

UNITED NATIONS  
ECONOMIC AND SOCIAL COUNCIL

PREPARATORY COMMITTEE  
of the  
INTERNATIONAL CONFERENCE ON TRADE AND EMPLOYMENT

Verbatim Report

of the  
FIFTEENTH MEETING

of

COMMITTEE V

held at

Church House, Westminster

on

Tuesday, 19th November, 1946

at

10-30 a.m.

CHAIRMAN: Mr. Lynn R. EDMINSTER (U.S.A.)

(From the Shorthand Notes of  
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THE CHAIRMAN: We now have in our possession the draft Report of Committee V to the Preparatory Committee of this Conference, which has been prepared by the Joint Rapporteurs. I understand that the English version of this document was distributed late last night, but that the French version was necessarily delayed in translation and preparation and was distributed only a rather short time before this meeting. I regret that the French-speaking Delegates have not had a longer time to examine it, and also, for that matter, that the other Delegates have not had more time. On the other hand, I feel that if we can find some technique or method of procedure which would be agreeable to all and safeguard everybody's rights we should endeavour to make some progress towards clearing the report this morning. I think it might be helpful in that respect if the Secretary read the report paragraph by paragraph, passing over the rather long Section C on Voting and Membership of the Executive Board, which this Committee has already approved, thus giving every member an opportunity, even though he has had the report in hand only a very short time, to get a fairly good grasp of its contents. I would like to suggest also that it would be very helpful in economising our time if we could agree in advance that purely editorial suggestions should be taken handed to the Secretary of the Committee, and that the Secretary, in consultation with the Rapporteurs and the Chairman, should be authorised to carry out such changes in a manner that would presumably be satisfactory to all. I am afraid that if we get to discussing purely editorial changes it will take us a long time to go through the document and I think therefore that we should confine our discussion to substantive matters. Of course it is not always clear when a matter rises to the level of being substantive, and in case of doubt I suppose the thing to do is to discuss it here. I should like to know whether it is agreeable to the Committee to proceed on the basis of that general understanding.

Before we begin it may be that the Rapporteurs would like to make some comments on the Report, particularly on matters of broad organisation and matters of that sort. I believe only one of our Rapporteurs is present this morning. Dr Dao, I think, is ill. I hope that the illness did not result from his hard work on this Report. Mr. Bury may have some things to say.

THE RAPPORTEUR (Mr Bury): Mr Chairman, I would like to take up as little time as possible. As we were Joint Rapporteurs we did rather divide the work, and the result is that there will in parts of this Report be considerable overlapping and perhaps some repetition. We are somewhat perturbed at its length and feel that it might have been shorter had there been more time at our disposal. We have dealt with most things fairly fully because we thought that it does cover a large Section in the Charter and unless most of the points were covered the Report might have very little value; so we start with rather an apology for its length. I should like to make other remarks at the end of the meeting.

THE SECRETARY: Could I just add one word of explanation to the remarks of Mr Bury? You will notice that you have two documents before you: one is E/PC/T/C.V/W.7, headed "Draft Report of Committee V", and the other is a document on white paper containing a revised text of Chapter VII. The intention is that this revised text would, in the Final Report, be attached to the Report as an Appendix.

THE CHAIRMAN: If it is agreeable, I shall ask the Secretary to proceed with reading the Report paragraph by paragraph, and invite comments as we go along.

THE SECRETARY: Is it desired that we read Part I, which is a rather factual statement? I will do so if it is the wish of the Committee. It merely recapitulates the Committee's Terms of Reference and general manner of procedure.

THE CHAIRMAN: Unless it is desired otherwise, I take it we could just ask for the comments of any members of the Committee on that Part of the Report. ... I take it there are no comments, then, on Part I?

BARON van TUYLL (Netherlands): Mr Chairman, the last sentence on page 2 of the document explains that we had a statement by the representative of the International Labour Organisation as to the operation of the permanent seat system. I believe the statement referred particularly to the voting and the weighing of votes.

THE CHAIRMAN: I shall ask Mr Tait, who is present, to reply to that.

MR TAIT (Representative of the ILO): There is no weighted voting in the ILO Governing Body, but there is a system of permanent seats for the states of chief industrial importance, and it was to that that my statement referred.

BARON van TUYLL (Netherlands): Thank you very much, Mr Chairman.

THE CHAIRMAN: Are there further comments on Part I? ... Very well; I will ask the Secretary to proceed with the reading of Part II.

(The Secretary read the introductory paragraph of Part II.)

THE CHAIRMAN: Are there any comments on that introductory paragraph?

(The Secretary read Section A, Membership and Functions, Paragraph 1.)

THE CHAIRMAN: Are there any comments on paragraph 1?

(The Secretary read Paragraph 2.)

THE CHAIRMAN: Are there any comments on paragraph 2? ... I understand the words "the functions" in the third line of this paragraph are superfluous; they should be deleted. Perhaps we could have a little more time for reflection on these paragraphs.

(The Secretary read Section B, The Conference, Paragraph 1.)

THE CHAIRMAN: Are there any comments on paragraph 1?

(The Secretary read paragraph 2.)

THE CHAIRMAN: Are there any comments on paragraph 2?

(The Secretary read paragraph 3.)

THE CHAIRMAN: Are there any comments on paragraph 3?

(The Secretary read paragraph 4.)

THE CHAIRMAN: Are there any comments on paragraph 4?

MR PALTHÉY (France)(Interpretation): In the fourth line of the French text the phrase appears "in such important matters". I do not really know what the word "such" there refers to, and I think perhaps it might be better to say "in some"; but I object to the use of the word "such" there.

THE RAPPOORTEUR (Mr Bury): I should think it would be better to leave out the word "such", so that it would read "should be required in important matters".

THE CHAIRMAN: Yes. Is that agreeable?

MR PALTHÉY (France)(Interpretation): I should point out that it was not a mistake in translation, as the words of the French text are a literal translation of the words of the English text.

THE CHAIRMAN: Yes.

M. HOUWELI (Belgium) (Interpretation): As we are now dealing with changes in the wording, I would like to call attention to a mistake in page 6 of the French text which refers to Committee II. It should read "Committee V".

THE CHAIRMAN: The Secretary will note that.

The Secretary then read paragraph 5

Section C. VOILING AND EXECUTIVE BOARD MEMBERSHIP

THE CHAIRMAN: I take it that it is satisfactory to the Committee to pass over this Section since we have already discussed it, and if any member of the Committee has some point to bring up with regard to it as a result of a second reading, it can be brought up at a later date, or submitted to the Secretary if it is purely editorial. We can pass, therefore, to Section D, paragraph 1.

The Secretary then read Section D -  
"The Executive Board - Procedure,  
Powers and Duties", paragraph 1,  
and paragraph 2.

M. HOLMIS (U.K.): It is perhaps a little strong to say that the Chairman of the Executive Board would almost certainly be a member of the Conference. I think he probably would, and I would suggest that the word "probably" be substituted for "almost certainly". I can imagine circumstances in which a Government might find that, for various reasons - possibly because the Chairman was rather a specialist or that he was very heavily worked in that capacity - they would find it convenient to appoint another representative on the Conference. I suggest only that we water it down very slightly.

THE SPONSOR (Mr. Bury): I think that improves the text, Mr. Chairman.

THE CHAIRMAN: I take it there is no objection to the substitution of the word "probably" for "almost certainly".

