
SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT.

COMMISSION B

SUMMARY RECORD

of the Seventeenth Meeting held on Monday
30 June 1947 at 2.30 p.m. at the Palais
des Nations, Geneva.

Chairman: M. ROYER (France), Vice-Chairman,
in the absence of the Hon. L.D. WILGESS
(Canada), Chairman.

1. CONSIDERATION OF THE REPORT OF SUB-COMMITTEE
ON CHAPTER VII OF THE DRAFT CHARTER.

The CHAIRMAN asked Mr. Caplan, Chairman of the Sub-Committee,
to comment on the Report of the Sub-Committee on Chapter VII
(document E/PC/T/W/228).

Mr. CAPLAN (United Kingdom), Chairman of the Sub-Committee
on Chapter VII, said that the Report was a unanimous one, taking
into account the very large number of amendments which came before
the Commission and the additional points which came up in the
debate in Commission B, that was a considerable achievement.
The Sub-Committee had held seventeen meetings and had worked
long hours, all delegations represented had shown a unanimous
desire to co-operate in every effort to narrow differences of
approach. All delegations which had submitted amendments to
Chapter VII but which were not represented on the Sub-Committee,
were invited to attend meetings in which those amendments were

discussed and to participate in the general discussion and the work of drafting. The representative of the FAO, Mr. Yates, who had now left Geneva, had withdrawn unreservedly the one formal amendment which he had put forward as Observer for FAO.

The CHAIRMAN said that those delegations which were not members of the Sub-Committee had been kept informed of the work of the Sub-Committee and he therefore hoped the discussion would be short. He suggested that the Report and draft text should be taken up Article by Article for adoption.

Mr. COLBAN (Norway) agreed with the Chairman's proposal. He considered that the Sub-Committee had done excellent work, and he had no objection to any of the Articles of the Report. He suggested that the Commission should discuss the various Articles but should not adopt the text of the Sub-Committee's Report.

The CHAIRMAN pointed out that it was not his intention to ask the Commission to adopt the text of the Sub-Committee's Report as forming an integral part of the Report of the Preparatory Commission, but simply to give it its general approval.

Mr. WILCOX (United States of America) said that before the Commission made a detailed examination of the Articles and paragraphs he wished to make a brief general statement. The present draft of Chapter VII represented a considerable improvement and was a general statement of international policy with respect to commodity agreements. It was a successful solution of a number of extremely difficult

problems to which the Sub-Committee meeting in Geneva had made a very great contribution. His delegation was prepared to accept all of the substantive issues involved in the text submitted by the Sub-Committee, but might wish to make a few changes in the drafting.

Mr. JANTON (France) said his delegation would have to raise a number of drafting points in the French text of the Report and would, if there was no objection, communicate direct with the Secretariat after having contacted the French-speaking delegations.

The CHAIRMAN said that, if there was no objection on the part of the Commission, the drafting points might be submitted direct to the Secretariat. In any case, the Legal and Drafting Committee would have to re-examine both texts.

Mr. CHANG (China) thought that the text of Chapter VII, as at present drafted was clearer and an improvement over the former arrangement. However, he wished to make one or two observations regarding the division of the text into Sections. Article 48 "Objectives of Inter-Governmental Commodity Agreements" had been placed under Section A - "General Considerations." Article 52 "General Principles of Inter-Governmental Commodity Agreements" had been placed under Section B. It was not clear to him why "objectives" and "principles" should be placed in two separate Sections. He felt that both Sections should be placed together under the heading "General Provisions".

Mr. CAPLAN (United Kingdom), Chairman of the Sub-Committee said that the Sub-Committee had felt that it was important to look at the arrangement of Chapter VII not only from the point of view of experts but also from that of the very large number of people who would be interested in the Chapter. They

felt that it was necessary to have a short general Section at the beginning of the Chapter including a statement of the objectives of commodity agreements. The Sub-Committee also considered that there was good reason for having a separate Section C on "Commodity Control Agreements". They considered that principles which were applicable to all commodity agreements should be placed in Section B. He suggested that the Commission should return to the question of rearrangement when they had considered the individual Articles.

