

External Affairs  
Supplementary Paper

No. 56/5 VIEWS OF CANADIAN GOVERNMENT ON STATUTE OF  
INTERNATIONAL ATOMIC ENERGY AGENCY

Statement delivered at United Nations Headquarters  
Thursday, September 27, by Mr. M.H. Weršhof, Head  
of the Canadian Delegation to the Conference on the  
Statute of the International Atomic Energy Agency.

I am deeply conscious of the honour and the  
responsibility which are mine today in addressing this  
assembly on behalf of Canada. The occasion which has  
brought us together is by common consent a most important  
one, and all of us hope that our labours will be brought  
to a successful and fruitful conclusion. We are fortunate  
in having the effective leadership of Ambassador Muniz  
and Ambassador Winkler and the wise counsel and practical  
help of the Secretary-General of the United Nations.

The world is grateful to the President of the  
United States for the initiative he took in proposing the  
establishment of an international agency dedicated to the  
task of helping to spread the benefits of atomic energy  
throughout the globe. It is our responsibility in this  
conference to ensure that the Agency which we are going to  
establish shall be as well designed for its purpose as we  
can make it.

The proposals in the draft statute before us are  
as you know, the product of long and careful study by the  
representatives of a group of twelve countries particularly  
qualified in one way or another to make a useful contribution,  
and having the benefit of views submitted to them by a number  
of other interested governments. The Conference is aware  
that on many points there were divergent views within that  
group of twelve which have, through concessions on all sides  
and a firm desire to reach acceptable compromises, been  
largely reconciled. As the representative of one of the  
countries which participated, I hope that the Conference  
will consider carefully the advisability of preserving the  
balance of views which has been achieved.

It is agreed that the main purpose of the Agency  
shall be to facilitate, encourage and assist in the development  
and application of peaceful uses of atomic energy in all  
countries. It is also agreed that in carrying out this task  
the Agency shall take the appropriate steps to ensure that  
the assistance which it will provide to individual countries  
or groups of countries shall in fact be used for the benefi-  
ficient peaceful purposes intended, and not diverted to other  
purposes which the collective membership of the Agency would  
be unwilling to support. The Agency will require certain  
powers and rights to ensure against such diversion, but  
these powers will be limited to those necessary for the  
purpose. While the achievement of this purpose will no doubt  
help to ensure the observance of any agreement concerning a  
atomic weapons, that is not a task for this Agency. Its role  
in this field will be restricted, in relation to all member  
countries, to the activities necessary to the fulfilment of  
the Agency's functions in connection with assistance given  
by it.

It is, I think, obvious that all members of the Agency ought to have equal rights within it; perhaps it is not so obvious that the functional role of all members should in principle also be equal. Thus my Government considers that all members should enter the Agency expecting both to make contributions to it in one form or another and to derive benefits from it. In some cases no doubt the contributions will be greater than the direct benefits received, and in other cases the reverse will be true. Nevertheless, these will be differences of degree; the Agency should not operate in such a way that certain members are considered solely as contributors (whether of material resources or of experience and information), and other countries solely as recipients. We submit that the Agency should work on a co-operative basis, as a partnership to which each member brings something and from which each member derives something.

Having indicated in the most general terms what the Canadian Government believes to be the central objective in the draft statute before us, I should like to turn for a moment to the question of why we, that is, the Canadian Government, believe that this proposal to create the Agency is so important. It is probable that the benefits to be derived from atomic energy have only begun to be comprehended by the peoples of the world. The application of this new source of energy holds out hopes for economic development and social progress on a scale and variety undreamed of only a few years ago. History has shown that almost any scientific discovery of importance to mankind will sooner or later become available throughout the world, and no doubt this is true of atomic energy. The benefits to which I have referred can be expected ultimately to reach all corners of the world whether or not the Agency which we propose is established.

But this is not the whole question. The importance of bringing these benefits as rapidly as possible and as widely as possible to the service of national economies and of individual human beings, not in one country, not in a few countries but in all countries, is so great that the process of gradual diffusion is too slow and at least initially too inequitable. Means should be found of avoiding the delay, extending perhaps to generations, which would be involved if we were to rely only upon that process. At the same time we should try to ensure that the benefits we look for will in fact be accessible to all.

