

Uranium Contract with U.K.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, it is always a matter of gratification when any of our products are sold, and I am naturally pleased that this arrangement has been entered into. I think it is only a matter of coincidence that it does not apply to uranium from any other part of Canada than Elliot Lake, but I would point out that there are other parts of Canada which produce uranium and would have appreciated being included in any agreement that was made. One is in the province of Ontario and another is in northern Saskatchewan. The fact that the agreement is restricted to only one area is, I believe, purely coincidental.

I would also point out that it is significant that in the last few days there have been unexplained fluctuations in uranium securities on the market. Yesterday the hon. member for Northumberland asked what the reason was for those fluctuations, and it might be worth while to look into the reason why some people on the exchanges seem to have had information which caused rapid fluctuations in the prices of uranium securities in the last few days.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I am sure the Prime Minister is very happy at being able to announce the completion of negotiations for an agreement to sell these large quantities of uranium which has been signed by Rio Algom Mines Limited and the United Kingdom Atomic Energy Authority. I am sure the Prime Minister, both in his capacity as head of the government and also as the member for Algoma East where Elliot Lake is located, is pleased at the outcome of the negotiations. I think all of us are delighted with any contract which will expand our exports, particularly exports of a commodity which has been having a rather difficult time in the last few years.

I do not object to the fact that Rio Algom Mines Limited is getting this particular contract because undoubtedly Elliot Lake has suffered more than any other mining community in recent times. But I do want to say to the government, having in mind the concluding remarks of the Prime Minister indicating that there will be an increasing demand for uranium and that there is likely to be an expanding market in the future, that I hope the government will keep these other areas in Canada in mind.

[Mr. Pearson.]

I am thinking in particular of the government's own crown corporation, Eldorado Mining and Refining Company which has had to curtail its operations very considerably. At the time when the government first began to curtail the production of uranium, the house will recall that many members of our party advocated that the government continue to produce uranium and in particular use its own crown corporation to the maximum to stockpile uranium because we were convinced there would be a growing demand for this resource. All indications throughout the world with reference to existing supplies and possibilities for future demand were that the uranium industry was bound to come back. This has proven to be the case. I hope that in this expanding situation the government will not forget its own crown corporation and will use this expansion to the benefit of the Canadian people. I hope the government will take advantage of the greater demand for uranium.

● (6:10 p.m.)

We are glad also to have from the Prime Minister the assurance that the policy of ensuring that exports of uranium from Canada will be used for peaceful purposes only is being continued. The Prime Minister says that the British and Canadian governments have agreed on methods for ensuring this. I hope that at some future time, either on estimates or orders of the day, we will get some statement from the government as to what these steps are so we can be fully assured, not only with reference to this order but other orders, that exports of uranium will not be used for other than peaceful purposes. I want to congratulate the government upon completing this agreement. I hope, and I am sure, it will be of great assistance to the people who are employed in the uranium industry.

Mr. Raymond Langlois (Mégantic): We are equally pleased, Mr. Speaker, with the announcement the Prime Minister has just made to this house and to the Canadian people concerning the export of uranium. It is one of our natural resources which has undergone many fluctuations in the past and this is particularly true of Elliot Lake in the Prime Minister's riding. I believe this will be welcome news for these people and they can thank the Prime Minister for having thought of them. They have undergone their share of hardships resulting from the closing down of the mines.