The Secretary then read paragraph 5

THE SECRETARY: There is a mistake here. The words "United States" in the sixth line of paragraph 5 should be "United Nations".

MR. LAURENCE (New Zealand): Might I suggest that the last sentence of that paragraph be deleted, because if it remains, it rather draws a discrimination against views that were expressed in the discussions.

THE CHAIRMAN: Is there any objection to the elimination of the last sentence? If not, that is agreed.

(THE SECRETARY read Section E - The Commissions, Paragraph 1)

THE CHAIRMAN: Are there any comments?

(THE SECRETARY read Paragraph 2)

THE CHAIRMAN: Are there any comments?

(THE SECRETARY read Paragraph 3)

THE CHAIRMAN: Are there any comments?

(THE SECRETARY read Paragraph 4)

THE CHAIRMAN: One point occurs to me, and I am not sure it is very important.

It is that one is left only to infer what the outcome was of this discussion on what the terms of service of Commission officials should be, whether they should be designated on a part time or a full time basis. The inference is that the matter is left open, and that the text of the Charter does leave the matter open, but it is only an inference. I think it might be desirable to add a sentence saying explicitly that the text of the Charter, as approved in this Committee, leaves this matter open, or something of that sort. The paragraph itself discusses an issue, and then leaves one to guess what was done about it. What was done was that the matter was left open, and I think a sentence to that effect might be advantageous, if we could authorise the Rapporteur to add one.

THE RAPPORTEUR (Mr. Bury): Would this wording do - "No need was felt for changing the wording of the United States Charter, which did in fact leave the matter open."

THE CHAIRMAN: I think that would do.

MR. HOLMES (UK): On the assumption that what you have suggested is accepted, I would like to point out that the Article as drafted does not bring out the point -- it is not a very important one -- which was made in the

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course of our discussions that the work of some Commissions would be much heavier than the work of others, and that possibly in some cases not only the Chairman but the members would have to be continuously at work, but that that might not apply in all cases. I would suggest to meet that point that in the sentence which begins, at the end of page 17 of the English version, "While some anticipated that the work of the Commissions would be so heavy and continuous...." we might alter the words to say that "the work of some of the Commissions, at any rate..." would be so heavy and continuous; that would enable it to be seen that we realise that the Commissions would be probably very different as regards the amount of work which would fall upon them.

THE REPORTER (Mr. Bury): I would like to support that amendment, and to point out an improvement on the previous amendment suggested by Mr. Kellogg, that the United States Charter does in fact leave the matter of the terms of service of the personnel of Commissions to be decided by the Conference. At the end we could add: "The United States Charter did, in fact, leave the matter to be decided by the Conference."

THE CHAIRMAN: There is one point that that misses: it is not only that the U.S. Charter left the matter open, but the Draft Charter we have approved also leaves the matter open. Or is this additional to the one you drafted?

THE RAPPORTEUR (Mr. Bury): Yes. It now reads:

"No need was felt for changing the words of the U.S. Charter, which did in fact leave the matter to be decided at the Conference."

(The Secretary read paragraph 5.)

THE CHAIRMAN: Any comments?

MR. NAUDE (South Africa): In deference to the fair sex, could we not perhaps find another word for "men" in the second from the last line?

THE CHAIRMAN: Perhaps "persons"?

THE RAPPORTEUR (Mr. Bury): Yes, "Persons."

THE INTERPRETER: That does not apply to the French text, which says: "personnalites de la valeur requise."

(The Secretary read paragraph 6)

THE SECRETARY: I should explain that the reference to "Articles M and N" means Articles 61 and 62.

THE INTERPRETER: The French text does not mention "M and N", but leaves blanks.

The Secretary read paragraph 7.)

MR. HOLMES (United Kingdom): Is it in your view technically possible for us to adopt the line taken in the last sentence of this paragraph? It will, I think, look rather peculiar if we leave it as it is, because of course the deliberations of the Joint Committee will be over some time, and they will be over before the end of the present session; might it not be asked in future why we did not wait until we saw their results? I have no particular suggestion to make, but it is a rather untidy way of finishing up this paragraph.

THE RAPPORTEUR (Mr. Bury): I have the impression that the Joint Committee intend to refer the matter of machinery to the Economic and Social Council. If the Committee agrees, therefore, perhaps this could be left to the discretion of the Rapporteurs, who will tidy it up in relation to what eventually is done. I think there will be a reference to the Economic and Social Council, asking them to consider the matter.

THE SECRETARY: That has already been formulated.

MR. ALAMILLA (Cuba): I think there are two points here. If the Joint Committee had finished we might have been supposed to be called on to provide for a Commission and draw up the necessary articles. The fact is that we have declared ourselves not to be in a position to do so because we have not time. Therefore I believe that we should terminate this paragraph by saying something like this,

"The Joint Committee having finished so late, it was left to this Committee to provide the necessary machinery for a Commission, and we think that the matter should be left to the Interim Drafting Committee to draft the Commission on the same lines as the others."

THE RAPPORTEUR (Mr. Bury): In view of the fact that this matter has been referred to the Economic and Social Council, I do not think it would be appropriate to pass it on to the Interim Drafting Committee. I would suggest therefore that any further discussion upon it should be postponed until the next meeting of the Preparatory Committee, and that the last sentence should be amended to read:

"While sympathy was expressed with its underlying purpose, it was generally felt that detailed discussion of the proposal should be left to the next meeting of the Preparatory Committee in the light of advice received in the meantime from the Economic and Social Council. "

MR. ALAMILLA (Cuba): I do not like the expression "sympathy was expressed", because I do not believe that we are here to express sympathy. We are called upon to provide for a Commission if we think it is necessary, but we cannot do it because we have not time. The only point to decide therefore is whether to leave it to the Interim Drafting Committee or to the next meeting of the Preparatory Committee. I would nevertheless suggest that we might ask the Interim Drafting Committee to prepare some kind of draft, because it might be possible to accept that in January without waiting until later. However if this Committee wishes to leave it to the next meeting of the Preparatory Committee, I would have no objection to that.

MR. MERINO (Chile)(Interpretation): I am in full agreement with the Delegate of Cuba and support his proposal.

MR. COLBAN (Norway): I would suggest that we strike out the words "while sympathy was expressed with its underlying purpose" and retain the rest of the phrase,

because to await the outcome of the deliberations of the Joint Committee means that the matter will come before the next meeting of the Preparatory Committee. At the same time, however, we are going to send all the documents of this first Session of the Preparatory Committee to the Interim Drafting Committee, and under the general terms of reference of the Interim Drafting Committee that Committee will be entitled to read, study, and express views on the different opinions expressed at this first Session of the Preparatory Committee. It is not necessary to say so in so many words. The phrase as it stands here allows the Interim Drafting Committee to look into the matter and, if they do not find it desirable to do so, it goes automatically before the second session of the Preparatory Committee.

THE CHAIRMAN: It seems to the Chair that the Delegate of the United Kingdom made a good practical point, namely that we should not allow the text to be susceptible of the interpretation that Committee V just did not feel like sticking around long enough to await the conclusion of the work of the Joint Committee. If it could be understood that the Rapporteur would edit this sentence so as to eliminate that idea, and also take it as I believe is agreed that this in only the first clause, it seems to me that we could leave the matter that way and trust him to formulate the sentence in a way that fits the real facts of the case, including the fact that the views of the Economic and Social Council come into the question.