The genuine and effective collaboration of all governments, which can be fully realized only in a formal treaty partnership, is necessary if the potential benefits of atomic energy are to be rapidly and fully realized. Such a partnership, with its acceptance by all of explicit obligations, can alone provide an environment in which those things necessary to the exploitation of atomic energy will be available to all nations. In the absence of such full multilateral collaboration, countries will tend to go their separate ways, having at their disposal only the limited knowledge and resources directly available to themselves or their close friends; the result is bound to be duplication of effort, and consequent waste and delay. Without real collaboration, and the acceptance by all nations of obligations and commitments in the common interest, the spread of knowledge and resources will be hindered and diminished by the lack of agreed objectives, standards and safeguards.

The kind of partnership we have in mind would be provided by an Agency having the particular features proposed in the draft statute. The draft statute recognizes the complexity and the importance of atomic development and makes effective and flexible arrangements to facilitate cooperation between countries with widely divergent requirements and in varying economic circumstances. It recognizes that some countries are more advanced industrially and technologically than others and are in a position to make a greater contribution in skills, materials and equipment. At the same time other countries with more limited resources will necessarily look to the Agency for advice, information and direct assistance. Whether a country is a net contributor or a net beneficiary under Agency programmes, all members will share a common desire to contribute to the extent of their abilities and to see the affairs of the Agency conducted on a basis which will ensure responsible and effective utilization of resources. Without sound direction and satisfactory Agency policies, countries proposing to undertake worthwhile projects may be unable to obtain needed assistance; countries capable of providing assistance may lose confidence and fail to make the fullest use of the Agency as a channel for helping atomic development. Under the statute heavy responsibilities for sound direction will be delegated to the Board of Governors subject to the general guidance of the membership as a whole as expressed through the General Conference. On a Board entrusted with these responsibilities those countries on whom the Agency must mainly depend for assistance must exert sufficient influence to retain their continuing confidence and support which will be essential to the achievement of the Agency's high purposes.

At the same time those countries likely to be net beneficiaries must be satisfied in their turn that in establishing its programmes the Agency will take full and informed account of their interests, requirements and problems. These countries also must have adequate representation on the Board, and the General Conference in which their influence is likely to be widely felt must fill a role of effective expression and discussion, without, however, impinging unduly on the execution responsibilities of the Board of Governors.

For successful operation the Agency will require sound financial procedures which are at once precise and flexible. These procedures must, we submit, be designed to permit dynamic progress toward Agency goals subject to the customary restraints of prudent and responsible financial control. In the draft statute organizational arrangements are covered in a number of articles determining the role of management and the relationship between the Board of Governors and the General Conference. I should like to make a few general remarks concerning the Canadian interpretation of the financial provisions of the draft statute, as I am aware of the widespread interest in this aspect of the draft statute, especially Article XIV. Our detailed comments will of course be made when individual articles are under consideration.

It is evident that the provision of adequate financial resources is fundamental to the fulfilment of the Agency's objectives. Provision for administrative expenses of the Agency poses no serious difficulty. It is a normal and accepted principle of international organizations that the expenses of administration represent a common burden of membership and that they should be shared equitably among all members according to a suitable scale.

Similarly it is evident that all members will benefit from the safeguards which will facilitate the dissemination of nuclear information and resources and will contribute to international security.

However, the provision of resources to meet the costs of Agency projects poses more difficult problems. These resources, according to the draft statute, are to be provided in the following ways. Countries receiving assistance will be expected to contribute to the cost of projects through charges which, in the words of Article XIV, will be designed to produce revenues adequate to meet the expenses and costs. Under this arrangement projects in which the Agency participates will produce substantial revenues during their lifetime; and charges levied in connection with these projects will normally make them self-supporting. For these projects the role of the Agency will nevertheless be essential, for it, - that is, the Agency - will be the channel through which not only materials but technical and managerial skills will be made available.

In addition it will be possible for the Agency, in approved cases, to go beyond these essential forms of assistance. As time goes on the Agency may be expected to accumulate funds of its own, both from revenue earned and also from voluntary contributions for which the Draft Statute clearly provides. These funds can be used in connection with projects which cannot be made entirely self-supporting. And finally in order to obtain preliminary financing, the Board of Governors is authorized to incur indebtedness subject to the approval of the General Conference. I know that this provision has troubled some delegations but we believe that these fears are unwarranted. In many cases the Agency will participate in projects for which external finance may be available either bilaterally or through international organizations such as the International Bank. It is clearly desirable that the Board of Governors be authorized to enter into borrowing arrangements in order to get projects under way while the recipient states and the Agency cooperate in mustering adequate resources to amortize the costs over the life of the project.

