VERBATIM REPORT

OF THE

FIRST MEETING

OF

COMMITTEE II

HELD IN

COMMITTEE ROOM 2,
CHURCH HOUSE, WESTMINSTER, S.W.1.

ON
FRIDAY, 18TH OCTOBER, 1946,

AT
3.45 P.M.

TEMPORARY CHAIRMAN: MR. E. WYNDHAM WHITE (UK).

(From the shorthand notes of W.B. GURNEY, SONS & FUNNELL,
58 Victoria Street, Westminster, S.W.1.)
THE TEMPORARY CHAIRMAN: Can we get started, gentlemen, because I have another meeting to announce to you, to begin in about 40 minutes, so we are rather pressed for time.

It gives me great pleasure to declare open the first session of Committee II of the Preparatory Committee of the International Conference on Trade and Employment, and before we come to the agenda which has been circulated I would first of all like to introduce to the Committee the Secretariat. I have Mr. Hilgart, Mr. Nouerodos, also on my left, the Secretary of the Committee, on my left, and Mr. Storn on my right. Then there is Mr. Hutchins. He is not here today, so I cannot introduce him to you; and the Assistant Secretary, Mr. Lin.

I am going to repeat what I said just recently in Committee I, that all the Secretariats of the Committees have the strictest instructions to show no mercy whatsoever to the delegates, and I have no doubt you will reciprocate on the Secretariat.

There is one other announcement which I would like to make at this stage, and that is, that the members of Committee I, which has just concluded its first meeting, have expressed a desire to meet with this Committee immediately after this meeting to discuss a proposal for holding joint sessions, for setting up a Joint Committee of Committees I and II to consider in particular questions of industrial development. I think that perhaps we could save time by not discussing that proposal in detail in this Committee, as it has been discussed at some length in Committee I, and perhaps the debate could best be continued in the joint session of the two Committees, which I suggest should take place in the Hoare Memorial Hall, where the
Plenary sessions are held, at 4.30.

We can now, I think, come to the agenda, except that perhaps I might say a word or two first of all about the rules of procedure governing this Committee. The rules of procedure have been discussed and adopted by the Plenary Committee, and of course they govern the proceedings of this Committee. I would draw attention particularly to Rule 57, which provides that the Committees and Sub-Committees may by agreement decide to adopt rules of procedure regarding interpretation or translation of a more simple character than those laid down in the Rules. In the absence of any such agreement the working languages will be English and French, and there will be interpretation between the working languages.

Now I think we might pass to the agenda for this meeting, which is contained in the Preparatory Committee Journal No. 4, and the first item is the election of the officers of the Committee. In the agenda reference is only made to the Chairman and Vice-Chairman, but the Committee may also wish to appoint a Rapporteur. I would suggest, however, that the Committee might perhaps defer a decision on the Rapporteur until it has a clearer idea of the way in which its work is going to develop. If the Committee agrees with that I will then proceed to call for nominations for the office of Chairman of the Committee.

I might just say in parentheses that I can quite see this room is going to be too small for the Committee, and if you will bear with the inconvenience for this meeting I will endeavour to make other arrangements for future meetings.
Now may I call for nominations for the office of Chairman of the Committee?

SEÑOR HIGINIO GONZALEZ (Chile) (Speaking in French: interpretation): Mr. Chairman, I have the honour to nominate the hon. delegate for Australia, Dr. H. C. Coombs. I think he is highly qualified for carrying out the functions of Chairman of this Committee.

THE TEMPORARY CHAIRMAN: Is the nomination of the delegate of Australia seconded?

(The delegates of Belgium, Brazil and France signified their desire to second the nomination)

Are there any other nominations?

(There were no other nominations)

In that case I declare the delegate of Australia elected as Chairman of Committee II. (Applause).

DR. H. C. COOMBS (Australia) then took the Chair.

THE CHAIRMAN: Gentlemen, it is a very great honour which you have conferred upon me and upon my country in electing me to this onerous position. I can only express my very sincere hope that I shall prove worthy of the confidence which you have expressed in me. Thank you.

The next item on our agenda is the election of the Vice-Chairman. I would call for nominations for the position of Vice-Chairman.

MR. J.P.D. JOHNSEN (New Zealand): Mr. Chairman, I have much pleasure in nominating as Vice-Chairman of this Committee Dr. Speekenbrink, head of the Netherlands Delegation, whose reputation and qualifications are, I am sure, well known to those present.

THE CHAIRMAN: Is the nomination of Dr. Speekenbrink supported?

(The nomination was supported by the delegates of Belgium, Brazil and Czechoslovakia)

The nomination has been seconded a number of times, gentlemen. Are there any other nominations?
If not, I shall declare Dr. Spoekenbrink elected.

(Applause).

THE VICE-CHAIRMAN: Mr. Chairman, in accepting this nomination I wish to thank the delegate of New Zealand for proposing me and the other members for supporting the nomination, and also to express my sincere wish to serve this Committee as best I can. In expressing this wish I only hope that although Rules 8 and 9 will apply to the Chairmanship and Vice-Chairmanship of this Committee, only Rule 8 will have to be used.