MR PARANAGUA (Brazil): I am in sympathy with the Cuban and Chilean representatives because we are going from one side to the other here and we do not know if this Sub-Committee is for or against increasing the Commissions by one; and because the Joint Committee is dealing with it we do not know what is the opinion of the Sub-Committee; and as it is it gives the impression that nobody here has taken the proposal into consideration and that it was put aside.

THE CHAIRMAN: As the Chair understands the situation, the position in regard to these other Committees is such that they could not possibly have an opinion on the subject at the present time. They have asked for information from the Economic and Social Council and the views of the Economic and Social Council on the matter, and it seems to me, therefore, that in the light of that situation the suggestion I have just made is one which is about as good as we could agree upon at this time.

MR ALAMILLA (Cuba): I would ask the delegate from Norway to let the Rapporteur put in a paragraph there on the lines that we expressed as our opinion in this matter; because I think we must leave the matter open so that the Interim Drafting Committee may prepare a draft, if they think that they should do it, or else leave it to the Sub-Committee; but instead of leaving it to the imagination I think we want to have some words to express that opinion; and I would ask the Secretariat to take the substance from what was suggested before.

MR COLBAN (Norway): Mr Chairman, I hope my Cuban friend will excuse me for not wanting to interfere with the Rapporteur and the Secretariat.

THE CHAIRMAN: Gentlemen, it is already clear that we shall not complete this document this morning. Moreover, there are a few other items of business to be transacted. We shall have to meet, therefore, this afternoon at 3 o'clock. I do not know how long the meeting will last but I suggest meanwhile that we ought to rise in a few minutes so that the Rapporteur can try his hand at preparing something on this matter which can be brought before us this afternoon for approval. If that is acceptable, I will ask the Secretary to proceed.

(The Secretary read Section F, The Secretariat, Paragraph 1.)

THE CHAIRMAN: Are there any comments on paragraph 1?

MR KELLOGG (USA): Mr Chairman, in lines 5, 6 and 7 of page 20 of the English text these words appear: "...and the separatist tendency revealed in the proceedings of certain specialised agencies already established". I think that might be had

for our public relations. While no doubt it is true, it might be better to say, "...and the possibility that a separatist tendency might develop in the proceedings of the specialised agency".

MR NAUDE (South Africa): I had precisely the same point in mind, except that the words I was going to suggest to the Rapporteur were slightly different: "...for reasons which included the prevention of any possible separatist tendency".

MR COLBAN (Norway): I would suggest that the three first words be replaced by "it was unanimously felt", because we were really unanimous.

The Secretary then read para. 2.  
" " " " " 5.

SECTION G. - MISCELLANEOUS PROVISIONS

The Secretary read paragraph 1 -  
"Relations with other Organization".

MR. NAUDE (S. Africa): In the interests of brevity and of specific expression, it might be just as well to leave out the definition of the functions of the F.I.O., the I.M.F., the International Bank and the I.L.O. I have no strong feelings about it, but their functions are a great deal wider than that. It would also make the report a little shorter.

THE RAPPORTEUR (Mr. Bury): That seems desirable to me.

THE CHAIRMAN: I take it that it is not intended to suggest that the importance of these institutions is confined to the particular field alluded to in connection with the I.T.O., and I read the sentence in that light. If the wording could be revised somewhat to ensure that interpretation, I think that would be all right. I rather dislike to lose that thought which is a good one to bring out.

M. HOUELMAN (Belgium): I agree.

MR. NAUDE (S. Africa): I had in mind simply to say "In this connection, the importance of the F.I.O., of the I.M.F., of the International Bank, and of the I.L.O. was repeatedly emphasised", but I would not press it.

THE CHAIRMAN: We can leave that to the Rapporteur, to make some slight revision of the wording.

The Secretary then read the paragraph -  
"Legal Capacity, Privileges and Immunities"

The Secretary then read the paragraph -  
"Payment of Contributions".

The Secretary then read the paragraph -  
"Amendments, Withdrawal and Termination", sub-  
paragraph 1.

THE CHAIRMAN: The Chair wants to volunteer a slight revision of the wording here. It is perhaps a little more than editorial - at least, it would shorten it. I suggest that the second sentence beginning: "It was, therefore, proposed....."

should read:

"It was, therefore, felt (or "agreed") that provision should be made, whereby the Conference might decide that a non-accepting member would be compelled to withdraw or, in the absence of such a decision, whereby such a member might be enabled voluntarily to withdraw from the Organization notwithstanding any general provisions contained elsewhere in the Charter limiting the right of withdrawal."

The purpose of my suggested revision is partly clarification, partly to throw emphasis the way I thought it ought to be. I think, in general, it improves the sentence. Apparently there is no objection to that change.

The Secretary then read paragraph 2.

MR. HOUTMAN (Belgium) (Interpretation): I would like to know exactly what is the implication of the reference to the United States legislation here.

MR. HOLMES (UK): Perhaps I might reply to that question. It was a point that I raised when we came to consider the terms of Article 79 of the Draft Charter, paragraph 1. The point was this, that we understood, and I think the United States Delegate confirmed, that under the Reciprocal Trade Agreements Act of the United States legislature, it was not possible for a longer period of validity than three years to be given at any one time to trade agreements which the United States might make under the terms of that legislation. Therefore, in view of the obvious interdependence of these general provisions with the result of tariff negotiations in which countries would enter, it seemed obvious that a term of five years as the period of initial validity was too long, and that it should be brought down to conform with the three years. I think that explains the reference here. The wording could be, perhaps, made a little clearer.

THE CHAIRMAN: I would like to say that, in order to meet the point that has already been raised with regard to this paragraph, and also in order to meet another point that will be brought before the Committee this afternoon at the instance of Committee II, having to do with Article 79 -- a certain lack of clarity in that Article in regard to whether the period for termination is really three years or three and a half years, and whether you may give notice at the end of two and a half years and terminate at the end of three years, or at the end of three years and terminate at the end of three and a half years. We shall have to take care of that this afternoon, but having that point in mind, and also the one just made with reference to the trade agreement<sup>act</sup> of the United States, I tried my hand last night at recasting this paragraph, and it might be helpful if I read what I have set down here, to see whether in general it meets with approval. No doubt the wording could be polished up somewhat. It is as follows:

"In considering withdrawal and termination, the Committee took into account the necessity of giving the Organisation a fair chance at its inception to become firmly established, but it was felt that in view of the fact that the United States Trade Agreement legislation would not permit that country to enter into tariff commitments of more than three years' duration, the period within which no withdrawal should take place immediately following the adoption of the Charter should likewise be three years, instead of five, as proposed in the United States Draft Charter. It was also felt that six months notice of intention to withdraw rather than one year, as in the United States Draft, would be adequate. Special provision was also made to cover certain overseas territories. Thus, a Member would be able to withdraw at the end of three years by giving notice at the end of two and a half years."

That last sentence is put there in order to emphasize the change that I hope we will make in our draft this afternoon in the last Article of the Charter to make sure that that is the meaning.

THE CHAIRMAN: I wish to recognise other Delegates who wish to speak, but I want also to say that it is getting very close to lunch time. I hope, therefore, we can conclude our discussion of this paragraph as soon as possible, adjourn, and reconvene at three o'clock.

MR. PARANAGUL (Brazil): I agree to speak about the subject this afternoon.