It is the considered view of the Canadian Government that the provisions of the draft statute on organization and finance represent a satisfactory basis for Agency operations. The composition of the Board of Governors, and the respective roles of the Board and the General Conference, were matters which involved compromise during the preparation of the draft statute. We believe that on these matters the particular balance achieved in the draft statute is the best available. To attempt afresh the complex task of working out such a balance would be burdened with difficulties and with real risks for the success of our work, and would be most unlikely to produce a better result than that before us. My Delegation agrees of course that any member of this Conference is free to propose changes, but we earnestly hope that, before any important changes are pressed, Delegations will consider carefully their effect on the substantial agreement already achieved.

I mentioned earlier the task of the Agency of ensuring that the assistance which it provides is not diverted to purposes other than the peaceful uses intended. The possibility of atomic weapons again being used, and the risk of destruction on an unprecedented scale which such use might involve, would be immeasurably increased if it were within the capability of every government to produce such weapons at will. So long as disagreements between nations remains common, there is always the prospect that men and governments may lose patience or consider that they are so pressed by circumstances as to have no recourse but to force. In view of that prospect the widespread availability of atomic weapons should be regarded by all men of conscience throughout the world as highly undesirable. It therefore appears to us that all governments, both in the general interest of world peace and as a contribution to their own security, should be prepared to make considerable sacrifices in order to avoid this risk.

The widespread manufacture of atomic weapons could of course be rendered more difficult by arrangements designed to restrict as closely as possible the access of most countries to the necessary materials. This method would be directly contradictory to a principal objective of the Agency, that of facilitating the access of all countries to the resources required for their peaceful atomic programmes. In this difficult field we believe the Agency can provide a system permitting all countries to obtain atomic resources for peaceful uses with assurance on the part of all that such materials shall not be diverted to military use, or permitted to create a hazard to health or safety. Such an arrangement, is obviously in the interest of all countries wishing to acquire the resources for the establishment and development of peaceful atomic programmes. Having these considerations in mind my Government very strongly supports the provisions in the draft statute for safeguards to be applied to assistance provided by the Agency.

My Delegation believes that the system of safeguards should be comprehensive and effective. Nevertheless our only concern in this matter is to provide assurance against diversion to military uses and against risk to health or safety. Certain Governments have expressed misgivings about the extent of the control powers assigned to the Agency, and have directed attention in particular to the powers assigned to the Agency in the draft statute with regard to fissionable materials which may be products of a project enjoying Agency assistance. It has been suggested that these particular powers would permit the Agency to act in ways contrary to the economic and political interests of the states involved. It is certainly not the intention of my Government that the Agency should act in this matter in any way other than is required to fulfill its responsibilities for ensuring that diversion to military uses shall not take place, and that there shall be proper protection of health and safety. Powers assigned to the Agency to apply safeguards must on the one hand be adequate to ensure that the safeguards are effective but on the other hand they must not be used for any other purpose. I am stating as explicitly as I can my Government's position on this point in order to assure any delegation which may have misgivings about these particular provisions, that as far as Canada is concerned the powers so assigned should not and will not be used for any improper purpose or for any purpose other than that of ensuring against diversion to military uses and against health and safety hazards.

In these general remarks, Mr. President, I have tried to indicate the points which the Canadian Government considers to be most important in connection with the establishment of the Agency. Our position on these and on the exact provisions of the draft statute will be elaborated when we come to consider the text in detail in committee. We hope that all delegations will consider seriously the general features which I have outlined as essential for inclusion in the statute. We in the Canadian Delegation will examine carefully the views expressed by those delegations which have already spoken and by others still to speak. We will enter the later discussions on the precise provisions of the draft text before us with the most earnest intention of reaching agreement in a spirit of good-will and compromise. All Delegations are already agreed upon the principles we are seeking to carry out, as shown by the unanimous adoption in the General Assembly of the United Nations in 1955 of the resolution relating to the Agency. The Canadian Delegation is therefore confident that this Conference will be successful, and that the opening for signature of an agreed statute will bring closer to fruition the high purposes we all share.

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