

*Inquiries of the Ministry*

from April 1, 1963, to December 31, 1966. Supplies for this purpose will come from quantities under option in the present purchase contracts.

In addition to that, why did the previous government give the details of what had been arranged? I point out this fact, that as soon as we took office on June 26, 1957, Mr. Bennett delivered a communication to the then minister of trade and commerce which deals with uranium procurement. He sets out the facts in general, and he says this at page 15:

There has always been, and still is, close co-operation with the government of the United Kingdom and the government of the United States in the matter of the classification of information with respect to all phases of the atomic energy program. A tripartite committee is responsible for recommending the declassification of information.

Up until December 13, 1956, all information with respect to uranium, ore reserves and production was classified. This information was declassified as of that date. However,—

I emphasize this. This is what Mr. Bennett, head of Eldorado and Atomic Energy of Canada Limited, said:

However, both the United Kingdom atomic energy authority and the United States atomic energy commission have asked that no information be made available as to the specific quantities of uranium which will be delivered to these agencies in any given period.

That was the course directed and determined by the president of Atomic Energy of Canada Limited and Eldorado as representing the policy that had always been followed. The only change in that regard was when an actual contract was entered into.

Discussions with the United Kingdom government have gone on since 1958. By 1959 the United Kingdom had further reduced its planned requirements for uranium and was faced with a larger prospective surplus than it had expected in the preceding year. These discussions have continued intermittently since that time, without agreement being reached.

I underline those words. We are still in the position of having the letters of intent and the acceptance, but the course at all times followed in the past has been that the transaction is concluded by an agreement in writing giving full particulars. As yet we have not been able to secure the signing of such an agreement.

In the meantime, the demand from the other quarters for Canadian uranium has also declined and the United States atomic energy authority decided not to exercise its options to purchase additional amounts under its Canadian contracts. As a result the government decided upon a stretch-out of uranium production by the rearrangement of the existing Eldorado contracts. This has been

put into effect and has resulted in enabling some mines with lower costs to continue production for a longer period.

The United Kingdom authority, as well as the United States atomic energy commission, as purchasers, have co-operated in this rearrangement of the production program.

I have already pointed out that on February 1, 1958, the minister of trade and commerce, in a comprehensive review of the Canadian uranium and nuclear power programs, announced that Canada had undertaken to supply the quantity of uranium which the United Kingdom atomic energy authority had requested for the period 1963 to 1966, and that negotiations concerning it were under way. Since then, while the negotiations have continued, we have never reached a conclusion.

Some details about the original undertakings were given early this month to the special committee on research, as was appropriate, and indeed necessary, if that committee was to do its duty properly in considering the Eldorado program as a whole. For some reason no notice was taken of that for some ten days or two weeks.

It has not yet been necessary for Eldorado to enter into purchase contracts in order to meet its commitment to the United Kingdom authority for this 24 million pounds covered by the letter of intent. Until the revision of the production contracts was made in the stretch-out program, Eldorado could get what it required under purchase options in the contracts with producers. After that revision it knew that it could obtain what it would require in the future more simply and cheaply by purchasing it from producers at competitive prices because there is a surplus of production capacity available.

I simply pause to say this. There has been no secrecy and there has been no concealment of any contract. We are still in the position of negotiation regarding the letters of intent. At no time in the past—those were the instructions given as to the procedure in the past—has there been any revelation as to the terms until the completion of a contract. Even then the price was not set forth in all cases, nor were other particulars given.

It was asked by the hon. gentleman whether or not there had been any allocation. It would be unwise, without the completion of a contract, to allocate or even to forecast the basis for allocating this quantity among Canadian producers, until the conclusion of the discussions with the United Kingdom on the terms of the contract and the possibility of major changes in the program proposed by the United Kingdom.

As I said a moment ago, in the early stages of uranium purchase programs the details of