If the peaceful development of atomic energy to which we all look forward is to be as rapid and widespread as it should be, the Agency in the opinion of the Canadian Government must provide a mechanism whereby all countries will be in a position to obtain what they need for peaceful atomic programmes with assurance for all that resources or assistance so obtained will be used only for peaceful purposes. We believe that the control provisions in the draft statute are well designed to meet this purpose, and we also believe that they would not serve the purpose effectively if their scope should be reduced. I shall return shortly to the detailed provisions of the control article to demonstrate why in our view those provisions should be retained in substance in their present form.

Before doing so, however, I should like to discuss further the need for incorporating adequate control measures in the statute. We all recognize that these measures cannot of themselves prevent individual nations from obtaining nuclear weapons. We recognize, moreover, that if the control measures were applied unreasonably they might force countries to turn away from the Agency. But we should also look carefully at the reverse of the coin - the situation which exists now and could continue indefinitely in the absence of a generally acceptable system of adequate Agency safeguards.

Because the Agency and its safeguards do not now exist countries having resources and information to dispose of are necessarily selective in making them available. The criteria they use differ from one country to another. Some nations requiring material, equipment and assistance have difficulty in obtain ing suppliers. When assistance is given it is, naturally enough often channeled in accordance with political judgments which, although quite understandable under the circumstances, unquestionably tend to distort normal patterns of trade and impede the equitable development of atomic power.

It seems to us that the indefinite continuation of this situation would have several bad effects. Firstly, it would reduce the amount of resources furnished by exporting countries to the many countries needing to import them for the development of atomic energy for peaceful purposes, because the risks in this field are too serious to accept even for worthy reasons. Secondly, it will result in continued discrimination based upon judgments of the political alignments or attitudes of countries wishing to import atomic resources, discrimination which could be avoided if there were proper safeguards. Thirdly we are almost certain to see, as attempts to overcome these two effects, bilateral systems of safeguards created by ad hoc agree ments which are more likely to be discriminatory in effect and more of an affront to the sovereignty and dignity of nations than are safeguards worked out and carried out by an independent international agency. In the creation and operation of this Agency we will all have a hand, and in it proper international scruting can be applied to see that the safeguards are administered as it was intended that they should be.

For the reasons I have just mentioned, my Government attaches great importance to the particular provision in the draft statute permitting the extension of Agency safeguards to bilateral or multilateral transactions outside the Agency with the consent of all parties to the transactions concerned. We believe that this provision, while of course merely permissive, is an important one in that it permits the application by agreement of the parties concerned of safeguards to all international transactions in atomic materials, a practice which is desirable in the interests of all countries. My Government welcomes also