

SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT.Corrigendum to Verbatim Report of Nineteenth Meeting
of Commission A (E/PC/T/A/PV/19.)

The following changes should be made in the remarks made by Mr. Ryder (United States) at the Nineteenth Meeting of Commission A on 27 June 1947:

Change Mr. Ryder's statement at the bottom of Page 4 to read:

"Mr. Chairman, we are in agreement with the purposes of the amendment but I think it is probably implicit in the paragraph as it is written now, but I am perfectly willing to have it clarified. I am not certain that 'prevent' is the best word, and so I suggest that the matter be referred to the Drafting Committee for phraseology, but I agree with the principle of it."

Mr. Ryder's statement on Page 6 near the bottom of the page should be changed to read:

"Mr. Chairman, as I understood the rules, an Amendment presented after the fixed date is not discussed in the Commission, but is referred automatically to the Sub-Committee."

In the remarks of Mr. Ryder on Pages 39 and 40, make the following changes:

For the last 2 sentences in the second paragraph on Page 39, substitute--

"Now, the addition of 'domestic products wholly or in part produced by the imported commodity' sets out what has always been intended by the language of this paragraph. This was the intention of the term 'in any form' and the Sub-Committee might well consider whether the phrase 'in any form' does that sufficiently. I do not think that there is any controversy on that question."

For the last sentence in the first paragraph beginning on Page 40, substitute --

"To my mind, it would practically throw the door wide open to violation of the prohibition of the imposition of quotas."

P.T.O.

For the last 2 paragraphs on Page 40 substitute --

"The fifth amendment suggested is to allow quotas in connection with domestic measures for stabilizing prices. I should hesitate long before expanding the exceptions in this way. Price Stabilization is a very broad term which may cover a wide diversity of measures having widely different results. If anything which a country may do in the name of price stabilization may be made the basis for imposing a quota, then the prohibition of quotas contained in this Article will become utterly meaningless.

The exceptions which have already been agreed to in this Article, article 26, and in Article 13, have already seriously weakened the prohibition of quotas. If, in addition, we have an exception for price stabilization, not much is left. Moreover, I do not see that any case can be made for it such an exception. If the price stabilization measures do not have the effect of raising domestic prices above world prices then there is no occasion for restricting them. If such measures, however, do have the effect of raising the domestic price above world prices, then the danger is that the measures will result in expanding domestic production at the expense of imports. In this case, it seems to the United States delegation that quantitative restrictions should not be permitted unless domestic production is also restricted, and, if that is also restricted, then the sub-paragraph 2(e) as it stands permits the imposition of quotas. Thank you."