The CHAIRMAN supported this suggestion, and it was agreed to consider the text Article by Article.

ARTICLE 46 (46)*

Mr. MOSTIN (Belgium) felt that the New York text of Article 46 was much less affirmative than the present one. He wished the original text retained in regard to manufactured goods.

Mr. CAPLAN (United Kingdom), Chairman of the Sub-Committee, referred to the explanation on page 2 of the Report of the Sub-Committee, and said that Article 46 was linked with the question of the new Article 47 and the treatment accorded under Chapter VII to primary and related commodities.

A discussion had taken place on what had been called non-primary commodities, and there had been a feeling that the door should not be opened too wide in dealing with highly manufactured articles. The Sub-Committee felt that it was perfectly correct, in the light of Article 47, to delete the qualifying words appearing in the New York text.

* Numbers in brackets refer to New York text.

Mr. MOSTIN (Belgium) understood that it was not intended that the field of application to inter-governmental agreements should be expanded, but that the possible difficulties that might arise in connection with manufactured articles should be indicated clearly. He felt it was going too far to suggest that such difficulties would not arise in the case of manufactured articles.

The CHAIRMAN asked if there was any formal objection against the reintroduction of the previous text of Article 46.

Mr. CAPLAN (United Kingdom), Chairman of the Sub-Committee, felt he should not speak for the Sub-Committee as a whole, but pointed out that during the discussions in that Sub-Committee it was considered that it would be logical to delete the qualifying words. However, he saw no strong objection to their re-introduction.

Mr. MCCARTHY (Australia) said the introduction of the qualifying words had been discussed in London. Chapter VII dealt with primary products and the object of the first paragraph was to explain why a different mechanism and different procedure were used in the case of primary products when difficulties arose than were used in the case of manufactured products. There might be certain academic objections to the phrase, but the general view of the Committee had been that it made for clarity.

Mr. van der POST (Union of South Africa), considered it slightly invidious to make a comparison between agriculture and industry, and suggested that the difficulty encountered by the Belgian delegation might be solved by rewording the

phrase in question. He suggested that the words "by special difficulties which do not characterize the trade in manufactured goods" should be deleted and the following words inserted in their place: "affected adversely by conditions peculiar to agriculture."

Mr. MOSTIN (Belgium) said that the suggestion made by the representative of the Union of South Africa would meet the point but was likely to restrict the scope of the Chapter, as, in addition to agricultural products, there were also mining, forestry and fishery products.

The CHAIRMAN asked members of the Commission whether they would agree to the following wording: "which do not characterize to the same degree", or, "to the same extent."

Mr. WILCOX (United States of America) objected to the phrase.

The CHAIRMAN, referring to a suggestion by Mr. van der POST (Union of South Africa) that the words "primary industry" should be used instead of "agriculture", asked whether the members of the Commission agreed with the phrase "trade in these commodities may be adversely affected by conditions peculiar to primary industry".

Mr. HELMORE (United Kingdom) suggested that the words "such as" should be inserted after the words "may be affected by special difficulties" and the rest of the sentence, as well as the first six words of the following sentence, be deleted.

Mr. MARTINS (Brazil) did not agree with the wording suggested by the representative of the Union of South Africa as the words "primary industry" had not the same meaning as "production of primary commodities". He supported the suggestion made by the representative of the United Kingdom.

Mr. RICHARDS (Canada) supported the wording suggested by the United Kingdom representative.

Mr. McCARTHY (Australia) did not agree with the wording suggested by the representative of the United Kingdom, but did not wish to press the point.

Mr. HELMORE'S proposal was adopted.

Mr. WILCOX (United States of America) suggested that the words "as shown in" in the second sentence should be deleted, that the word "and" be substituted for "or", and that the word "They", at the beginning of the third sentence of Article 46, should be deleted and the sentence should begin "The special difficulties".

This was agreed.

Mr. WILCOX (United States of America) said that, in order to make the footnote at the bottom of page 9 clear he proposed that the following words should be substituted for the words "agreement, accord, etc.":- "arrangement, understanding, or other form of co-ordinated action."