MR. HOUTMAN (Belgium) (Interpretation): I think an explanation such as you have just given regarding the legislation of the U.S. on trade agreements would be satisfactory.

THE CHAIRMAN: Is the re-wording which I read acceptable, subject possibly to some further editing?

MR. HOLMES (UK): Could we have copies of it at this afternoon's meeting?

THE CHAIRMAN: Very well. In that case we will take up this paragraph at the beginning of the meeting this afternoon.

(The meeting rose at 12.51 p.m.)  
 (For Verbatim Report of Afternoon Session  
 see E/PC/T/C.V/PV/15 - Part II.)

The meeting resumed at 3 p.m.

THE CHAIRMAN: At the close of our morning meeting we had been discussing the section of this Report with regard to Amendments, Withdrawal and Termination, and your Chairman had suggested a revised wording of the second paragraph. It was suggested that a copy of that revised wording be prepared and distributed, and that has been done during the lunch hour and you now have copies in the English text. I suggest that it would be well at this point for the Interpreter to render that in the French.

The revised wording, as follows, was then given in French:-

- "2. In considering Withdrawal and Termination, the Committee took into account the necessity of giving the Organization a fair chance at its inception to become firmly established. But it was felt that, in view of the fact that the United States trade agreement legislation would not permit that country to enter into tariff commitments of more than three years' duration, the period within which no withdrawals should take place immediately following the adoption of the Charter should likewise be three years, instead of five as proposed in the United States Draft Charter. It was also felt that six months' notice of intention to withdraw, rather than one year (as in the United States Draft) would be adequate. Thus, a Member would be able to withdraw at the end of three years, by giving notice at the end of two and a half years. Special provision was also made to cover certain overseas territories."

R. ALAMILLA (Cuba): Mr. Chairman, I agree with the drafting of this new paragraph. The only thing to which I want to call the attention of the Committee is this: here it says that you may withdraw at the end of three years by giving notice at the end of two and a half years. Now when I was in the Sub-Committee when we were redrafting Article 79, I thought we had only changed the five-year term for a three-year term. Now this Article 79 says that any Member can give notice of withdrawal any time after the expiration of three years. Therefore, the notice has to be given after the three years, so it cannot be two and a half years, but three and a half years. I do not make a point of that, but I just draw attention to the discrepancy.

THE CHAIRMAN: In suggesting this revised wording this morning I pointed out, but apparently did not make myself wholly clear, that

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Committee II had called attention to the faulty language in our Article 79 as revised, which leaves it susceptible of the interpretation - in fact, I think makes it rather likely to be interpreted as meaning that you could not give notice until the end of the third year, and therefore could not get out of the organization until three and a half years. That is, I am sure, not the intention. Committee II has made it very clear that the intention was otherwise; that it should be that you could get out within three years by giving notice six months before the end of the third year, and knowing that that matter of clarification of Article 79 was going to come up later in the afternoon for our consideration, I simply anticipated that and cast the language of my revision so as to make it very clear that we meant that a member really could get out of the Organization <sup>at</sup> the end of the third year, which would mean that it would have to give notice at the end of two and a half years. We have not yet taken up again Article 79. That is on our agenda for this afternoon, but we have almost taken it up, as it were, by way of anticipation.

MR. ALAMILLA (Cuba): That is acceptable to me, Mr. Chairman.

MR. PARANAGUA (Brazil): Mr. Chairman, I think it is a very happy amendment to this paragraph 2, but I wonder if it would not be better that any other country, being in the same position as the United States, should be able to do the same. It means that any other country having the same kind of law as the United States <sup>not</sup> can /do exactly the same as the United States.

MR. KELLOGG (United States): In reply to the Brazilian suggestion, may I say that as I understand the present draft there is no attempt to discriminate in the Charter between the rights of any countries. All countries can withdraw at the end of this time. The only reason the three year period was chosen was because the U.S. happens to have a law which binds it to three years in its negotiations. For that reason, it would apply to all countries.

MR. PARANAGUE (Brazil): There is a second point. In most countries any international agreement must be approved by Congress; sometimes by the Senate and sometimes by the whole Congress. That is so in our case. That means that what we agree here or in the conference on tariff negotiations must be approved by Congress; which means it will be an international act. Once it is approved by Congress the Congress will be unable to put forward legislation changing anything in the convention during the period the convention is in force. What I do not know is whether what will be approved in the tariff negotiations in the Charter will be an international act in regard to the United States. If it is an internal act the Congress of the United States can change that at any time. There is a very important implication here. For example, if you have a new tariff you can destroy the whole tariff negotiations and everything for that period, because you are not bound internationally - you are bound only nationally. I can give an example of British preference. Before the Ottawa Agreement British preference was a parallel set of the different legislations; that means, Great Britain gave some concessions, Canada some concessions, and other countries some concessions, and then it was a preference. After the Ottawa Agreement it was an international agreement amongst autonomous, independent countries. The consequences of that are very important. It is either an international act which is approved by your Senate, or it is a national act. I do not think they will be content to know that we are bound internationally to all other countries, and that there are other countries not bound internationally but only nationally.

THE CHAIRMAN: The Delegate of Brazil has raised a very interesting question, on which I think he is entitled to have some satisfaction. I believe the Delegate

of the United States could reassure him on that question. If it is agreeable I would suggest that they get together at a later time, when the whole matter could be clarified. Our Rapporteur has to leave early this afternoon and we have only a limited amount of time in which to finish. It seems to me it is not essential to dispose of the point raised by the Brazilian Delegate in connection with the immediate matter under consideration. I do want him to be satisfied, but I think it could be done without our discussing it further in the Committee.

THE RAPPORTEUR: The point raised by the Brazilian Delegate is one which really closely touches us all. We all have certain constitutional difficulties in this regard, but I think this is a case where we have to recognise clearly the de facto forces at work, and that the United States -- which, after all, is one of the main parties to any agreement which may be reached -- has these certain constitutional difficulties which we all recognise. Now, if other countries are not able to bind themselves for the length of period designated here I would suggest that, rather than waste time now they should hand particulars of those difficulties over to the Drafting Committee so that the Drafting Committee could take cognizance of them in relation to this particular period of time.

MR. KELLOGG (United States): I hope to be able to discuss this matter in detail with the Delegate of Brazil afterwards. At this time I would like to say for the record that of course the United States would be bound by the acceptance of this Charter by the U.S. Congress, just as any other country would be.

MR. PARANAGUE (Brazil): Might I add another observation? It is very important that each country becomes bound constitutionally - which means by their Congresses - because otherwise the situation would be very precarious. There could be the case where every country only unilaterally approves the Charter and the tariff negotiations. That would mean they would be free to withdraw everything, because it would be only parallel concessions from one country towards the other, without an international act. It must be an international act, which is really binding. That is very important, otherwise the new institution would be very precarious.

THE CHAIRMAN: Is the revision which the Chair suggested acceptable to the Committee? I hear no objection, so I take it that it is.

("Interpretation and Settlement of Disputes.

1.. It was agreed to make the Chinese and Spanish texts of the Charter equally as authoritative as the French and English. The possibility of a Russian text did not arise at present.")

MR. HOLMES (United Kingdom): Is there any need to put in the second sentence?

THE CHAIRMAN: I suppose that was put in because it had been pointed out in our discussions that we were merely following the United Nations Charter, which would have meant, of course, we would use Russian also, and that something needed to be said as to why we had not mentioned the Russian text since that was in the Charter. However, I do not imagine it would be missed.

