

Hon. Mr. CRERAR: It is not a question of suffering an injury.

Mr. COUILLARD: It is as the hon. senator said.

Hon. Mr. CRERAR: This is the point I want cleared up. It is a case where one member of the club, so to speak, breaks the rules. Now, if one member of the club breaks the rules can the other nine members of the club say, "Well, you have violated the rules and we are going to bring you to time on it"? Can they do that?

Mr. COUILLARD: There are no provisions to that effect in either the Havana Charter or the General Agreement.

Hon. Mr. CRERAR: First he has got to break the rules. The first question is, does he break them?

Mr. COUILLARD: Before a country can bring a case before the organization, either the conference or the executive board, or, in the case of the agreement, to the contracting parties acting jointly, it must have suffered nullification or impairment of a benefit which would normally accrue to it under the agreement or under the charter; and any remedy which may be approved by either the conference or the executive board, or by the contracting parties must be appropriate—to use the terms of the charter—and compensatory. But first the country, as has been pointed out, must suffer a nullification or impairment, and secondly, the remedy must be appropriate and compensatory—and, of course, the circumstances must be sufficiently serious.

Hon. Mr. CRERAR: Well, the decision of the club is that the United States has, say, suffered an impairment in this case, that they have suffered an injury. Now, how is that righted? What is the process of punishment, or is there any, against the offending party?

Mr. COUILLARD: An action which the contracting parties could take would be to permit the United States to withdraw tariff concessions, or to release it from certain obligations towards the offending country.

Hon. Mr. CRERAR: Could the other members say, "Well, we will also withdraw these privileges that we have given Canada"? Could they do that?

Mr. COUILLARD: They could not do that.

The CHAIRMAN: In the case of margarine it would affect countries like the United States and possibly Denmark and other European countries that are exporters of that product.

Hon. Mr. ROBERTSON: I suppose they would join in the complaint.

Hon. Mr. KINLEY: As long as we do not manufacture it ourselves I do not think there should be any discrimination.

The CHAIRMAN: They have no right to say anything as to what we ourselves manufacture.

Hon. Mr. KINLEY: Take our excise tax. We have it against American automobiles and we have it in Canada, so there is no discrimination.

The CHAIRMAN: You are talking about manufacturing.

Hon. Mr. KINLEY: I am talking about the same thing you are. I am talking about oleomargarine.

The CHAIRMAN: This has only to do with the ban on importation.

Hon. Mr. NICOL: Do you not think this treaty goes beyond the single item of oleomargarine. Oleomargarine is only one item.

The CHAIRMAN: It is important.

Hon. Mr. NICOL: May I ask a question, Mr. Couillard? When do you expect the treaty to be put into force and executed?

Mr. COUILLARD: The Havana Charter, you mean, sir?

Hon. Mr. NICOL: Yes.