The CHAIRMAN said that as there were no objections, the footnote on page 9 would be altered accordingly.

Decision: Article 46, as amended, was approved.

ARTICLE 47. (60 (1))

The CHAIRMAN pointed out that Article 47 included part of Article 60 of the New York text. It gave a clearer and better definition of primary and related commodities.

Mr. MUNOZ (Chile) considered that the Article had been improved by the Sub-Committee. There could now be no question in anyone's mind that Chilean nitrate of soda, being a mineral and subject to processing to prepare it for marketing, was a primary commodity. Synthetic nitrate of soda and other closely related products were also covered by the term "primary product" and could be covered in a single inter-governmental commodity agreement. On that understanding his delegation supported the new text of Article 47.

Mr. MINOVSKY (Czechoslovakia) asked whether it could be assumed that all pre-war international agreements covering primary commodities were now covered by the provisions of Article 47.

Mr. CAPLAN (United Kingdom) said the representative of Cuba had raised the question in the Sub-Committee regarding products which were the subject of inter-governmental commodity agreements before the war, and the Sub-Committee had no doubt that all of them were certainly brought within the scope of Chapter VII.

Decision: Article 47 was approved.

ARTICLE 48 (47)

Decision: Article 48 was approved.

ARTICLE 49 (58)

Mr. WILCOX (United States) stated that this Article should be deleted as it had no operative effect whatsoever. He pointed out that in Article 48, paragraph (b), reference was made to the "expansion of consumption", in paragraph (e)

there was a reference to "expansion of the production of a primary commodity....with advantage to consumers and producers". In Article 52, paragraph (e) reference was made to measures to expand world consumption, and in Article 55 (b) there was reference to "availability of supplies adequate at all times for world demand". In Article 49 there was a fifth reference to expansion of consumption.

The CHAIRMAN said that the Commission had already voted against the proposal of the United States representative that Article 49 should be deleted. The question could be put to the vote once more, but he first wished to ask those representatives who had voted in favour of the Article being retained whether they were still of the same opinion after having considered Chapter VII as a whole in its new form.

Mr. COLBAN (Norway) pointed out that the footnote on page 11 stated that Article 49 was not referred to the Sub-Committee by Commission B. He considered there was much strength in the view expressed by the United States representative.

Mr. HELMORE (United Kingdom) wished to see Article 49 retained, although he agreed with the representative of the United States that there were a number of references to the expansion of consumption in the Chapter as it now stood. The important difference in Article 49 was that it was an undertaking by Members who were not parties to a commodity agreement.

Mr. McCARTHY (Australia) said his delegation supported Article 49. It arose out of the difficulty of reconciling the different views expressed on the old Article 52. There had been a great deal of discussion in London regarding the wording of Article 52(a) in which the burdensome surplus idea was stressed, and those members who thought there should be some reference to shortages or scarcities ultimately compromised on a reference being made in the report that it could be assumed that the words "is expected to develop" would enable action to be taken when burdensome surpluses were in prospect, or where the history of a product showed that sooner or later such a surplus might arise.

Mr. RICHARDS (Canada) said his delegation supported the retention of Article 49, but wondered whether it might be included under Article 60.

The CHAIRMAN pointed out that Article 60 dealt with agreements which were already in operation or were being contemplated at the time when the Charter came into force, while Article 49 dealt with a general rather than a temporary commitment.

Mr. CAPLAN (United Kingdom), Chairman of the Subcommittee, said that personally he had no strong views about the position of Article 49. There was a slight difference between it and the general character of the new Article 60, and he considered that it would be better not to attach it to Article 60.

Mr. WILCOX (United States) said that if it was the desire of the majority of the Commission that Article 49 should be retained he would not enter any reservation. However, he had only heard three representatives state that they wished the Article retained, and he did not regard that number as a majority.

Mr. CHANG (China) considered the last phrase of Article 49 redundant and asked whether the representative of the United States would be satisfied if that phrase were deleted.

The CHAIRMAN stated that the representative of the United States of America did not agree with the suggestion made by the representative of China. He then put to the vote the proposal that Article 49 should be deleted. The proposal was approved by seven votes to six.

