

Under the guidance of Trudeau, the Liberals have consistently refused these requests. As the official Opposition, the Conservatives, led by Joe Clark and Sinclair Stevens, vociferously attacked the Liberal attempts to prevent discussion on the issue and release the documents. Yet in reversing their pre-May 1979 election protestations against the Liberal failure to release the documents, the Conservatives side-stepped the issue until December 13, 1979. On this date, the very day the Conservative government was defeated, the Cabinet decided not to release the documents in a manner that appeared to conflict with their proposed freedom of information legislation.

Both governments' actions reveal that Canada is perhaps bound to secret agreements with the former cartel members not to release the information. Indeed, it is possible that Canada made some political concessions to South Africa in order to acquire its support in the cartel, for uranium mining in South Africa was never as seriously affected by American protectionist policies as it was in Canada. One possible area could have been a lessening of Canadian criticism of South African apartheid laws. More likely, however, is the explanation that Canada, the United Kingdom and Australia are jointly working to limit the extra-territorial application of American law, with Canadian-Australian co-operation being particularly close.

There are other reasons why it is unlikely that the regulation will be revoked. First, the release of new information could resurrect past U.S. Justice Department and Grand Jury investigations into the subject, thereby increasing the chances that costly court judgments would go against Canadian companies involved. While the most incriminating material would probably still be held in Cabinet documents, perhaps the material released would not sufficiently help and indeed only further hinder the defence of Canadian corporations. Second, if material is released that tipped the balance away from Canadian producers now in court battles, forcing them to pay large damages to Westinghouse, the stability of the uranium industry and communities in Canada would be jeopardized, not to mention the adverse affect such a development would have on the foreign exchange received from the export of uranium. Such a setback to the uranium industry would also have federal-provincial repercussions because of the present large uranium exploration and mining efforts in Saskatchewan and Ontario.

U.S. Protectionism

Reflecting on past events, few would argue that Canada was not justified in participating in the uranium cartel against the protectionist and damaging uranium importation policies of the United States. In 1964 the U.S. Atomic Energy Commission issued a regulation banning the use of American-enriched foreign ura-

anium in domestic reactors, thereby eliminating access by foreign producers to 70 percent of the world market. Uranium from foreign sources could still be enriched in the United States and American utilities could have bought and stockpiled it but not for use in domestic reactors. The USAEC had imposed this restriction to protect the domestic market from foreign competition during the transition from a government to a commercial market after the passage of the Private Ownership Act of 1964 and to promote energy self-sufficiency for strategic reasons under a plan known as Project Independence. Three years later, the USAEC further antagonized international uranium producers when it began to compete aggressively for the remaining 30 percent of the world market by offering enriched uranium for \$8 per pound. Intense price competition and a persistent slippage in demand, as reactor construction in the United States was unexpectedly delayed, resulted in a further decline in uranium prices.

At the time, Canada and South Africa were the only two major producers of uranium outside of the United States. South African companies were not severely affected because their total annual production of uranium was less than Canada's and uranium was mined as a by-product of gold-mining operations requiring little capital investment and no increase in the labour force.

On the other hand, the Canadian uranium industry was seriously affected by the changes in American policy for it had been created by, and therefore was (and is) dependent upon, the demand generated for uranium within the United States. Canada had no comparable market in which to sell its uranium, and federal officials were faced with the problem of supporting the populations of numerous mining communities which were solely dependent on the export of uranium for revenue, employment and survival.

Many, however, would argue that the failure of the government to fully disclose its role in the uranium cartel has become a national embarrassment. Further, present evidence reveals that the government transformed the cartel from a defensive organization to an aggressive, price-raising, output-restricting one; invariably, Canada was at the heart of all cartel attempts to force drastic increases in the price of uranium.

The Supreme Court's recent decision not to release the documents on the basis that it would be against the 'national interest' should be questioned. Chief Justice-Bora Laskin's judgment that the documents were withheld in order to assert Canadian sovereignty and to resist the extra-territorial application of U.S. anti-trust laws will undoubtedly generate little opposition. Yet, despite Laskin's assertion to the contrary, the basic problem remains. Canadians are still largely left in the dark concerning the role of their government in an international price-fixing cartel unprecedented in Canadian history.