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ON
TRADE AND EMPLOYMENT

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ORIGINAL: ENGLISH

SIXTH COMMITTEE: ORGANIZATION

SUB-COMMITTEE J ON ARTICLES 95, 96, 98, 99 AND 100

NOTES ON THIRTEENTH MEETING

Held 5 February 1948, at 10.30 a.m.

Chairman: Mr. AMADOR (Mexico)

Following the suggestion of the Chairman, the point of order raised by France and Poland at the previous meeting was left in abeyance.

The representative of the United Kingdom moved that the Sub-Committee should report to Committee VI that it considered it inadvisable to insert into the Charter any provision which would have the effect of binding members to accord certain treatment to the trade of Germany and Japan.

His interpretation as well as that of some other countries, of international agreements which regulate the situation of Germany and Japan, was at variance with the interpretation put to the Sub-Committee by the representative of the United States.

He said that in case that his motion were accepted, the Sub-Committee could consider the following alternative methods to accomplish the purpose of the United States amendment:

Firstly, not to take any steps relating to the trade of Germany and Japan before the treaties of peace or other permanent arrangements had been arrived at; secondly, to insert a provision in the Charter laying down that, once the Organization had been established and functioning, it should study problems related to bringing Germany and Japan within the operations of the ITO; thirdly, to adopt a resolution to the effect that it was considered desirable that the trade of Germany and Japan be conducted as soon as possible and practicable, on the lines of principles of the Charter.

He believed that some members would find it difficult to sign a protocol containing binding commitments and it would be undesirable in principle that some countries should undertake additional obligations which others might not accept.

/The representative

The representative of Poland said that it was clear from the discussion that great majority of representatives believed that previous agreements prevented them to deal with the matter raised by the United States amendment and the Sub-Committee should recognize that, taking into account the judicial situation, it could not take any decision on the United States amendment.

The representative of India asked the Chairman to give a precise ruling whether the Sub-Committee was bound by the directive of the Chairman of Committee VI that the Sub-Committee should consider, in the first place, whether the Conference was competent to deal with the question involved in the United States amendment in its present form; and secondly, if it were considered that the Conference was not competent to adopt the amendment in its present form, the Sub-Committee should study the question of how to amend the present text, so as to bring the substance of the amendment within the competence of the Conference.

The Chairman ruled that the Sub-Committee was bound by the directive given by the Chairman of Committee VI and his ruling was not challenged by any member of the Sub-Committee.

The representative of Czechoslovakia moved closure of the discussion on the question whether the Conference was competent to take a decision on the United States amendment.

The Chairman, however, invited the representative of New Zealand with the permission of the Sub-Committee, to make a statement, since his ruling that the Sub-Committee could discuss the competence of the Conference to decide upon the United States amendment as suggested by the Chairman of Committee VI, was not challenged, and no actual debate took place.

The representative of New Zealand referred to his suggestion to add a new sub-paragraph in Article 68, paragraph 5, (see document E/CONF.2/C.6/W.88).

He did not see any reason to close the door to the possible participation by Germany and Japan in the work of the Organization. New Zealand was, however, a member of the Far Eastern Commission and was not prepared to agree that the Charter should apply to Japan without the approval of the Far Eastern Commission.

The Far Eastern Commission had been considering that question and had adjourned its discussion, pending the outcome of this Conference to enable the Commission to know the final text of the Charter.

He considered that before it was undertaken to accord benefits of the Charter to Germany and Japan, it should be adequately guaranteed that

/the authorities

the authorities controlling Germany and Japan would be able to accord equitable reciprocal treatment.

In accordance with rules of procedure the Chairman consulted then the sense of the meeting on the closure of discussion moved by the representative of Czechoslovakia. The sense of the meeting was in favour of continuing the discussion.

The representative of Australia believed that the applicability of the Charter to certain areas was clearly in the general subject matters covered by the Charter. He, however, expressed doubts whether it would be wise to take decision on the United States amendment, in view of the fact that some governments might find themselves unable to implement such a provision of the Charter.

The representative of Denmark, clarifying on the question of the Protocol, said that it could be drafted in such a way as to facilitate its denunciation on a short notice. States which would be unable to accept the Protocol could stay outside, as in the case of the General Agreement on Tariff and Trade.