Mr. MARTINS (Brazil) explained that at a previous meeting he had voted against the United States proposal while at the present meeting he had voted in favour of it. His delegation now felt that the Article was so vague that it could well be used against the national interest of a country, and it was quite possible to contemplate a wrong application of the Article in a country where inflation prevailed and it was necessary to reduce consumption. He felt that the recommendation to increase consumption was so natural that it did not need special mention, and that was why he had now voted for the United States proposal.

Mr. HELMORE (United Kingdom) regretted the disappearance of the paragraph and said that until he had been able to consult his Government he must reserve his position.

The CHAIRMAN said the United Kingdom delegation was entitled to reserve its position and raise the matter again, for instance at the World Conference.

Mr. FAWCETT (New Zealand) also reserved his delegation's position on the vote. He noted that only thirteen countries had voted out of seventeen, and thought it was a pity to delete a paragraph which had a general philosophy of expanding consumption.

Mr. WILCOX (United States of America) regretted that he had been successful by so narrow a margin. His sole objection to the paragraph was that it was silly, but if some delegates felt strongly attached to it, and if it was going to mean reservations on the part of important delegations, he would prefer to let it stand.

Mr. HELMORE (United Kingdom) suggested that the matter be left over in the meantime, with a general understanding that delegates could consider it and perhaps return to it again, particularly as the vote had been so narrow. He proposed that it should be recorded as a decision with some degree of non-permanence in it, or as a provisional decision.

The CHAIRMAN considered the United Kingdom delegate's suggestion a wise one in view of the narrow margin of the vote and the large number of abstentions. The vote could be regarded as provisional, and discussion could be resumed at the request of one or several delegates.

ARTICLE 50 (48): SPECIAL COMMODITY STUDIES.
ARTICLE 51 (49): COMMODITY CONFERENCES.

Decision: Each of these Articles was approved without comment.

ARTICLE 52 (51): GENERAL PRINCIPLES OF INTER-GOVERNMENTAL
COMMODITY AGREEMENTS.

Mr. WILCOX (United States of America) drew attention to sub-paragraph (e), which read:

"such agreements shall provide, where practicable and appropriate, for measures designed to expand world consumption of the commodity;"

He suggested that the sub-paragraph be placed in Article 55, at the end of sub-paragraph (b), which would then read:

"such agreements shall be designed to assure the availability of supplies adequate at all times for world demand at reasonable prices, and where practicable, shall provide for measures designed to expand world consumption of the commodity".

Mr. CAPLAN (Sub-Committee Chairman) said that the words "and appropriate" had been introduced in order to exclude conservation agreements.

Mr. WILCOX (United States of America) considered that the addition of the words "and appropriate" weakened the clause. He preferred simply the words "where practicable" and urged that the sub-paragraph be removed to Article 55, where it would have more significance.

Mr. Van der POST (South Africa) felt that sub-paragraph (e) was at present out of place and agreed with the delegate of the United States of America.

Mr. MCCARTHY (Australia) felt they had to consider the reasons which the delegate of the United States of America had in mind in making the proposal. It was desired that the paragraph should be applied to any appropriate agreement whether that agreement was a commodity control agreement or not. In Article 55 it would be applicable to commodity control agreements only. In the definitions of agreements it was provided that the Organization should stipulate to which, if any, of the provisions

of Section C an agreement should conform. It did seem that in a special case the Organization could decide that the sub-paragraph in question might be applied, even though it was under Article 55. He would, therefore, agree to the proposal for the removal of the sub-paragraph from Article 52 to Article 55.

Mr. HELMORE (United Kingdom) agreed with the analysis of the problem made by the delegate of Australia, and with his conclusion.

The CHAIRMAN felt that it was the opinion of the Commission that the sub-paragraph should be removed as suggested by the delegate of the United States of America.

Decision: It was agreed that the substance of sub-paragraph (e) of Article 52 be transferred to Article 55 (b).

Decision: Article 52, as amended, was approved.

