

DRAFTING COMMITTEE OF THE PREPARATORY COMMITTEE  
OF THE INTERNATIONAL CONFERENCE ON TRADE AND EMPLOYMENT

TECHNICAL SUB-COMMITTEE

Third Meeting held on 23 January 1947 at 2:45 p.m.

Chairman: Mr. R. J. Shackle.

The Sub-Committee discussed the Summary Report of its first meeting (E/PC/T/C.5/S).

Article 15, National Treatment on Internal Taxation and Regulation was approved as given in the summary report with the following changes in the text:

Paragraph 1 - no change;

Paragraph 2 - no change;

Paragraph 3 (a) delete words inside brackets;

(b) add "to" after "accorded" in line 2;

(c) delete the comma after "product" in line 7;

(d) delete "s" in "requirements" and replace "are" by "is" in line 12;

The text given in quotation marks at the bottom of page 4 was adopted and now becomes paragraph 4, and paragraph 4 becomes paragraph 5.

New paragraph 4, last line: correct "Article 25" to "Article 24".

The Sub-Committee found that the new paragraph 4 meets the reservations of all delegations except that of New Zealand whose "film hire tax" presents a special problem not covered by the present text of this paragraph. The Sub-Committee could not agree, however, to insert the word "taxation", and therefore the Delegation of New Zealand agreed to prepare a statement with reference to special requirements of New Zealand film

/imports

imports for the inclusion in the final Report.

Paragraph 4 of the original text was deleted on the understanding that a new paragraph, as suggested by the Delegate for the United States, be inserted under Article 80 as number 5 which would cover the original point in question for the entire Charter.

The words "subsidiary Governments" in this new paragraph were not deemed entirely satisfactory, and were referred to the Legal Drafting Sub-Committee for clarification.

The Sub-Committee next considered the report of the second meeting (E/PC/T/C.5/A.13)

Article 16: Freedom of Transit, paragraphs 1 to 3. The Sub-Committee, after making minor changes (see below), decided that both texts, A and B, should be submitted to the full Drafting Committee.

Text A referring to goods only, was preferred to text B which also included means of transportation that may become the concern of other international agencies.

Changes in Text A:

- (a) paragraph 1, line 1: delete comma after "goods";
- (b) paragraph 1, last line: substitute "goods pass" for "transit takes place";
- (c) paragraph 2, line 6: insert "on" between "or" and "any";
- (d) paragraph 3, line 2: delete "s" in "customs".

Changes in text B:

- (a) paragraph 1, line 6: substitute "traffic passes" for "transit takes place";
- (b) paragraph 3, line 2: delete "s" in "customs".

The Sub-Committee then resumed its consideration of the remaining paragraphs 4-6 (E/PC/T/C.II/54/Rev.1.)

Paragraphs 4 and 5 were approved with the proviso that in the final text the word "goods" would be substituted for "traffic" if text A is adopted by the full Drafting Committee.

/The Belgium-Luxemburg

The Delegations of Belgium-Luxemburg and of the Netherlands felt that their comments (a) under paragraph 5 should be omitted from the final report.

The reservation made by the Delegate for the Union of South Africa given in (b) under paragraph 5, though considered, could not be dealt with in the absence of that delegation.

Paragraph 6 was discussed at length. The Sub-Committee adjourned before deciding whether to delete this paragraph entirely or to find a suitable amendment.

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