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 exercized by the Agency in any way.

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 nations now members of the Commission; it is shared also by five of the six other nations who have served as members. On the other hand, the delegate of the U.S.S.R. supported now by the Ukraine and previously by Poland, 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 United States stocks of atomic bombs. See 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 mational Sovereignty. 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 believe to be essential for security. The representative of the U.S.S.R. has conceded the need for "special" investigations in case of suspicion but he objects to the setting up of any organization which would have the information necessary to detect diversions or clandestine operations. In consequence the basis of security proposed by the Soviet seems very wereal to the other members of the Commission.

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. However, it is now evident that the form of the International Organization required is intimately dependent on the details of the methods of control and safeguards to be adopted and, as these are not agreed by the U.S.S.R. and the Ukraine, it does not seem useful to pursue the matter further until there is some indication that