MR. KELLOGG (United States): I think I am expressing the sentiments of most members of this Committee when I say the U.S., at least, would be very glad to have Russia as a member of this Organization, and we look forward with pleasure to the possibility of her attending the second session of this Committee.

THE CHAIRMAN: I take it the implication of the remark of the United States Delegate is that he would prefer to see something left in here?

MR. KELLOGG (United States): Yes.

MR. ALAMILLA (Cuba): We do not object to leaving the text as it is, but may I suggest that instead of mentioning "Russian text" we say "the possibility of a text in other languages did not arise at present".

THE CHAIRMAN: I take it the reason the Russian text is mentioned is because that is the only language mentioned in the United Nations Charter that is not specifically covered here. Your suggestion would imply that there was a sort of obligation to put any number of languages in here, and that we just refrain from exercising all possibilities.

MR. ALAMILLA (Cuba): If the Organization would so agree to that.

MR. LEPAN (Canada): I think the text of this part of the Rapporteur's report might be left exactly as it is.

THE CHAIRMAN: The Chair is of the opinion that some better wording would be, "The question of providing also a Russian text did not present itself at this conference."

THE R.PORTEUR: I think that is a good suggestion.

THE CHAIRMAN: If that is agreeable we will pass on to paragraph 2.

"2. ... special chamber for commercial cases was suggested. There was some doubt, however, as to whether its existence might not detract from the prestige of the International Trade Organization. Several delegates thought that the jurisdiction of the Organization should be final in administrative matters coming within its province, and that only legal questions should be referred to outside bodies. Politico-economic decisions should be recognised as its own responsibility. Disapproval was voiced at the idea of Commissions being regarded as courts of first instance. Considerable discussion took place on whether appeals to the International Court of Justice from rulings of the Conference on justiciable issues should be subject to the consent of the Conference. It was argued that some limitation was necessary both to keep the prestige of the International Trade Organization high and to avoid overloading the International Court. The contrary view was that only justiciable matters were involved in which the International Trade Organization was not expert, and that in practice, countries would only appeal on issues which they regarded as really important. Some compulsory delay was also suggested. It was eventually agreed that the right of appeal should be subject to procedures agreed upon by the Conference. In drawing up the appropriate rules consideration should be given to incorporating as a pre-requisite an affirmative vote of at least a third of the members of the Conference. The absolute right of appeal to the Court in security matters, as set out in the United States Draft Charter, was not called into question."

MR. HOLLES (United Kingdom): The first sentence, which reads "a special chamber for commercial cases was suggested", does not I think quite represent what happened in the proceedings of the Committee. My own impression is that it might be better to expand that very slightly. There has been reference to article 26 of the statute of the International Court, and I think that what is wanted is a brief sentence to say that attention was called to the fact that the statute of the International Court provided for the possibility of certain matters being decided in a chamber of the Court rather than in <sup>the</sup> full Court itself. I do not myself recollect that anybody specifically recommended that a special chamber should be created. I am not quite sure that that would be within our competence, but it was certainly the case that attention was called to the fact that such a thing could be done, and that it would answer some of the objections which had been made that we should overload the Court if we provided for access to it for every small dispute which arose.

MR. HOUTMAN (Belgium): (interpretation): As regards the third sentence of paragraph 2 of "Interpretation and Settlement of Disputes", it reads as follows:

"Several delegates thought that the jurisdiction of the Organization should be final in administrative matters coming within its province, and that only legal questions should be referred to outside bodies."

I do not think the text should read "legal questions" but "legal issues", because it is not questions but issues which are referred to a body. On the other hand, I do not think the Commissions ever decides to refer legal issues to outside bodies. We said we might refer some legal issues to an independent court or independent courts. Therefore, we should say that only legal issues should be referred to independent courts instead of "outside bodies."

MR. KELLOGG (United States): I would like to request consideration for adding the word "some" before the word "disapproval" at the beginning of the fifth sentence, so that the sentence would read:

"Some disapproval was voiced at the idea of Commissions being regarded as courts of first instance."

The reason I make the suggestion is that I would not like to have it thought by the Interim Drafting Committee that this Committee had disapproved the idea of having the executive board referred to the Commissions for a preliminary report in some cases, as appropriate.

MR. HOUTMAN (Belgium): (interpretation): I call attention to the fact that two words have been omitted in the French text. They skip the idea of "Commissions being."

THE CHAIRMAN: Before we proceed further may we consider suggestions which have been made. There is one by the United Kingdom Delegate for a change in the text in the early part of the paragraph. Is that acceptable to the Committee?

MR. VAN TUYLL (Netherlands): With ~~xxx~~ reference to the remark of Mr. Holmes, might I say I think it was the Netherlands Delegation which suggested a special chamber for commercial cases. However, I do not insist on having it read in the way it is drafted here, because that point will be raised again in the memorandum which is mentioned in paragraph 4. I am quite prepared to have the beginning of paragraph 2 read so that reference is made to Article 26. However, it was me, I think, who suggested it.

THE CHAIRMAN: If there is no objection to the suggestion of the United Kingdom Delegate I take it that alteration is acceptable. The Delegate of Belgium made a proposal which perhaps the Secretary will read to refresh our memories on it.

THE SECRETARY: The proposal was that the third sentence of paragraph 2 should read: "legal issues" instead of "legal questions", and should be "referred to independent courts" instead of "to outside bodies."

THE CHAIRMAN: Are the changes suggested by the Belgian Delegate acceptable? I take it there is no objection. Finally, there was a suggestion made by the United States Delegate that the word "some" be inserted before the word "disapproval" in the fourth sentence in paragraph 2, beginning "Disapproval was voiced."

THE RAPPORTEUR: Perhaps I could see the United States Delegate afterwards about that. I think it was we who advanced the disapproval. Our disapproval was not to the matters being referred by the executive board to the Commissions in the first place, but the idea of the Commissions being specifically regarded as the court of first instance. If I could fix that up to the satisfaction of the United States Delegate could it be left?

THE CHAIRMAN: I take it that is satisfactory?

MR. KELLOGG (United States): Yes.

THE CHAIRMAN: Are there any further comments on this paragraph?

"3. Delegates all thought that authority for the International Trade Organization to seek advisory opinions from the International Court should be continuing and not subject to reference to the United Nations on each occasion. The article concerned was re-drafted to accord with the language of the United Nations Charter. Although the interpretation of this wording was open to question, it was thought that the matter could safely be left to the Agreement to be concluded with the United Nations. It was agreed to refer to the Registrar of the International Court the question as to whether complications would be likely to arise from asking the Court for an advisory opinion on a matter which might subsequently become the subject of a case before it. It was agreed also that under Article 34(2) of the Statutes of the International Court of Justice, Rules could be approved by the Conference to enable the Director-General to represent the Organization in the Court."

THE CHAIRMAN: Are there any comments on that? Then I take it paragraph 3 is acceptable.

## THE SECRETARY: Paragraph 4:-

"The introduction of detailed discussion on arbitration raised considerable difficulty because in the first place no specific provision had been made for it in the United States Draft Charter and secondly, Delegates were by no means clear as to what kind of issues were appropriate for arbitration. A lengthy discussion took place as to whether administrative as well as legal questions should be referred to arbitration; whether the Executive Board should wait on the consent of the parties concerned; and whether the arbitrators' decision should be final (most delegates agreed it should). An amendment was agreed upon which would permit the Executive Board, with the consent of parties concerned, to refer to arbitration any matter arising out of the operation of the Charter for final decision.