ARTICLE 53 (60 (3)): TYPES OF AGREEMENTS.

In reply to a point raised by Mr. WILCOX (United States of America) with regard to the relationship between paragraph 2 and 4 (b), Mr. CAPLAN (Sub-Committee Chairman) drew attention to sub-paragraph (h) on page 5 of the Sub-Committee's report (E/PC/T/W/228).

Mr. WILCOX (United States of America) felt that paragraph 4 (b) would be more explicit if the following words were inserted after the word "agreement" in the seventh line of the paragraph:

"because it does not have the purpose or the effect of reducing, or preventing an increase in, the production of, or trade in, that commodity,"

Mr. CAPLAN (Sub-Committee Chairman) felt that the delegate of the United States was justified in suggesting the insertion of those words; he believed that they had been in one of the earlier drafts and that their inclusion would increase the security of the paragraph.

Mr. McCARTHY (Australia) explained that the object of the paragraph was to have a second category of agreements, having a modified form of quantitative control; and it was for the

Organization to decide the degree of regulation which warranted the decision as to which category an agreement would be in.

The CHAIRMAN proposed the wording, "but is not a commodity control agreement in the sense of paragraph 2".

Mr. WILCOX (United States of America) suggested the wording "within the terms of paragraph 2".

Decision: It was agreed that the second sentence of paragraph 4 (b) should be amended to read:

"If, however, the Organization finds that an agreement which involves the regulation of production or the quantitative control of exports or imports is not a commodity control agreement within the terms of paragraph 2 of this Article, the Organization shall stipulate to which, if any, of the provisions of Section C that agreement shall conform."

Mr. COLBAN (Norway) asked whether the Chairman of the Sub-Committee felt that paragraph 4 as amended would be agreeable to the representative of the Food and Agricultural Organization.

Mr. CAPLAN (Sub-Committee Chairman) said the observer of the Food and Agricultural Organization had been specifically asked by the Sub-Committee whether, in the light of the observations he had made, the whole of Article 53, including paragraph 4, was acceptable to him and he had given the categorical answer that he was fully satisfied.

The CHAIRMAN added that it was after the decision had been taken on paragraph 4 (b) that the Food and Agricultural Organization observer had withdrawn his amendment.

ARTICLE 54 (52): CIRCUMSTANCES GOVERNING THE USE OF COMMODITY CONTROL AGREEMENTS.

Decision: This Article was approved without comment.

ARTICLE 55 (53): ADDITIONAL PRINCIPLES GOVERNING COMMODITY CONTROL AGREEMENTS.

Mr. DORN (Cuba) pointed out that the brief formulation of paragraph 2 (b) had been accepted on the understanding that prices would be fair to consumers and remunerative to efficient producers, as stated in Article 48 (c).

The CHAIRMAN explained that the note on page 6 (E/PC/T/W/228) stated: "It is recognized that the term 'reasonable' as applied to prices in sub-paragraph (b) is to be interpreted as in Article 48(c)".

Mr. WILCOX (United States of America) said paragraph (a) dealt with a matter that had been the subject of considerable controversy. His preferences were in the following order: firstly, to drop the second sentence entirely; secondly, if it were not agreed to drop the second sentence he would like to drop the whole article; thirdly, since he was sure that neither proposition would be agreed to he would move that the second sentence of paragraph (a) be amended to read:

"If, in an exceptional case, there has been unreasonable delay in the proceedings of the Study Group or of the Commodity Conference, Members substantially interested in the production and consumption of, or trade in, a particular primary commodity, may proceed by direct negotiation to the conclusion of an agreement, provided that it conforms to the other provisions of this Chapter."

The CHAIRMAN was glad to note that the reservation of the delegation of the United States of America on Article 55(a) was no longer maintained and felt there would be no difficulty in securing agreement with the proposal now made, which had already been put into effect in the French text.

Mr. MUNOZ (Chile) said that in the light of the Sub-Committee's report, and in view of the note applicable to the word "reasonable" in paragraph 55(b) his delegation was now able to withdraw the whole of its proposed amendment.

