

and women who will have the will to peace in their heart; who live in a world where the area of collective international authority is widening; who have adequate access to information on which to judge rightly the issues of foreign policy, and, above all, who have the power to control their Governments rather than to be controlled by them. Some day, peace must be based on the truly firm foundation of an open, co-operating, free world community, where men and women of all lands will trust each other, because, among other things, they will be allowed to get to know each other; where they will be permitted to exchange ideas and opinions without the interference of an all-powerful internal propaganda machine.

"Until we have international trust founded on this kind of understanding, the United Nations atomic policy must be based on something more than the unverifiable pledge of member Governments that atomic energy, under national control, will not be used for war. Without international confidence, pledges against war, or methods of war, are useless and often worse than useless.

EFFECTIVE SAFEGUARDS

"Acceptance of the validity of this principle is the reason why the majority of the Atomic Energy Commission, and the majority of this Assembly, have insisted on effective controls, on effective safeguards, as the prelude to prohibition.

"The Soviet delegation tell us that they too want effective controls. But it is at facts, not at words alone, that we must look, and the facts of the Soviet position in this matter suggest that their acceptance of effective control is based on a distortion of the meaning of these words.

"The Soviet proposals for control admit only of periodic inspection, and even that inspection is merely of such facilities as the national Governments concerned may choose to declare to an international authority. The Soviet proposals also include special investigations, when there is evidence of illegal activity. But how is such evidence to be obtained? If we had enough confidence to convince us that it would be given automatically by every national Government to an international agency, then we would have so much confidence we would not need any international control at all.

"The Soviet provisions regarding inspection seem to us, in short, to be simply not good enough....

"Our position is that the only kind of inspection which will be adequate to convince people that international control plans and policy are being observed is that which gives far-reaching powers to the inspectors, while providing against the abuse of those powers. They, the inspectors, will be the agents of the international conscience and the international community and no Government, which is

sincere in this matter of international control of atomic energy, would want to restrict or restrain them so that they could not discharge their duties efficiently.

"There is another principle, - and I am talking now only of broad principles, - which does, I admit, involve a derogation from national sovereignty. Our resolution says that national control and operation of atomic energy facilities is a danger to humanity. Believing this, we agree that there should be international operation. This aspect of the subject will, no doubt, be thoroughly discussed in this debate. Here I would merely state that if, notwithstanding the special danger from the ease by which atomic energy can be diverted from productive to destructive use, it can be shown that national operation with complete 100 per cent inspection would not be a menace to security, then we would be glad to re-examine the position. So far, after many months of hard and detailed study, we have not been convinced that this is the case. I would point out also that international operation and management is not the same as ownership, in the individual or national meaning of the word. The international operating agency would be the trustee of the nations who had agreed by treaty to its establishment and its powers, and it would distribute the products of its operations for peaceful use in a manner determined by the treaty or convention.

NATIONAL SOVEREIGNTY

"It is, I suggest, absurd to argue - as the Soviet delegation argues - that such renunciations of national sovereignty - if you wish to call them that - are a sacrifice or a humiliation to any state which believes in international co-operation and collective security.

"Acceptance by agreement of international control and operation of atomic energy facilities and full international inspection to ensure that agreements made are being carried out, is no surrender of anything. On the contrary, it is a great step forward towards confidence and peace. This is not losing sovereignty; it is using sovereignty. It is not a loss; it is a gain. To think and act otherwise is to fly in the face of all the experience of this century, where the progress we have made has been in the direction of widening the area of international authority. Our very presence here today proves that.

