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

COMMISSION A

SUMMARY RECORD

Second Meeting in Executive Session held
on Tuesday, 27 May 1947 at 3.00 p.m. at
the Palais des Nations, Geneva.

Chairman M. Max Suetens (Belgium)

The CHAIRMAN opened the meeting and asked Mr. HAWKINS to introduce the Second Report of the Steering Committee (E/PC/T/78).

Mr. BARADUC's (France) remark that some of the smaller delegations were unable to participate simultaneously in both the Charter discussions and tariff negotiations, being supported by Mr. GUTIERREZ (Cuba) and Mr. CHUANG (China), it was decided that the two Steering Committees should meet to consider the complaints of the overworked delegations.

The Report of the Steering Committee being thus approved, the CHAIRMAN indicated that the meeting was open for the discussion of Article 9, with the exception of the United States amendment concerning capital investments, the discussion of which was postponed until the afternoon meeting on 28 May.

Article 9

Following Mr. WILCOX's (United States) explanation of the United States amendment to this Article Mr. HELOMRE (United Kingdom) asked the opinion of the Committee about a general discussion at this stage of the words "dependent territories" mentioned in the United States proposal in connection with the terms country, Member or territories used in other Articles. He did
not, however, favour the insertion of the words "dependent territories" as it might imply that the economic development of these territories has been retarded by their being dependents.

Mr. AUGENTHALER (Czechoslovakia) preferred that no action be taken on the words "standard of living" inserted in the United States amendment before the Sub-Committee on Articles 3 and 4, which is dealing with a similar terminology, finished its work. He furthermore thought that the word "services" should be used throughout the whole Charter with "goods".

Mr. BARADUC (France) agreed in general with the United States amendment but stated that he would like the French text to be corrected to read "territories en dependant".

Mr. WEBB (New Zealand) preferred that the words "contribute ultimately to economic stability", which the United States amendment proposed to delete, should be kept in the present text.

There being no further comment the CHAIRMAN referred these amendments to the Sub-Committee.

Article 10

Mr. McCARTHY (Australia) explained that apart from the words "and the Organization generally" the amendment proposed by his delegation was merely of a drafting character and was connected with the Australian amendment to paragraph 1 of Article 11. He also wanted to add to that paragraph: "In carrying out this function the Organization shall co-operate with the Commissions, sub-commissions and specialized agencies of the Economic and Social Council". (Mr. TORRES (Brazil) supported the Australian amendment and Mr. HELMORE (United Kingdom) and Mr. WILCOX (United States) although in agreement with the purpose of the Australian proposal, preferred to delete the words "the Organization generally" from the proposed draft of Article 10. Mr. FRESQUET (Cuba) preferred that the present text of Article 10 remain unchanged. Mr. McCARTHY (Australia) agreed to
withdraw the words "the Organization generally" from his amendment provided that the Drafting Committee decides that the amendment to Article 11 fully covers the point implied in the Australian amendment.

The CHAIRMAN then referred the matter to the Sub-Committee together with the suggestion by Mr. GOTZEN (Netherlands) to the effect of finding a uniform expression to be used throughout the Charter to express the idea conveyed by the words "measures compatible with the other provisions of this Charter" now used in Article 10.

**Article 11**

**Paragraph 1.** The CHAIRMAN first referred to the decision of the Economic and Social Council of 29 March 1946 that enables the Committee to delete the square brackets around this paragraph. He then explained that the United States amendment to paragraph 1 being purely a drafting amendment it would be referred to the Sub-Committee.

**Paragraph 2.** After Mr. FRESQUET (Cuba) explained his amendment to this paragraph the CHAIRMAN stated that that amendment could be considered together with the United States proposal for the deletion of the words "arrange for the provision of such assistance" and addition of the words "and assist in the procurement of appropriate engineering and other technical assistance".

There being no further comments it was decided that both amendments should be referred to the Sub-Committee.

Mr. AUGENTHALER (Czechoslovakia) agreed with the United States wording of paragraph 2 and expressed the view that the words "upon request of each Member" apply to the whole of the Article.
Mr. HELMORE (United Kingdom) and Mr. NAUDE (South Africa) expressed the view that the last sentence of paragraph 2 does not seem to fit into the article. Mr. FRESQUET (Cuba) suggested the inclusion of that sentence in a new paragraph and Mr. AUGENTHALER (Czechoslovakia) was of the opinion that this sentence can be omitted altogether. Mr. TORRES (Brazil) explained that the second sentence had been introduced in London to determine the specific functions of the ITO and he believed that the execution of those functions should depend upon the requests of Members.

Mr. LOKANATHAN (India), Mr. TORRES (Brazil) and Mr. FRESQUET (Cuba) objected to the United States proposal to substitute the word "shall" by "may". Mr. HELMORE (United Kingdom) was in agreement with the substance of the United States proposal but did not oppose a new drafting that would take into account the remarks of the delegations supporting the present wording.

The CHAIRMAN referred the amendments to this Article to the Sub-Committee.

Article 12

Paragraph 1. Mr. TORRES (Brazil) agreed in general with the United States amendment to this paragraph but suggested that the words "on equitable terms" follow the word "obtaining" rather than the word "development".

Mr. HELMORE (United Kingdom) suggested a re-drafting of the words "is dependent among other things" and did not particularly favour the word "personnel".

Those amendments together with the Cuban proposal and
the comments made on that proposal by Mr. WILCOX (United States) and Mr. NAUDE (South Africa) were referred to the Sub-Committee.

Mr. NAUDE (South Africa) pointed out that, as his Delegation had previously proposed, he thought it would simplify discussion if the Committee would decide to delete all titles of articles and retain Chapter titles only.

No time being left for discussion of all the amendments to paragraph 2, the CHAIRMAN postponed the discussion until the next meeting, to be held on Wednesday morning, 28 May. He informed the meeting that as Mr. CHUNDRI GAR intended to leave Geneva he will explain the general views of his delegation concerning Chapter IV at the beginning of the next meeting.

Upon the proposition made by the Chairman the delegates of the following countries were designated to form the Sub-Committee: Australia, Brazil, Chile, France, India, United Kingdom and United States. The CHAIRMAN directed this Sub-Committee to call upon another delegate of a French-speaking country other than France to prepare the French text.

Mr. WYNDHAM WHITE (Executive Secretary) asked those Delegations which have difficulty in participating in both Committees to advise the Secretariat before noon tomorrow, Wednesday 28 May, so that it would be able to advise accordingly the joint Sub-Committee of the Steering Committee which is scheduled to meet tomorrow afternoon, Wednesday, 28 May.

The meeting rose at 6 p.m.