

The final change proposed in Amendment 5, the addition of a new paragraph D, enabling the Agency upon request to inspect separation plants in individual countries, appears to us perfectly satisfactory but not essential to the fulfilment of the purposes of the Agency. We shall be happy to support that final proposal, however, if it commends itself to the majority of the conference, and if it is not considered that the amendment to Article III proposed by the distinguished representative of Thailand, and already approved by this committee, adequately covers the point.

I have directed my attention particularly to the changes proposed in Amendment 5 to this Article because those changes seem to me to set before us the essential problem relating to controls upon which this conference must decide. It is easy to understand why acceptance of those changes would in one respect appear attractive to some countries expecting to receive Agency assistance. The effect of the changes would be to reduce the burden of the safeguards and to leave a greater degree of control of the materials involved in Agency-assisted projects in the hands of the individual countries concerned. To the extent that this can be achieved without destroying the efficacy of the Agency's control system we sympathize entirely with the purpose of the amendments. We do not believe, however, that the particular changes proposed could in fact be adopted without leaving gaps in the control system so great as to destroy its real value in providing assurance against diversion to military use. We believe that the Agency must have in this statute the powers necessary to ensure beyond all reasonable doubt that such diversion will not take place - the extent to which these powers will be exercised to be determined by the Board of Governors when it is in process of concluding individual agreements covering the provision of assistance. In our opinion the various amendments proposed to the Article, while laudably designed to render it more acceptable from the point of view of countries thinking in terms of the effect of Agency controls upon their national projects, would in one way or another defeat that essential purpose; my Delegation is therefore unable to accept them.

I have spoken at some length on the problem of controls because of the importance attached to it by my Government and because of the concern of the Canadian delegation to ensure that the position of Canada, as a probable leading supplier of source materials, is clearly understood by those attending this Conference. We believe that the adoption of an effective control system is essential if the Agency is to command the confidence of its membership as a whole and in particular of those countries in a position to make assistance available through it. The establishment of such confidence will, we are sure, inspire generous and lasting support and thus permit the Agency to assist most effectively in the rapid application of atomic energy to the economic and social purposes of countries throughout the world.