"Insistence on reactionary concepts of sovereignty is not good enough in the modern world and it has been expressly disavowed in the last paragraph of our resolution which pledges all nations to renounce the individual exercise of such rights of national sovereignty in the control of atomic energy as are incompatible with the promotion of world security and peace. World security, everyone now admits, requires international control of atomic energy and by our resolution, rights of national sovereignty must not be permitted to

stand in the way of such control. Surely, no one can refuse to accept that principle. To put it another way, in this resolution we state in effect that in the field of atomic energy we can have no solution that does not involve a willingness on the part of all Governments to exercise their rights, co-operatively rather than individually. No amount of double talk or sophistry can obscure the essential truth of this statement. If any delegation, by insistence on a reactionary and negative interpretation of national sovereignty, frustrates the effort we are making to ensure that atomic energy shall be used only for peaceful purposes, it bears a heavy responsibility.

"The final principle which I want to mention, and which underlies the resolution which we are putting forward, is that we must not give way to despair or defeatism in this matter. It may well be that the development of atomic energy in the U.S.S.R. may hasten agreement, by giving the rulers of that country more knowledge of the fateful implications for good or for evil, of this power, and more understanding of the scientific processes which any adequate system of control must take firmly into account. As Soviet knowledge and experience grows, and as our own sincere desire to find an agreed solution becomes understood, the Assembly and the Soviet plans may be brought closer together.

PROMISE OF GREAT GOOD

"This process might be facilitated if the permanent members of the Commission could examine in greater detail than heretofore the positive and constructive side of atomic energy development. There is, of course, much still to be learned in this field, but it is clear already that this development holds the promise of great good for mankind. The secrecy which must surround this subject as long as security considerations remain paramount will, of course, interfere with such an examination. Nevertheless, even with this limitation, some valuable work could be done. We could at least find out how political insecurity hampers the development of atomic science; hinders the spread of knowledge, and the sharing of facilities among those nations most in need of technical assistance and industrial development. To these nations the promise of atomic energy applied to the arts of peace is of particular importance. To them, there should be great hope in the international co-operative effort for the peaceful exploitation of such energy, which the 'majority plan' provides.

"I have suggested that this Committee in dealing with the present difficult situation should be guided by certain considerations --

keeping the door open; keeping our minds open; maintaining our sense of responsibility and refusing to gamble with the peace and security of the men and women, all over the world, whom we here represent. I have stressed the dangers that would arise if we should mislead the world...."

CONTINUE DOLLAR RATIONING: The Minister of Finance, Mr. Abbott, announced on November 9 that the rationing of U.S. dollars for pleasure travel will continue during the period from November 16, 1949 to November 15, 1950. The maximum amount of U.S. dollars which any Canadian resident may obtain during this period for pleasure travel will remain at \$150. In the case of children eleven years and under the amount will remain at \$100.

Decision to continue the pleasure travel ration was reached after a careful assessment of Canada's U.S. dollar position and U.S. dollar travel expenditure. As at the end of last September Canada's official gold and U.S. dollar holdings were about the same (\$985.3 million U.S.) as they were at the end of 1948 (\$997.8 million U.S.). On the other hand the rate of travel expenditure in the United States has risen considerably.

It is estimated that total travel expenditure in the United States by Canadian residents in the twelve months ended September 30, 1949 was about \$160 million compared with \$113 million in the calendar year 1948. The Minister attributed the increase principally to the relaxation at the beginning of this year of the regulations applying to the foreign purchases of returning Canadian travellers. Since January 1, 1949 Canadian residents have been permitted to import, under the \$100 (Canadian) customs exemption for tourist purchases abroad, goods which otherwise are prohibited or allowed only under quota. In view of the large U.S. dollar cost of travel expenditures, including tourist purchases, it is not considered that either the removal of or an increase in the U.S. dollar ration is justifiable at this time.

STORE SALES UP 5 PER CENT: Department store sales during the week ended October 29 were five per cent higher than in the corresponding week last year, according to preliminary figures. There were decreases of three per cent in the Maritimes and two per cent in Quebec but advances in the rest of Canada. The gain in Ontario was four per cent, Manitoba 15 per cent, Saskatchewan 12 per cent, Alberta eight per cent, and British Columbia five per cent.