One delegation wished the provisions in regard to arbitration to be expanded and made more specific."

With the Rapporteur's permission I should like to suggest a slight amendment at this stage. I suggest it should read as follows:-

"It undertook to prepare a memorandum setting out its views. It was agreed that the Drafting Committee should be asked to consider these views in conjunction with the report of the Fifth Committee's discussion."

MR. BURY (Australia): I think that makes it a little clearer, yes.

MR. VAN TUYLL (Netherlands): Mr. Chairman, since one of the delegations mentioned in the last three sentences of this paragraph was the Netherlands Delegation, I would like another change in these lines. After the word "arbitration" I would suggest including the words "and the International Court of Justice". There is another thing I would like to mention. In preparing this memorandum (which I hope I will be able to forward to the Secretary of Committee V today) it is clear that the ideas laid down in that memorandum have caught on, and it will not be one delegation, but the delegations of France, Belgium and the Netherlands who are going to submit that memorandum, so I do suggest that reference to more delegations be made in this text; that instead of one delegation it should read "certain delegations".

MR. LAURENCE (New Zealand): Mr. Chairman, in lines 2 and 3 of the paragraph we have the words "in the first place no specific

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provision had been made for it in the United States Draft Charter". I suggest that if these words remain, posterity will think the Committee had very little capacity for original thought.

MR. BURY (Australia): May I suggest then that we delete the words "in the first place no specific provision had been made for it in the United States Draft Charter and secondly"?

MR. HOLMES (UK): I agree.

THE CHAIRMAN: Any further comment? Then "Entry into Force".

"1. It seemed to one delegate that, instead of requiring a membership of twenty to bring the Charter into force, an alternative method might be to provide for its taking effect when a certain proportion of world trade was covered by countries accepting its provisions, so that the entry of the Charter into force should not be delayed after its acceptance by the most important trading countries. Various objections to this procedure were voiced by other delegates.

In general, the procedures suggested in the United States Draft Charter for bringing the Charter into force were regarded as satisfactory subject to a drafting amendment whereby any instrument of acceptance deposited with the Secretary-General of the United Nations shall be taken as covering both procedures, unless it expressly provides to the contrary or is withdrawn. This was intended to cover the situation that might arise when one or more governments, having deposited their acceptances before a given date (pursuant to paragraph 2 of Article Z)" -

that is Article 78 -

"might not feel inclined to join the Organization should it subsequently come into existence as a result of agreement on the part of a relatively limited number of governments (pursuant to the proviso to paragraph 3 of Article Z), but might wish their acceptance to take effect when the membership reaches twenty or more."

MR. HOUTMAN (Belgium) (Interpretation): Mr. Chairman, there is a question of the French translation. It seems to me that the first sentence of paragraph 1 is not quite correct. It seems to me that this sentence should cover all economic powers and not be limited to exporting countries.

THE CHAIRMAN: The Chair is not clear as to the point raised by the delegate of Belgium. I should like that made more explicit.

MR. HOUTMAN (Belgium) (Interpretation): Mr. Chairman, I do not attach very great importance to the amendment I have suggested,

as it is not a question of substance, but merely a question of wording, but I wonder whether, at the end of paragraph 1, where it is said "so that the entry of the Charter into force should not be delayed after its acceptance by the most important trading countries", we should not say, instead of "trading countries", "economic powers", because this would give a wider meaning to the sentence.

MR. HOLMES (UK): Mr. Chairman, I think that I am the delegate who suggested this alternative method, and this is really meant to be a statement of fact, in the sense that it is a reproduction of what my suggestion amounted to. What we had felt in our delegation was, that in so far as the Organization dealt with international trade, the criterion of when it should come into effect should be perhaps not the number of countries which accepted it so much as the amount of world trade covered by the countries accepting it. To that extent I think the draft is fair. It does not commit the Committee to anything; it merely reproduces what the United Kingdom felt.

MR. HOUTMAN (Belgium) (Interpretation): Mr. Chairman, I do not press my point. Since the words "trading countries" is an exact reproduction of what the delegate of the United Kingdom had said, he knows better than I do what his meaning was, and so I think we can leave it as it is.

THE CHAIRMAN: Shall we pass then to the next paragraph?

"2. With reference to the suggested provision under which each government accepting the Charter would do so in respect of all dependent territories, attention was drawn to the fact that certain overseas territories were in varying degrees of development and, in some cases, were self-governing in matters provided for in the Charter. To meet this situation, a less rigid provision was agreed upon, the purpose of which was to permit a measure of discretion to the governments concerned with respect to their acceptance of the Charter on behalf of territories for which they have international responsibility. Reservations regarding this provision were entered by three delegations."

If there is no comment I take it this is acceptable.

"Interim Tariff Committee.

At the meeting next year, for the negotiation of tariff concessions, it is hoped that certain reductions will be agreed upon. If so, it might be desirable to bring them into effect as soon as possible, without necessarily waiting upon the entry into force of the Charter. It would be for the negotiation countries themselves to decide the time. When the Organization is set up it is hoped that the countries which have reduced their tariffs will join it. These countries would then become the nucleus of the Interim Tariff Committee which would be supplemented by other countries joining the Organization, and which themselves have made equivalent tariff concessions to the satisfaction of the Committee. When two-thirds of members of the Organization become members of the Committee, the functions of the latter will vest in the Conference. It was agreed that for countries making reductions, membership of the Interim Tariff Committee should be compulsory. A reservation was made as to the position of member countries which did not desire to join the Committee. A suggestion was also made that if weighted voting was introduced, it might be applied in the case of the Interim Tariff Committee. Another provisional view was that the tariff and Charter negotiations should be interdependent."

MR. PARANAGUA (Brazil): It says here "it is hoped that certain reductions will be agreed upon". That implies only reductions but there can also be consolidation of items. That means the freezing of certain items, which is also a concession. Whenever we have the freezing of an item in the tariff, that will mean a consolidation, and that is not covered here. I would like to have that added - "certain reductions or consolidations".

MR. BURY (Australia): Could we repeat the word "concessions", Mr. Chairman?

MR. PARANAGUA (Brazil): Yes, "or other concessions".

MR. BURY (Australia): Or alter "reductions" to "concessions".

MR. HOLMES (UK): "Reductions or concessions".

MR. BURY (Australia): Yes.

MR. HOLMES (UK): Mr. Chairman, might I refer to the last sentence of the document, which reads: "Another provisional view was that the tariff and Charter negotiations should be inter-dependent". I am not quite clear as to the point in bringing this expression in at the very end of the proceedings. I thought that it was very generally the idea that the tariff and Charter negotiatio

- that is to say, the tariff negotiations and the consideration which we are giving or shall be giving in the second Session of this Preparatory Committee to the non-tariff side of things - are definitely inter-dependent. Is it a provisional view? Is it not a sort of general understanding, which should or should not be stated, if necessary, in a much more prominent place? To bring it in at the very end like this seems to me very peculiar.

