

(C. W. B. March 12, 1948)

the materials assumed a more concentrated form and were therefore more directly applicable to bomb making, the Commission believed that the controls would have to be even stricter. They considered that at least certain plants producing substantial quantities of fissionable material should be placed under the exclusive operation and management of the international authority.

#### COMMISSION'S SECOND REPORT

The Second Report of the Atomic Energy Commission was approved by the Commission on 11 September last and sent forward to the Security Council. Ten nations voted in favour, the U.S.S.R. voted against and Poland abstained.

The Report contains specific proposals as to the powers and functions which an international agency would need to have. Particular consideration has been given to a system of checks and balances to be applied to the operations of the proposed Agency through the Security Council, the General Assembly or the international Court of Justice as appropriate. These limitations have been worked out so as not to impede prompt action by the Agency wherever this may be required but at the same time to make the Agency "responsible" in the sense that we use this term in reference to our Cabinet system of Government in Canada, that is to check any arbitrary and unnecessary use of authority and to provide for methods whereby any complaints against the Agency or its staff can be fully investigated and corrected. I think I can claim that the proposals in this Second Report are fully in accord with this democratic concept and yet that they do not compromise the powers needed to be exercised by the Agency in any way.

#### BASIS FOR EFFECTIVE CONTROL

On behalf of Canada I had the authority to state that in our view these proposals, together with the General Findings and Recommendations of the First Report, provide the essential basis for the establishment of an effective system of control to ensure the use of atomic energy for peaceful purposes only and to protect complying states against the hazards of violations and evasions.

As I have said this view is shared by nine out of the eleven nation members of the Commission. On the other hand, the delegate of the U.S.S.R. expressed his continued opposition. He reiterated his view that no progress had been made because the report did not provide a solution for what he described as the urgent problem of prohibiting atomic weapons and particularly for the early destruction of the U.S. stocks of atomic bombs. He objected also to the ownership of fissionable material, and of plants for its processing and use, being vested in an international authority which he held to be both unnecessary and contrary to the principles of national sovereign-

ty. He took similar objection to the proposals for the licensing of non-dangerous atomic energy activities which the majority of the Commission felt should be supervised by the Agency although their operation had been entrusted to a national authority.

The Soviet delegate thought that some system of "quotas" would suffice and he said that this proposal had not been sufficiently explored. The only point on which the Soviet seemed to have moved forward from the position which had been taken at the time of the First Report was in relation to inspection and control which the Soviet now conceded must be international in scope and organization with personnel who are international. However it is clear that by international control and inspection the U.S.S.R. merely contemplates occasional or periodic inspection rather than the detailed continuous process which the other members of the Commission believe to be essential for security.

#### DISCUSSIONS CONTINUED

Since the beginning of the year the discussions have continued and some progress has been made in clarifying ideas in respect to the form and scope of the International Control Organization which would be required if the majority proposals developed in the Commission were to be put into effect. Fully half the time and attention of the members of the Commission have been devoted to a meticulous re-examination of the Soviet proposals in detail to make abundantly certain that no possible misconception of their purport should stand in the way of agreement. However it is evident that this is not the case and that there thus remains a very wide gap between the views of the U.S.S.R. now echoed by the Ukraine and those of the rest of the Commission. I do not think that we should be unduly cast down on this account, and we should certainly not underestimate the value and the significance of the progress which has been made.

When the Commission began its sessions in June of 1946, now some eighteen months ago, there was little to go on beyond a conviction that the dread potentialities of atomic war needed to be brought under effective international control. Since then the problem has been examined in its many intricacies and multitude of aspects. Gradually a consensus of opinion has formed and found expression until today nine nations out of eleven believe that they have found the right path forward. The circumstances that the U.S.S.R. does not yet agree should not be regarded too seriously at this stage. As a matter of fact the delegate of the U.S.S.R. has made substantial contributions to the discussion and at the least the U.S.S.R. has formed an anvil on which the rest of us have had an opportunity to forge and hammer out the conclusions we have now reached.

