

similar information obtained in the U.K. Unless some change in policy was announced shortly, an inequitable situation would arise.

6. *The President of the Atomic Energy Control Board* agreed with Mr. Gray and added that even though we might initially give more information than we might expect to get in return from Euratom, in the long run this exchange should balance out. He felt that it was a good idea to consult the U.K. before we embarked on a programme of cooperation with Euratom and the U.S.

7. In the subsequent discussions, the following points emerged:

(a) If Canada cooperated with Euratom in a joint research programme it might provide an entrée for Canadian fuel elements to Euratom reactors. The political advantages of this arrangement were obvious, as far as the Canadian uranium industry was concerned.

(b) Cooperation with Euratom would require limited re-orientation of the Canadian research and development programme, but only about \$100,000 per annum would be needed for the additional expenses. This money would be used to employ three or four more scientists and their necessary assistants.

(c) As, at present, it was by no means certain which type of reactor would prove to be commercially most satisfactory, Canada, by cooperation with Euratom, would have access to a considerable amount of information that might otherwise be unobtainable and certainly costly to develop on our own initiative.

(d) Cooperation in this programme would not mean that Canadian development contracts would be open to European bids. Apart from the politically undesirable aspect of having foreign contractors build Canadian equipment, the embryonic nature of the development work required day to day contact between scientists and contractors.

8. *The Panel* invited Mr. Langley to revise the memorandum and agreed: that in the revised memorandum it should be emphasized that cooperation with Euratom might provide Canadian uranium producers with entrée into Euratom markets; that the memorandum should recommend a programme of cooperation, either with Euratom alone or, preferably, on a tripartite basis with Euratom and U.S.; that the memorandum should be signed jointly by the Ministers of Trade and Commerce and the Secretary of State for External Affairs; and, that the memorandum should then be submitted for Cabinet approval.

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591.

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*Note du sous-secrétaire d'État aux Affaires extérieures  
pour le secrétaire d'État par intérim aux Affaires extérieures*

*Memorandum from Under-Secretary of State for External Affairs  
to Acting Secretary of State for External Affairs*

CONFIDENTIAL

[Ottawa], November 21, 1958

CANADIAN CO-OPERATION WITH EURATOM

Since the Euratom Treaty came into effect on January 1st, both the United States and the United Kingdom have been negotiating agreements for co-operation with this new organization. We have followed the course of these negotiations with interest and, at the