

to have merit but that they would prefer to await the outcome of the IAEA safeguards discussions before issuing a final reply. The State Department suggested that they would be glad to get a formal reply from Canada even along these same lines.

The attached telegram giving the text of a similar reply has been cleared with AECL, Eldorado, AECB, Finance, Trade and Commerce and Privy Council Office.

O.G. STONER

[PIÈCE JOINTE/ENCLOSURE]

*Le secrétaire d'État aux Affaires extérieures
à l'ambassadeur aux États-Unis*

*Secretary of State for External Affairs
to Ambassador in United States*

TELEGRAM ET-695

Ottawa, May 17, 1960

CONFIDENTIAL. PRIORITY.

Reference: Your Tel 1034, Apr 21.†

By Bag Geneva, London, Vienna.

URANIUM SALES: USA NOTE DEC 29/59

You may make the following reply to USA Note of December 29 forwarded to us in your telegram 3163 December 30 text begins:

“The Ambassador of Canada presents his compliments to the Secretary of State and has the honour to refer to the Secretary’s Note No. __ of Dec 29/59 on the subject of safeguards to ensure against the diversion of atomic energy materials for military purposes.

The Ambassador wishes to assure the Secretary that the Government of Canada, in common with the Government of USA, attaches the greatest importance to the speedy and successful development of a system of multilaterally accepted and administered safeguards against the diversion to military use of nuclear materials and equipment supplied for peaceful purposes. In accord with this objective, it holds the view that a system for the registration with the International Atomic Energy Agency of all sales of nuclear material and equipment (not merely natural uranium) would be a useful element in the maintenance of effective international controls, provided that all countries participating in the trade were prepared to accept the obligations imposed. In view of this latter consideration, the Canadian Government wishes to await the outcome of the discussion on safeguards now taking place in the International Atomic Energy Agency, before formulating definitive views on USA proposals.”
Text Ends.