Mr. RAHIMTOOLA (India) requested clarification of the reference to "appropriate voice" in paragraph (c). He pointed out that the Sub-Committee's note on the Article stated that with regard to sub-paragraph (c) of the New York text, it was agreed to revert to the London text of Article 51 (4) subject to minor drafting changes. He understood that according to the London text there were to be three groups.

The CHAIRMAN said the interpretation given by the delegate of India was not the interpretation that had been given in the Sub-committee, where it had been a question of two groups, not three.

Mr. CAPLAN (Sub-committee Chairman) felt that the main point of the Indian delegation was the way in which the determination of "appropriate voice" was arrived at. The Sub-committee had felt that the negotiation of an international commodity agreement represented a willingness, on the part of countries, to "see the other man's point of view", and that an attempt to define more closely the general principles involved would lead to a great deal of difficulty. He thought the delegate of India would admit that the best way to decide the matter was in the course of the free negotiation of each particular commodity agreement. The weighting adopted for one commodity might be quite unreasonable for another commodity.

Mr. RAHIMTOOLA (India), replying to the CHAIRMAN, said he was satisfied with the explanation given by the Chairman of the Sub-Committee.

Mr. WILCOX (United States of America) said it was clear from the question by the delegate of India that the text as it stood was not fully explicit on the point. He proposed, therefore, the addition, at the end of the paragraph, of the words, "within such classes".

The CHAIRMAN considered that adoption of the suggestion would clarify the text and remove the ambiguity that had always existed in the London text.

Decision: It was agreed that the words "within such classes" be placed at the end of paragraph (c).

The CHAIRMAN recalled that the delegate of the United States of America had proposed that the text of paragraph (e) of Article 52 be added to paragraph (b) of Article 55. He felt that the delegates were agreed on the principle. Was

there any objection to deleting the words "and appropriate"?

If not, the text as amended would read:

"Such agreements shall be designed to assure the availability of supplies adequate at all times for world demand at reasonable prices, and, where practicable, shall provide for measures designed to expand world consumption of the commodity."

Decision: The proposed new text for paragraph (b), as read by the Chairman, was approved.

Mr. COLBAN (Norway) called attention to the footnote to sub-paragraph (c) (E/PC/T/W/228, page 15). He could not see why the material had been put in a footnote instead of being maintained in the text.

Mr. CAPLAN (Sub-Committee Chairman) stated it was at the request of the French delegation that the footnote had been included. The substance was still in the text.

Mr. COLBAN (Norway) declared himself satisfied with the explanation.

The CHAIRMAN explained that the footnote would not appear in the final text of the Charter, but would probably be inserted somewhere else.

Mr. WILCOX (United States of America) said it had always seemed to him that paragraph (a) differed in character from the other paragraphs of article 55. He proposed that paragraph (a) be moved to the new Article 53 (Types of Agreements) then article 55 would relate solely to the principles governing commodity control agreements.

The CHAIRMAN asked whether members of the Commission were in agreement with the proposal, subject to a possible alteration in the title of the article.

Decision: It was agreed that paragraph (a) of Article 55 be transferred to the end of Article 53.

Mr. CAPLAN (Sub-Committee Chairman) thought it would be quite appropriate to maintain the present title.

Decision: Article 55, as amended, was approved.

ARTICLE 56 (54): ADMINISTRATION OF COMMODITY CONTROL AGREEMENTS.

Decision: This article was approved without comment.

ARTICLE 57 (55): PROVISION FOR INITIAL TERMS, REVIEW AND RENEWAL OF COMMODITY CONTROL AGREEMENTS.

Mr. Van der POST (South Africa) moved the deletion of the words "for not more than five years" from paragraph 1 and their substitution by "for a period to be determined in each agreement".

The CHAIRMAN asked whether anyone wished to support the proposal, but as no support was forthcoming he proposed that the existing text be retained.

ARTICLES 58 (56), 59 (50), 60 (57), 61 (60).

Decision: Each of these articles was approved without comment.

ARTICLE 62 (59)

EXCEPTIONS TO PROVISIONS RELATING TO INTER-GOVERNMENTAL COMMODITY AGREEMENTS.

