

The other way would be to make use of existing facilities. One such facility would be to take advantage of the provisions of Article XXIX of the General Agreement and to hold the meeting provided for in that Article. This could be supplemented by arrangements to hold another round of tariff negotiations. We can see, therefore, that through the machinery of GATT it would be possible both to bring about further reductions in tariffs and to formulate new trade rules better adapted for the conduct of world trade on a broad multilateral basis than the existing provisions of the General Agreement.

Of the two ways in which the objectives of the Commonwealth Economic Conference can be pursued in the field of trade, the approach through GATT appears to be much more simple and practical than the approach through a conference. It is better to make use of existing facilities than to fashion new ones. This is all the more true when the existing facilities such as those offered by GATT are flexible and can be readily adapted to the new conditions and to the fresh outlook occasioned by the experience of the post-war years and by the examination we have been giving recently to the whole question of international trade and payments.

Article 2 of the North Atlantic Treaty provides that the parties will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them. This encouragement of economic collaboration needs to be dealt with on a basis wider than that of NATO. GATT provides such a basis because it embraces the majority of the leading trading nations of the world. Thirty-four countries are now contracting parties to the General Agreement. This represents an increase from the twenty-three countries whose representatives in 1947 signed the Geneva Final Act which authenticated the text of the General Agreement.

In fact, since its inception GATT has been steadily gaining in strength. Each session in proving more fruitful than the previous session. A useful technique has been developed for dealing with disputes between contracting parties.

This consists of appointing a group composed of a chairman, two neutral assessors and representatives of the two parties to the dispute. This has proved to be a highly successful method of settling disputes. A great deal of time at recent sessions has been taken up with consultations over import restrictions imposed in accordance with the balance of payment provisions of the General Agreement. This at first revealed a legalistic approach to the question of import restrictions not unlike the debates which had been taking place in the International Monetary Fund. The reason for this attitude had been that countries were sending to the GATT sessions their financial experts who approached the problem from the same point of view as their representatives in the Fund.

The seventh session of GATT which took place in Geneva last autumn proved to be the most lively and successful of all of the GATT sessions. The most important topic discussed was the granting of a waiver to the Schuman Plan countries to enable each of them to extend preferential treatment to the coal and steel products of the other members of the Community. The discussion of this subject