MR. BURY (Australia): Mr. Chairman, I think it was I who made the point at the time. I agree with the delegate for the United Kingdom that this wording does leave it rather vague. I wonder if he would agree to this: "Another provisional view was that the implementation of the tariff and Charter negotiations should be inter-dependent"? Of course, I think all delegations understand that to a large extent the two sets of negotiations are inter-dependent, but our view was that it might be desirable not to bring the tariff concessions into force until such time as the Charter comes into force. The wording therefore would read: "Another provisional view was that the implementation of the tariff and Charter agreements should be inter-dependent" - that is, a provisional view.

MR. PARANAGUA (Brazil): Mr. Chairman, I do not know what to understand now, because there is this note to Article 56, which means the tariff agreements enter into force and at the same time some provisions of Chapter IV of the Charter. That means the tariff agreements and these important principles from Chapter IV are together, but not the Charter. That means the tariff agreements are not dependent on the Charter negotiations, as it is stated here, nor on the Charter coming into force; it is only the principles of Chapter IV. Is that not so? I would like an explanation by Mr. Kellogg about that.

THE CHAIRMAN: I would be glad if the delegate of the United States would answer the question of the delegate of Brazil, but I would like to suggest that it does not seem to me that an answer to the

question is essential to cover the particular point under discussion. All we are doing now is just putting in something that I think should be satisfactory to the delegate from Australia as to whether it is a true representation of what he said. That is all we have to pass on at the moment, though as a matter of courtesy I have no objection at all if the delegate from the United States will take this occasion to make a very brief reply.

MR. KELLOGG (US): In reply to the question of the delegate of Brazil I would say only this, that in our idea of the Charter the Interim Tariff Committee would be an organ within the International Trade Organization, concerned with the enforcement of the provisions of Chapter IV, and only that. Does that answer your question?

MR. PARANAGUA (Brazil): Yes, that is satisfactory.

THE CHAIRMAN: If there are no further comments on that Article that concludes our consideration of the Draft Report of Committee V. I remind you that, as stated this morning, I am assuming, unless the Committee desires it otherwise, that the Secretary will be given reasonable discretion with regard to carrying out some editorial changes, which I am sure he will confine to the editorial sphere. I mention it again in order that there may be no misunderstanding on that, and I ask again if that is agreeable?

Now we come to the matter that has already been discussed by way of anticipation - the revision of the language of Article 79 on Withdrawal and Termination in order to make it conform to what I understand to be the intention of Committee I and, I believe, also what was the intention of this Committee when it formulated the language, but you will see that Article 79 as we had approved it in this Committee does leave the language definitely susceptible of the interpretation that you could only give notice at the end of three years, and since

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six months would have to elapse thereafter, the earliest date on which a Member could withdraw from the Organization would be three and one half years after the going into effect of the Charter. The Memorandum that we have here from Committee II, referring only parenthetically to what it conceives to be the content of Article 79, says: "This Article would provide for the entry into force of this agreement, its duration and its termination. The agreement would remain initially in force for three years. If not terminated at the end of the three-year period (which would require six months' prior notice) it would remain in force thereafter, subject to termination on six months' notice." That is very clear as an expression of intention, but if you look at our Article 79 you see in the very first sentence: "Any Member of the Organization may give notice of withdrawal from the Organization, either on its own behalf or on behalf of an over-seas territory which is self-governing in the respect mentioned in Paragraph 4 of Article 3, at any time after the expiration of three years after the date of entry into force of this Charter", and so forth - may give notice, you see, at any time after the expiration of three years. No. That is not the intention. The intention, as I understand it, is that it may withdraw at any time after the end of three years, and the language, therefore, should be altered to accomplish that. I had at first thought it would be sufficient to eliminate from the first line the three words "give notice of" and make it read "Any Member of the Organization may withdraw from the Organization", and so forth, but then when you come to Paragraph 2 under that Article and you read these words you are still left, I think, somewhat confused: "The withdrawal shall take effect six months from the date of receipt of notification by the Secretary-General". It does not seem to me that the nett effect of that change is to accomplish very clearly what is the intention of Committee II. However, it is not my problem to do the drafting. I think all we would need to do at the moment is to get the approval of this Committee for having appropriate language prepared to meet the desired

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MR. HOLMES (United Kingdom): I think we are bound to take advice from Committee II on this. I entirely agree with the suggestion which you, Mr. Chairman, made for an alteration in the text of the Rapporteur's report. I should have thought myself that the amendment which you have proposed to the first line of paragraph 1 of article III would be sufficient in itself, and that paragraph 2 could stand. It is really amplified, is not it, by articles 1 and 2 taken together, that while I suppose a member could give notice at any time six months notice would not be effective if it were given before the expiration of two and a half years. I would say myself that all we need do is to alter paragraph 1 as you suggest so that the first line would read:

"Any Member of the Organization may withdraw from the Organization."

MR. LEFILLIA (Cuba): I have to excuse myself for expressing an opinion contrary to that which has been expressed by the Delegate for the United Kingdom in a matter which is only one of drafting. I think the point is not really clear with only that change, but that a little more clarification will be needed. Perhaps you could add in the first paragraph:

"A Member of the Organization may withdraw from the Organization at any time after the expiration of three years provided proper previous notice has been given"

in reference to the second paragraph, or something of that kind. I think some reference should be made to the fact that it is necessary that previous notice be given in order to withdraw in three years.

THE CHAIRMAN: The Chair had shared the apprehensions of the Cuban Delegate, as his remarks previously indicated, and I am very glad that point is being raised. I hope that there will be further clarification.

MR. KELLOGG (United States): I wonder if we might clear this up now by simply adding a clause in the last line of the English text on page 18 so that it will read:

"to the Secretary-General of the United Nations in accordance with the provisions of paragraph 2, who will immediately inform . . ."

THE CHAIRMAN: If that suggestion of the United States Delegate is agreeable to the Committee we will assume the redraft of this article has been completed.

I am sorry, but I now have to revert to the document I thought we had finished, namely, the report of this Committee to the Conference. My attention has been called to the fact that there is still one item of business left over from this morning's discussion, of which we have to take care. You will recall there was some discussion on a passage under the section on Commissions on page 19 of the English version of the report, near the bottom of the page, which read:

"While sympathy was expressed with its underlying purpose, it was generally felt that detailed discussion of the proposal should await the outcome of the deliberations of the Joint Committee of Committees I and II."

It was felt that the Rapporteur should attempt to compose the various views that had been expressed here and submit another draft. We have that draft, and perhaps the Rapporteur would like to read it.

THE RAPPORTEUR: The redraft is:

"While sympathy was expressed"

and then strike out from then onwards and substitute

"in view of the fact that the Joint Committee of Committees I and II were referring the questions of machinery to the Economic and Social Council for advice, it was agreed that the matter would have to be left over for the present to be considered later by the Interim Drafting Committee and the next meeting of the Preparatory Committee."

THE CHAIRMAN: Is that revision acceptable to the Committee? As there are no comments I take it it is agreed. The Secretary now has a few words to say.

THE SECRETARY: In addition to the report of the Committee that has just been approved -- which, of course, will also contain as an appendix the text as agreed upon -- the Committee is supposed to produce for the guidance of the Interim Drafting Committee any specific instructions that it may wish to give. Unfortunately, time has simply not permitted us to have ready for distribution today a document which has been prepared listing, quite briefly, various points that would appear to justify being brought particularly to the attention of the Drafting Committee. Most of them are not points of any great substance, except in the case of references to Articles 53, 57 and 58 on the subject of voting, whether the attention of the Committee is simply called to the discussion in the report of the Committee's proceedings, and to the documentation of the Committee on these matters.