Up to date we have been more anxious that the U.S.S.R. should continue to be represented

in the discussions and less concerned that they would at once agree to the majority proposals. I think I can claim that we have felt so convinced of the necessity for proper control and we are now so genuine in our belief as to how it must be brought about that we feel that something of this sincerity must find its way through to the people of Russia. It is a fact that no people would benefit more than they would from what we have proposed and so both on the grounds of benefit from the peaceful application as well as of security it is not too much to hope that eventually a way will be found to traverse the opposition of those who presently control the policy of the Soviet.

It is true that at present it is impossible to obtain agreement on the methods for control; the recent discussions on the Soviet proposals have shown that they are unprepared to yield on certain points which the other nations hold as essential constituents in any satisfactory plan. But it seems that the Soviet objections arise from the fact that, in the tension and mistrust of the world situation as it exists today, they evidently do not feel that they can give up, to an international body in which nations they consider unfriendly to them are bound to be in the majority, the degree of authority which the other nations are convinced is essential for security.

#### U.N. EFFORTS MUST CONTINUE

There are some grounds for hope, therefore, that in the future, when the nations of the world may be less sharply divided and when the United Nations does in fact represent a body unified for the purposes of peace, it will be possible to convince the U.S.S.R. that the plan for the control of atomic energy put forward in the reports of the Atomic Energy Commission does in truth represent a proper basis for the elimination of atomic warfare and that it is not a plan to maintain the domination of certain nations. At that time we may hope that the Soviet will be prepared to discuss these proposals with a more open mind and that, with perhaps a few modifications, they will then accept their implications.

The United Nations must, in consequence, continue their efforts to develop this plan for complete security so that when times become propitious it can readily and quickly be brought into effect.

**BIRTHS AND DEATHS:** Live births in Canada during the first six months of 1947 numbered 185,173, giving an equivalent annual rate of 29.7 per 1,000 population as compared with 159,433 births and a rate of 26.2 for the first half of 1946, according to the Dominion Bureau of Statistics. Stillbirths numbered 3,862 or 20.9 per 1,000 live births as against 3,549 and a rate of 22.3. Deaths totalled 59,132 with a rate of 9.5 compared with 60,318

and a rate of 9.9. The natural increase for the half-year period was 126,041 as against 99,115, and the rate rose from 16.3 to 20.2

#### U.K. IMPORT QUOTAS

**COVER 192 ITEMS:** Advice of quotas allocated under the 1948 schedule of the United Kingdom token import scheme, instituted in 1946, has been mailed to some 225 eligible Canadian firms by the Export Division of the Department of Trade and Commerce.

In accordance with the recent announcement by the British Board of Trade, quotas for 1948 will cover 192 items and will be maintained at 20% of the average pre-war imports during the basic period from 1936 to 1938 inclusive. Any Canadian exporter having a pre-war market in the United Kingdom for any of these commodities is now assured of obtaining British import licenses for token shipments. Shipments may commence immediately, and the Export Division of the Department of Trade and Commerce will approve and certify token shipment vouchers for eligible exporters up to the full amount of each quota. Any unfilled balances remaining from 1947 quotas must be cleared through the British Customs by March 31.

Two items, leather footwear and manufactures of mulga wood, have been added to the previous list. The following eight items have been deleted: Outboard motors, portable electric generators, damask table linen, greeting cards, snapshot mounting corners, paper towels and napkins, furniture of bamboo canes, wickerwork, or similar material, and lighter flints. Headings of five items have been revised to read as follows: Proofed clothing of all kinds; leather gloves, not including industrial gloves; cotton, boot, shoe and corset laces and braid; waterproof rubber footwear of all types; men's felt hats, unlined. The effect of the revisions is to exclude industrial gloves and men's lined felt hats, while including corset laces and braid, and several types of women's rubber footwear.

The complete list as revised will appear in the March 13 issue of "Foreign Trade", weekly publication of the Department of Trade and Commerce.

**JANUARY EXTERNAL TRADE:** External trade of Canada in January was valued at \$445,200,000, down about \$20,000,000 from the December total but almost \$61,000,000 above the figure for January last year, according to the Dominion Bureau of Statistics. The month's total was about \$3,600,000 below the monthly average for the calendar year 1947.

Imports for consumption from all countries in January were valued at \$206,100,000 as against \$194,200,000 in December and \$173,800,000 in January, 1947. The total for January this year was about \$8,400,000 below the