THE CHAIRMAN: The next item on our agenda is the preliminary consideration of the agenda of the Committee and its programme of work. I would be grateful for any suggestions on that matter, but I understand that the Secretariat have prepared a provisional agenda, which, if it is the wish of the Committee, I can circulate immediately. Is it the wish of the Committee that I circulate this now?

(Agreed)

I shall be grateful if delegations would on the first round content themselves with one copy, as we have not had time to get a large number ready, but if there are any over there will be additional copies available for delegations.

Gentlemen, I understand that this provisional draft agenda has been prepared on the basis of the main headings in the draft American Charter. I suggest that we may confine ourselves at this stage to any general comments which delegates may wish to make on the draft, because it is a fairly complex document and I think that most delegations would like time to examine it with some care. I suggest, therefore, if it is agreeable to you, that we deal only with any major points which you may wish to make, and that we adopt it provisionally subject to those points, with a clear 5.
understanding that it is open to the Committee to alter the agenda progressively as we proceed.

MR. HOLMES (United Kingdom): Mr. Chairman, I should like to ask, if I may, whether I should be right in assuming that the adoption of this as the provisional agenda for Committee II does not necessarily involve those subjects being taken in this particular order, but that that is a question which would be left to the Committee to decide, perhaps at its next meeting, after it has had an opportunity of considering these subjects?

THE CHAIRMAN: I think I can assure the delegate for the United Kingdom that the order in which these items will be taken is a subject which could be determined by the Committee at its pleasure.

Are there any comments on this draft?

MR. VAN KLEFFENS (Netherlands): Mr. Chairman, just one point: These items, especially those under the heading "A", are very technical things. I should like to have it understood that the delegates here may be assisted now by their advisers and may ask them to speak on these items.

THE CHAIRMAN: It would appear to me that many of these items can best be dealt with in sub-committees of this Committee, and it would be for the various delegations themselves to decide whether they sent technical officers to those sub-committees or whether they took such technical officers along with the delegates, and it should be understood, I think, that in such discussions it would be for the delegation to decide whether its point of view would be expressed by its main delegate or by a technical officer whom he wished to nominate.

MR. HOLMES (United Kingdom): Mr. Chairman, in so far as there is bound to be some discussion of these very technical questions at the meetings of the Committee itself, perhaps
both before and after their examination by a sub-committee, would it not be possible for experts to be requested to speak to those subjects at the main Committee at the wish of the head of their delegation or the representative of their country on the Committee?

THE CHAIRMAN: Yes.

MR. R.K. NEHRU (India): Sir, in view of the suggestion you have made, that you might defer any detailed discussion for the present, we do not wish to make any observations on these proposals, but with regard to Item "B" there seems to be some misunderstanding. As regards Reduction of Tariffs and Elimination of Preferences, our understanding is that this question will be taken up at a much later stage, after the requests for concessions have been considered by various countries. Therefore, I presume the discussion will be confined to the principle, and that the actual discussion on Elimination of Preferences will not be taken?

THE CHAIRMAN: I do not think there is any question of dealing with actual negotiations for the reduction of tariffs and preferences at this meeting. The item "B" would therefore be concerned only with any generally accepted principles to underlie those subsequent negotiations.

Are there any other comments?

M. JEAN RICHARD (France) (Speaking in French; interpretation):

Mr. Chairman, I entirely agree with the proposal made by the delegate of the United Kingdom that we set up sub-committees for the technical matters. I think that in the agenda of this Committee the most essential question is the question of Quantitative Restrictions under heading "C", and therefore I do not think that at the beginning of this work this Committee should be concerned with all technical
questions and set aside those most important questions in paragraph "C". Therefore, I think Quantitative Restrictions should be examined in this Committee by priority.

THE CHAIRMAN: The Secretariat will take the request of the delegate of France into account in working out the order of work.

MR. H.B. McKINNON (Canada): Mr. Chairman, I did not understand from the remarks of the delegate for the United Kingdom exactly what the representative from France took from them. In the first place, I did not understand him to say that we would set up sub-committees which would examine technical questions and only thereafter would we deal with anything on this agenda, and I did not take it that you did, Sir.

THE CHAIRMAN: No.

MR. H.B. McKINNON (Canada): It was rather that any member of this Committee is free at any time in connection with the discussion of any of these headings in this Committee to use other than his own voice, particularly on technical matters.

MR. HOLMES (United Kingdom): Mr. Chairman, the delegate of Canada has correctly interpreted what I intended to say. I am sorry if I did not make it sufficiently clear.

THE CHAIRMAN: I am sorry if I misunderstood the delegate of France, but I took his point to be a different one. That is, that he wished the subject-matter listed under Item "C", dealing with Quantitative Restrictions, to receive priority in the considerations of this Committee as a question of major importance.

M. JEAN RICHARD (France) (Speaking in French: interpretation): Mr. Chairman, that is exactly what I meant. I meant that this question under paragraph "C", Quantitative Restrictions,
should be dealt with as an essential matter in the workings of this Committee.