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The problem arises, however, as to what procedure we would follow in dealing with these instructions. I could, of course, read over the draft to you now, but I do not think that would be very satisfactory. We could have a brief meeting, perhaps tomorrow, to approve of it. However, if I may I would like to suggest for your consideration that it would perhaps be convenient from the point of view of the Chair, the Rapporteurs and the secretariat -- and, I hope, from the point of view of the members of the Committee too -- that this document be circulated first thing tomorrow, by which time it will be reproduced, that it be looked over by each member of the Committee, and in so far as there may be points that they would like readjusted they should mention that fact either to myself or to one of the Rapporteurs, and those adjustments will be made. There is nothing that I think could be regarded as of a controversial nature in this paper. It is simply a recital of the points which have, in effect, already been agreed upon by the Committee in the course of its last fifteen meetings - and mostly matters which it was thought should be brought directly to the attention of the Drafting Committee, involving questions of order, arrangements and form of the report, and involving certain minority views which might properly be brought to the attention of the Drafting Committee as possible bases for alternative drafts. I wonder, Mr. Chairman, whether the Committee and yourself would feel that the procedure I have suggested would be satisfactory in the circumstances?

MR. ALBAZ (Cuba): I do not think it is at all necessary to hold a meeting to approve that. We have absolute confidence in the Secretary, and we are sure he will make a report which will be perfectly satisfactory to everyone. In any case, if there is any point of importance he <sup>can</sup> call our attention to it, and if it not dealt with at this moment we can always refer to the report that we have in order to make the point later on, or ask the Rapporteur to do so.

THE SECRETARY: I would just like to thank the Delegate of Cuba very much for his confidence in the judgment of the Secretariat. I would again reassure everybody that all this so-called report will be is a list of points that have been picked out of the actual records of our proceedings. I have simply gone through the records very carefully and picked out any points which, in

the light of the discussions, seemed points which ought to be brought to the attention of the Drafting Committee. There is no expression of opinion of any kind in the report.

NEW ZEALAND (Mr. Laurance): The fact that a report is prepared does not alter the procedure, I suppose, of the verbatim reports also being referred to the Drafting Committee.

THE SECRETARY: It is my understanding that the entire documentation, including the verbatim reports, the summary records and any documents put in by Delegations, will go to the Drafting Committee. It is our hope that they will be accompanied by a fairly carefully compiled index which will show the Drafting Committee readily just where references may be found in that documentation in regard to particular draft articles in Chapter 7 of the Charter.

MR. HOLMES (United Kingdom): We have not had very much opportunity of looking at the revised text of Chapter 7. I have no doubt that you would agree that supposing a scrutiny of it did reveal any apparent errors of importance we could have an opportunity of bringing them to the notice of the Secretary, and of leaving it to him to consult you, Mr. Chairman, as to whether a further consultation with the Committee would be necessary?

THE SECRETARY: I would certainly appreciate it very much indeed, if any member of the Committee has a point in connection with the accuracy of the text, if it were brought to my notice. Perhaps I should anticipate certain comments by calling attention now to the fact that several words have been accidentally dropped from paragraph 2 of Article 1 on Membership. The Secretariat has noted that fact, and that will be taken care of. The words

"subject to the approval of the Conference"

should be added at the end of paragraph 2 of the first Article.

THE CHAIRMAN: I take it that concludes the work of this Committee, unless some emergency develops within the next two or three days which would require us to meet again. It remains only to carry through what has been agreed to today, and to see that the report is submitted to the Conference.

I hope the Committee will bear with me for a moment in this closing session while I say a few words of appreciation of the fine work which has

been done by all who have participated in the work of Committee V. I hope you will not feel that I am indulging merely in routine pleasantries or amenities when I tell you that I do sincerely feel it has been a very great privilege to serve as Chairman of this Committee. In these 15 sessions which we have had I have been very greatly impressed by the ability and the energy and the spirit of fine cooperation which the membership of this Committee has exhibited on all occasions. We have been able to compose almost every difference of view that has come up. The Committee is quite aware of those things which remain on which there was not complete agreement. I should say that by and large the area of agreement which this Committee reached on matters within its terms of reference was extremely large; and it has been a very fine accomplishment that this Committee should have been able to do it. I very much hope it will be my good fortune to have occasion to meet again with the members of this Committee, at least individually, as we carry on this battle for economic cooperation, which is such an indispensable part of the whole fight for peace, and for the establishment of sound and enduring foundations of world peace.

I want also to pay my respects and my personal tribute to the Rapporteurs of this Committee, who have done a very fine job. I am extremely sorry that Mr. Towell is not here; illness has kept him away today. I hope his colleague will see that he is informed of our views in this regard and of our appreciation of the fine work which he has done. The same is true, of course, of Mr. Bury - who informed me that he ought to leave, but who I asked to wait for a minute while we paid him this tribute. I am quite sincere in saying that I think they have done an excellent job. I also want to express my appreciation of the fine work done by the Secretary of this Committee and his co-workers. In all my experience in public affairs I do not believe I have ever had a finer exhibition of hard work, competence and cooperation in carrying forward a project such as I have had from Mr. Bruce Turner. I also want to pay my tribute to the fine work done by his assistants, Mr. Huang and Miss Miller.

I also wish to say a word of appreciation of the excellent work performed by our interpreters. I think they have done an excellent job.

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I am not indulging in mere idle flattery when I say these things. I am perfectly sincere about it. I hope that I shall at some time have another opportunity to experience as fine a thing as I have had in Chairmanning a committee. But I believe I must not say "Chairmanning"; the United Kingdom Delegate says I must not say "Chairmanning" because it is not good English. It is an American invention, and we are very inventive. However, I will say "in presiding over this committee." Thank you.

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MR. BURY (Australia): Mr. Chairman, I think it should be mentioned that in preparing the Report we were afforded very great and overwhelming assistance by the Secretariat and also by Mr. Kellogg. Mr. Kellogg has been very helpful throughout in reading through some of our Report and making suggestions, and in fact without the Secretariat the Report probably would not have been on the table, shall we say. I would like to suggest that it should be shown on the front page of the Report that the Report was prepared by the Rapporteurs and Secretariat, which would be no more than the truth.

MR. HOLMES (UK): Mr. Chairman, may I say how much, as a member of the Committee, I have appreciated (if I could take it all to myself) some of the kind remarks you have made to us, but I am sure we all agree that any success this Committee has achieved in getting through its agenda has been due in very large measure to your own wise Chairmanship. Speaking for myself, I have developed not only a respect, but also, if I may say so, an affection for you as Chairman. I have been filled with admiration at your monumental patience for most of the time, and for your very occasional, but, so far as I am concerned, entirely justifiable flicking of the whip when one might have got a little too diffuse. I am sure that we are immensely grateful to you for the way in which you have conducted the proceedings of this Committee, and I personally would much like to think that on some future occasion I may again have the privilege of serving under you.

THE CHAIRMAN: Thank you, sir.

MR. ALAMILLA (Cuba): Mr. Chairman, I would like to say, on behalf of the Cuban delegation - and I think in doing so I express also the feeling of everyone - that it has been a real pleasure to work here under your able and very gentle guidance in all the work that we have been able to do with all the honourable delegates of the other countries here present.

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THE CHAIRMAN: Thank you, sir.

If there are no further remarks, we are adjourned for  
this year.

The proceedings terminated at 5.5 p.m.