SALES

Possible sale of Canadian nuclear technology to Indonesia, Egypt or China raise no difficulties for Canada in terms of bilateral nuclear cooperation. All three have signed bilateral Nuclear Cooperation Agreements with Canada pledging to use nuclear energy for peaceful purposes only: Indonesia signed on July 12, 1982, Egypt on May 17, 1982, and China on November 7, 1994.

A Nuclear Cooperation Agreement with a partner country is an instrument that both opens the way for bilateral nuclear exchanges and provides assurances that interchange between Canada and the partner country takes place in accordance with our nuclear non-proliferation policy. Canada believes that bilateral nuclear cooperation makes nuclear trade more transparent, and it also ensures that nuclear items supplied by Canada are being used for peaceful purposes only.

The Canadian government considers that these three countries are responsible nuclear partners who will use the nuclear items supplied by Canada for peaceful purposes only.

Both Indonesia and Egypt are signatories of the Non-Proliferation Treaty (NPT) and have accepted IAEA safeguards on all of their nuclear activities. As a NPT nuclear weapon state, China differs slightly from the two other countries, as it has a Voluntary Offer Safeguards Agreement with the IAEA.

Canada has received assurances from China that the nuclear items subject to the Canada-China Nuclear Cooperation Agreement will be used only within the framework of civilian activities, subject to the safeguards agreement between China and the IAEA.

NATURAL RESOURCES

NEW FEDERAL-PROVINCIAL SILVICULTURE AGREEMENT— GOVERNMENT POSITION

(Response to question raised by Hon. Brenda Robertson on June 20, 1995)

In the February 27, 1995 budget documents, the federal government reconfirmed the position originally announced by the previous federal government, that the Forest Resource Development Agreements with the provinces will be discontinued.

The Atlantic Canada Opportunities Agency (ACOA) is in the process of negotiating new agreements with the provinces. Under the new agreements, should there be individual projects involving value-added and trade-related initiatives in the forestry sector, ACOA would be willing to consider assistance within its limited financial capacity.

The federal government recognizes the Province of New Brunswick program (ie. Silviculture Improvement Program) and the contributions made by the private woodlot sector in New Brunswick. The Agreement between the Province of New Brunswick and the New Brunswick Federation of Woodlot Owners is important in encouraging the management of private forest lands in New Brunswick and in increasing the economic, social and environmental potential of these lands for the benefit of other stakeholders.

The termination of all forest resource development agreements (FRDAs) under which private woodlots were financially supported, was announced by the previous government in its 1993 budget. In view of the current fiscal situation, the government confirmed in its February 1995 budget that the FRDAs will not be renewed.

Historically, the New Brunswick FRDA has been funded through the ACOA. Given the severe financial constraints that all departments, including ACOA, are facing, it has not been possible to identify new sources of funding to support a transition forestry program in New Brunswick and elsewhere in Canada.

Moreover, federal-provincial/territorial cooperation is under continued discussion with provincial and territorial colleagues through the Canadian Council of Forest Ministers. Natural Resources Canada remains committed to working with the provinces and territories, within the limits of our financial ability in areas of federal responsibility, such as international trade, science and technology, on job creation and sustainable management of our forests.