THE CHAIRMAN: Are there any other comments on the draft agenda?

I take it then that the draft agenda presented by the Secretariat is adopted provisionally.

I pass now to Item 3 of our agenda - an explanation by the Secretariat of the arrangements for the records of Committee meetings.

MR. WYNDHAM WHITE: There will be circulated to all the delegations a verbatim report of the proceedings of this Committee. That will be a restricted document, in view of the decision that the proceedings of this Committee are closed and private. We shall also make available to delegations as a restricted document a precis or summary of the proceedings, but I would emphasise again that that is a restricted document and not a public document.

We are also proposing that the Secretary of the Committee should prepare at the end of each day a short summary of the work of the Committee for inclusion in the Journal, which of course is a public document. We suggest that the Secretary should only issue that summary for inclusion in the Journal after having obtained the approval of the Chairman.

We have also agreed, at the request of one of the delegations in Committee I, that in that summary the Secretariat will avoid attributing particular expressions of opinion to particular delegations. We suggest that the Committee should give the Chairman discretion to authorise the release of the summary for inclusion in the Journal, on the understanding that he may, if he so wishes, consult with particular delegations if he thinks it desirable and
THE CHAIRMAN: Are there any comments or suggestions arising out of the remarks of the Secretariat?

(There were none)

Gentlemen, we have received from the Chairman of Committee I the following communication:

"Dear Mr. Chairman,

I have the honour to inform you that at its First Meeting this afternoon Committee I decided to suggest to your Committee to hold at the end of your meeting a joint meeting of both Committees to discuss the manner in which the problem of Industrial Development, in which both Committees are concerned, can best be dealt with. If this is agreeable to your Committee could you arrange to hold this meeting at 4.30 this afternoon in the Hoare Memorial Hall?

I have the honour to be,

Sir",

etc. I presume it is the wish of the meeting that I advise the Chairman of Committee I that we are happy to comply with his suggestion?

The fourth item on our agenda is the determination of the date of the next meeting. I understand that the Secretary-General has an unpleasant suggestion to put forward to you in this connection.

MR. WYNDHAM WHITE: Mr. Chairman, the unpleasant proposal which was foreshadowed is that the Committee should meet again tomorrow morning at 10.30. I might perhaps say that on an informal suggestion in Committee I, when a similar proposal received an unfavourable reception, I suggested as an alternative 10.30 p.m., so the Committee might bear that possible alternative in mind in considering my present proposal.

MR. AUGENTHALER (Czechoslovakia): I do not mind beginning at half past 10, but I would suggest the delegations may want to meet before that to discuss problems amongst themselves, and it would be very difficult to meet previous to that time.
MR. R.K. NEHRU (India): Sir, having regard to the fact that the paper which has been presented to us today contains details which require careful consideration, perhaps we might have Saturday and Sunday to think over the line of action we should adopt, and meet on Monday?

H.E. M. ALVAREZ (Cuba): Mr. Chairman, I just want to second the proposition already made by the delegation of India.

A DELEGATE: Mr. Chairman, we wish to support the delegation of India, that as we have technical problems to discuss beforehand we should meet not on Saturday, but on Monday.

MR. HOLMES (United Kingdom): May I ask in this connection what it is now proposed should be the programme for the other Committees, because it is difficult to consider the time of one without relation to the time of the others.

THE CHAIRMAN: Perhaps Mr. Wyndham White could enlighten us?

MR. WYNDHAM WHITE: Yes, Mr. Chairman. Exceptionally, tomorrow morning we had arranged for a meeting of Committee IV also at 10.30, on the understanding that in general we would try and avoid having Committees II and IV meeting at the same time. Then on Monday we had proposed that Committee II should meet again at 3 o'clock in the afternoon, at the same time as Committee III, and that Committees I and IV should meet at 10.30 on Monday and Committee V at 5 p.m. on Monday.

THE CHAIRMAN: I have a suggestion to put before the Committee. I realise that the prospect of working on Saturday morning just at a time when the English weather is being so clement is not necessarily a very attractive one. Furthermore, I do feel that there is a good deal to be gained from a careful study of what we have already received, and also from some consideration by the Executive of the Committee, if I can use that word, as to our future activities, and I suggest, therefore, that tomorrow morning the Secretariat and myself...
might confer upon an outline procedure and division of work, which perhaps we could put before you on Monday, so that from then on we would all be able to plan some time ahead for the allocation of our work and be properly ready for it. If that meets with the approval of the Committee we could abandon the meeting tomorrow morning, although I gather by the expression in Mr. White's eye that I should add that this is not to be regarded as establishing a precedent for subsequent Saturday mornings!

MR. VAN KLEFFENS (Netherlands): Is it 3 o'clock or 10.30 on Monday?

MR. WYNDHAM WHITE: 3 o'clock.

THE CHAIRMAN: I take it then that the Committee approves the suggestion that only the Executive should work tomorrow morning?

Are there any other items which delegates wish to mention? If not, I will declare this meeting closed, and ask you to adjourn to the Hoare Memorial Hall.

The meeting rose at 4.40 p.m.