1. In opening the meeting, the Chairman directed the attention of the Committee to the observations of the Secretariat on the work progress, as contained in E/PC/T/C.6/W.44. Upon the Chairman's suggestion, the Committee resolved to extend the mandate of the Sub-Committee on Administration to cover the whole of Section E of Chapter VIII, with the possibility envisaged that in case of necessity, the mandate of the Sub-Committee on Administration may have to be extended to cover the whole of Chapter VIII.

2. Articles 34 and 35. The Sub-Committee took a second reading of Articles 34 and 35 in the formulation of E/PC/T/C.6/28/Rev.1 and approved this formulation with the following changes in Article 35: change "state trading operation" in Paragraph 1, line 5, to "state trading operations". Insert between the words "particular" and "business enterprises", the words "private or state" in the tenth line of Paragraph 1.

In the notes to Article 34 on Page 3 of E/PC/T/C.6/28/Rev.1, the second sentence of Paragraph 1 to Article 34 is to substitute "CANADA" for "CHILE".

3. Article 40.

Paragraph (d). The Sub-Committee approved the text as contained in E/PC/T/C.6/N.35.

Paragraph (e). AUSTRALIA's motion to insert the word "available" between the words "all" and "information" in the first line of this paragraph
paragraph was approved, while the AUSTRALIAN motion to have line 2 read "practices in question exist and have or are about to have had the effect" was defeated, with the Committee accepting the CANADIAN draft of this line.

The Delegate of CZECHOSLOVAKIA inquired whether paragraph (c) of Article 40 envisaged that the I.T.O. had as one of its first steps to notify and seek information from the government whose nationals were alleged to engage in restrictive business practices. After the Delegate of FRANCE subscribed to this meaning of paragraph (c), the Chairman, with approval of the Committee, ruled that this was the meaning of paragraph (c).

Paragraph (f). The AUSTRALIAN motion to substitute the word "determination" for "findings" in the first line of this paragraph was referred to the Legal Drafting Sub-Committee.

The Delegates of the NETHERLANDS and BELGIUM objected to the insertion of the words "or are about to have" and the Committee decided to produce two alternative drafts in this respect, showing the words "or are about to have" in square brackets. The BRAZILIAN Delegate, requested to have the record show that only three Delegations sustained a reservation against the CANADIAN text. The AUSTRALIAN Delegate also suggested two alternative drafts for the words "or are about to have" in paragraph (e) but the Committee defeated this motion after the NETHERLANDS had seconded the CANADIAN text.

The BELGIAN Delegate pointed out that his objection to the inclusion of the controversial words in paragraph (f) was not due to the desire to defend restrictive cartel practices, but merely to his belief that this constituted a change in substance beyond the purview of the Drafting Committee.

Paragraph (h). The UNITED STATES Delegate in expanding upon the text submitted by the UNITED STATES Delegation in E/PC/T/C.6/W.28 suggested the
following formulation for this paragraph: "prepare and publish, as expeditiously as possible after enquiries have been discontinued, terminated or completed, reports on all complaints dealt with under sub-paragraph (d), showing fully the findings, decisions, or other conclusions reached, the reasons therefore, and any action which Members have been requested to take."

CANADA and CUBA supported the UNITED STATES text. CHINA moved for deletion of the word "discontinued" in the last line of Article 40 as contained in E/FC/T/C.6/W.28 but the Committee defeated this motion.

The UNITED KINGDOM Delegate moved to substitute the words "provisionally or finally closed" in lieu of "terminated" in the last line of this paragraph, as contained in E/FC/T/C.6/W.28, and the UNITED STATES and CANADA supported this motion. The Committee approved the UNITED STATES' text as contained in E/FC/T/C.6/W.28 with the change suggested by the UNITED KINGDOM. The AUSTRALIAN motion to delete the words "to any person" in the ninth line was approved by the Committee.

Paragraph (i). The Committee approved this paragraph in the formulation of E/PC/T/C.6/W.35 with substitution of the word "purposes" for the word "results" in the second to last line.

4. Article 41.

The UNITED STATES' motion to change the words "shall be authorized" in the first line to the words "is hereby authorized" was tentatively approved with the request to the Legal Drafting Sub-Committee to decide whether the word "may" would not be preferable. The Committee approved paragraphs (a), (b) and (c) in the formulation of E/PC/T/C.6/W.35.

5. Article 42.

Paragraph 1, sub-paragraph (b). The UNITED KINGDOM Delegate queried whether the new definition in Article 39 does not obviate the reference to Article 39 and this query was referred to the Legal Drafting Sub-Committee.
With the UNITED STATES supporting the CANADIAN draft, the Committee agreed to show alternative drafts with the words "or to be about to have" in the second to the last line to be shown in square brackets.

The motion of the UNITED STATES Delegate to insert after the words "any practices" in the seventh line, the words "within its jurisdiction" for a second time, was unanimously over-ruled.

The UNITED KINGDOM Delegate moved to retain the clause "in the light of its obligations under Article 39, in considering the initiation of action". FRANCE and the NETHERLANDS seconded this motion while the UNITED STATES, BRÁZIL and BELGIUM moved for the deletion of this clause, and the Committee agreed to approve the CANADIAN draft with this clause deleted.

Paragraph 2. The Committee referred the Secretariat's request to substitute the words "prepare and provide" for the words "prepare" to the Legal Drafting Sub-Committee for an analysis of the question whether preparation was not covered in paragraph 4 and thus unnecessary in this paragraph.

Paragraph 3. After CANADA withdrew the deletion of this paragraph, as suggested in the CANADIAN draft, the Committee approved the London text.

Paragraph 4. The UNITED KINGDOM Delegate supported the UNITED STATES' formulation contained in E/PC/T/C.6/W.28 and explained the circumstances under which this clause had been agreed upon in the last session of Committee III of the First Session of the Preparatory Committee. The motion of the Delegates of CANADA and the UNITED STATES to substitute the word "or" for "and" between sub-paragraphs (a) and (b) was carried, while the motion of NEW ZEALAND to substitute the word "or" for the word "and" in line 3 of sub-paragraph (b) was defeated. After the Delegates of NEW ZEALAND, BELGIUM and FRANCE expressed that they did not object to the UNITED STATES' formulation, but had to reserve
reserve their position because they considered the UNITED STATES' text as a change in substance, the Committee approved the formulation contained in E/PC/T/C.6/W.28, deciding to insert a comma after the word "disclose" in the third line of sub-paragraph (b).

Paragraph 5. The AUSTRALIAN motion to refer the reference to Article 40, paragraph (g) to the Legal Drafting Sub-Committee was carried and the London text with this qualification was approved.

Paragraph 6. The Secretary drew the attention of the Committee to the fact that the reference to conferences failed to refer to conferences in accordance with Article 40, paragraph (a) and Article 41, paragraph (c). The Committee, upon the motion of the UNITED STATES, CANADA and the NETHERLANDS, approved the addition of these references to the text, while the UNITED KINGDOM reserved its position on this addition. With the UNITED KINGDOM dissenting, the Committee was in general agreement that the failure to refer to conferences mentioned in Article 40, paragraph (a) and Article 41, paragraph (c), was a mere drafting oversight in London and that it was never intended to exclude participation in such conferences from the obligations of Members.

6. Article 43.

The London text of paragraphs 1 and 2 was approved, and the Secretary's suggestion to add the words "or intending to participate" after the word "participating" in paragraph 2 was approved.

The Committee adjourned for 5 February 1947 at 10:30 a.m.