Defence Production will make full informa- time before these weapons will be available

out all the necessary details between our inform the house, within the limits of secugovernments, considerable progress has already been made and several contracts have been placed.

The production-sharing concept also covers the broad range of development and production of military equipment for North American defence generally. Procedures are currently being evolved between officials of the two governments whereby greater opportunities than have existed in the past will be afforded Canadian industry to participate in the production of technical equipment related to programs of mutual interest.

Under the irresistible dictates of geography the defence of North America has become a joint enterprise of both Canada and the United States. In the partnership each country has its own skills and resources to contribute, and the pooling of these resources for the most effective defence of our common interest is the essence of production sharing. Believing that parliament and the people of Canada are determined that this nation shall play its full part in terms both of quantity and quality in deterring and resisting aggression, the government intends that the Canadian forces will be well equipped and well trained for the Canadian share of these tasks in a balanced, collective defence.

In keeping with that determination careful thought is being given to the principles that in our opinion are applicable to the acquisition and control of nuclear weapons. The government's decisions of last autumn to acquire Bomarc missiles for air defence and Lacrosse missiles for the Canadian army were based on the best expert advice available on the need to strengthen Canada's air defence against the threat to this continent. and on its determination to continue an effective contribution to the NATO shield.

The full potential of these defensive weapons is achieved only when they are armed with nuclear warheads. The government is, therefore, examining with the United States government questions connected with the acquisition of nuclear warheads for Bomarc and other defensive weapons for use by the Canadian forces in Canada, and the storage of warheads in Canada. Problems connected with the arming of the Canadian brigade in Europe with short range nuclear weapons for NATO's defence tasks are also being studied.

We are confident that we shall be able to reach formal agreement with the United States on appropriate means to serve the common objective. It will of course be some 66968-9-781

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tion available to the house in this connection. for use by Canadian forces. The government, Now, sir, while time is required to work as soon as it is in a position to do so, will rity, of the general terms of understanding which are reached between the two governments on this subject.

> I wish also at this time to give the house an indication of certain basic considerations in the government's thinking on the question of the acquisition and control of nuclear weapons. The first important consideration is the government's belief in the importance of limiting the spread of nuclear weapons at the independent disposal of national governments. My colleague the Secretary of State for External Affairs stated in the external affairs committee on July 29 last that it took but little imagination to envisage the dangers of the situation if the know-how with respect to the production of nuclear weapons were disseminated in numerous countries of the world. The prospect of further dissemination of such techniques continues to be a matter of fundamental concern to the government. As a contribution to this objective, it is the policy of the Canadian government not to undertake the production of nuclear weapons in Canada, although we believe that Canadian scientists and technicians are quite capable of producing them.

> Second, we intend to leave no avenue unexplored in the search for an acceptable agreement on disarmament with the Soviet union, even though we must reluctantly admit the need in present circumstances for nuclear weapons of a defensive character. The objective of disarmament must ever be kept in view, even though in the experience of the past it may be capable of only partial realization. For example, we believe that agreed zones of inspection in the Arctic to guide against surprise attack would be steps necessary to be taken in the context of a larger disarmament plan. Canadians will continue to support effective measures for disarmament, but in the meantime we cannot minimize the importance of providing the strongest deterrent to aggression and of protecting the deterrent power against surprise attacks.

> Third, there is the consideration of Canada's commitments to support the collective security of the NATO alliance. Whether Canada's effort is made directly in continental defence-the defence of the Canada-United States region of NATO—or whether it is made on the continent of Europe, Canada's contribution will be made in concert with the efforts of our NATO partners. It is our intention to provide Canadian forces with modern and efficient weapons to enable them to fulfil their respective roles.