
in the case of the Europeans – and I am by no means sure it will be acceptable – was to get an undertaking from the Community that none of the previous material, none of the material shipped prior to 1974, would be reprocessed unless we were consulted in a worthwhile way.

Remember, any new material to be shipped is not likely to be reprocessed until well into the 1980s, and perhaps later than that. Therefore, by getting retroactivity through invoking clauses that existed in the 1959 agreement requiring consultation, we now have a position whereby all the material in Europe will be subject to consultation. Furthermore, we have undertaken with the Community not to act merely in a customer-supplier relation but, in addition to the INFCE(P) study, we shall conduct our own examination of the way in which this system of consultation works in connection with reprocessing. So by the end of the study, when the time comes for us to seek long-term arrangements with the world community, we shall have experience upon which to rely.

I emphasize once again that all the elements of this package I have described conform to the 1974 policy statement. The alternative facing those who would have wished a continuance of the embargo is to place one of the major groupings of countries in the Western world in a position of serious deficit in a period when they have willingly entered into an agreement to study the implications of reprocessing in the fast-breeder reactor program. We have simply said we shall do nothing until a study has been completed.

The second element is that we cannot go on indefinitely mining uranium and keeping it in stockpiles. There is an economic side to it. It was not in any sense a dominant issue, but I have no doubt that if we had, in an unreasonable way, refused to resume shipments to the Community there would have been criticism on the other side that, because of what is essentially a narrow question of disagreement, we had, in fact, caused problems for our friends and difficulties at home.

Problem of Japan

The next question that arises is: What will happen in the case of Japan? At the present time, as I think I have mentioned in the House, I have signed an interim agreement with the United States on one of the major problems that existed in the case of Japan – namely, that of double-labelling. I am not going to take the time of the House to deal with this intricate subject, except to say that I believe the Japanese had, and do have, a reasonable point. If they are going to be subject to American controls when the enrichment is done in the United States on the same material, it is extremely difficult, if not impossible, for them to adhere to a set of separate and distinct Canadian controls. So we do have a basis now for resolving that particular issue.

I have indicated that, in the case of Japan, we should be prepared to offer them the same kind of arrangement, although the circumstances may be somewhat different in that case from that which we have sought at least to negotiate with the Community. I emphasize once again that this has been an extremely difficult and complex negotiation, but I am prepared to defend what we have decided upon, if it is approved