Mr. MUNOZ (Chile) asked whether paragraph 1 (a) would preclude a state trading enterprise from participation in a commodity agreement.

Mr. CAPLAN (Sub-Committee Chairman) declared that the paragraph would in no way preclude a state trading enterprise from being a party along with any other member of the Organization in any commodity agreement.

The CHAIRMAN drew attention to the footnote to paragraph (d):

"A proposal has been made for the deletion of this sub-paragraph in the light of an amendment to be considered by Commission A regarding the exclusion of such agreements from the whole Charter."

He felt that Commission B could not yet make a decision on the point and suggested that the Secretariat draw the attention of Commission A to the wording proposed by the Sub-Committee.

ARTICLE 61: TERRITORIAL APPLICATION.

Mr. McCARTHY (Australia) wished to raise a point in connection with the word "representation" in Article 61. It seemed necessary to say what the representation should be. Did it mean joint representation on the Commodity Council?

Mr. CAPLAN (Sub-Committee Chairman) said the Sub-Committee had not discussed the point in detail, as there were no amendments. In the light of the discussion in London it was clear that representation might be envisaged at all stages, Study Group, Conference and Council.

Mr. McCARTHY (Australia) felt it might be advisable for a representative from Commission B concerned with Chapter VII to observe the proceedings on Chapter VIII.

Mr. CAPLAN (Sub-Committee Chairman) considered that the necessary arrangements could be left to the Secretariat.

The CHAIRMAN said the delegations would now be acquainted with the problem; and in any case the Secretariat would point out to the members of the Sub-Committee dealing with Chapter VIII the various items in Chapter VII with regard to which some form of liaison would be useful.

He then drew attention to the consequential changes in Articles 37, 25 and 45 recommended by the Sub-Committee in the light of the new text of Chapter VII (E/PC/T/W/228, page 8). After discussion, it was agreed to approve these recommendations and pass them on to those responsible for these Articles.

The CHAIRMAN then asked whether the delegate of China wished to maintain his earlier proposal for amalgamating sections A and B.

Mr. CHANG (China) said that although he was not quite convinced on the point, in view of the lateness of the hour he would not insist on his proposal.

The CHAIRMAN observed that the examination of Chapter VII had been concluded, except for Article 49. It was essential that the Legal Drafting Committee should be able to work on the text without delay, and he asked delegations interested in Article 49 to raise the matter as soon as possible, preferably during the coming week.

Mr. COLBAN (Norway) agreed. He had understood from the remarks of the delegate to the United States that although he considered that Article superfluous, he did not feel very strongly on the point. He proposed that Article 49 be placed in square brackets, and that when the matter came before the Executive Committee it could then be decided whether the square brackets should be removed.

Mr. McCARTHY (Australia) did not much like square brackets and hesitated formally to agree. He thought an effort might be made to reach a compromise, which might be arrived at by a statement of the principle in a less conspicuous position. Perhaps that point might be discussed by those who felt strongly on the question. If that method of approach should fail he would agree to the Article being placed in square brackets and dealt with as suggested by the delegate of Norway.

The CHAIRMAN enquired whether the delegations concerned were prepared to suggest any solution.

Mr. WILCOX (United States of America) said he had gathered from the remarks of the delegate of Australia that he did not wish a decision to be reached that evening.

The CHAIRMAN stated that it would be mentioned in the record that the delegations concerned would raise the matter as soon as possible.

He thanked the Chairman and members of the Sub-Committee for their work, which had made possible agreement on the text in so short a time.

Mr. MUNOZ (Chile) spoke highly of the members of the Secretariat, who had worked indefatigably.

Mr. CAPLAN (Sub-Committee Chairman) endorsed the expression of appreciation, and pointed out that in its report the Sub-Committee had recorded its warm appreciation of the services of the Secretariat.

The CHAIRMAN said all the members of the Committee would associate themselves with the tribute.

Mr. HELMORE (United Kingdom) congratulated the Chairman on his expeditious conduct of the business.

The CHAIRMAN replied in suitable terms.

The meeting rose at 6.08 p.m.