

Assembly asked the Secretary-General to report to the twenty-fifth session of ECOSOC "on such possible forms of organizational and administrative machinery as may be necessary".

Canadian delegations at ECOSOC meetings and at the General Assembly have expressed sympathy with the desire of less developed countries to introduce and develop industries on a sound basis, and have supported the establishment of a United Nations programme of work in this field. It is the Canadian view, at the same time, that the subject of industrialization is large and complex. Care should be taken, when planning a programme of work, to define the area of United Nations interest and to ensure that United Nations studies and projects will be of practical value to under-developed countries in working out and putting into effect sound programmes of economic development. It is also important that the United Nations should not duplicate facilities made available by other international organizations, particularly the International Bank. The view has also been expressed by Canadian delegations that existing United Nations machinery can, with minor modifications, be adapted to meet the requirements of a useful programme of reasonable proportions.

At the end of the period under review a number of United Nations projects in the field of industrialization had been started: one is a general survey of the problem of capital intensity in industry in under-developed countries; another is concerned with the relationship of community development and co-operatives in the industrialization process; a third involves a number of case studies on environmental planning. The publication of a periodic bulletin on industrialization and productivity is also planned by the United Nations.

International Tax Problems

The ninth session of the General Assembly requested¹ the Secretary-General to continue his studies of the taxation of private international investment by capital-exporting and capital-importing countries, and to submit his studies to the Economic and Social Council. This resolution also requested ECOSOC to consider the reports of the Secretary-General and transmit the results of its deliberations to the General Assembly.

ECOSOC therefore had before it at its twenty-second session a memorandum prepared by the Secretary-General entitled "International Tax Problems—Taxation in Capital-Exporting and Capital-Importing Countries of Foreign Private Investment". This document reviewed historically the treatment of the subject in the Fiscal Commission² and in ECOSOC, and factually presented the main issues referring extensively to tax practices of various capital-exporting and capital-importing countries, including Canada.

Canada both imports and exports capital, but on balance is a capital-importing country. In the Fiscal Commission, Canadian representatives consistently joined with representatives of the major capital-exporting countries in opposing proposals advanced by a number of capital-importing countries for giving capital-importing countries the sole right of taxing

¹General Assembly resolution 825 (IX).

²A functional commission of ECOSOC abolished in 1954.