

Hon. Mr. NICOL: The contract is completed and signed?

Mr. COUILLARD: The final act? Yes. The charter goes now to national legislatures for ratification or otherwise.

Hon. Mr. NICOL: Was it signed by the fifty-eight countries?

Mr. COUILLARD: It was signed by fifty-three countries. The Argentine did not sign, Poland did not sign. Turkey, mostly I think for technical reasons regarding full powers, did not sign the final act at Havana.

Hon. Mr. NICOL: You spoke of countries that were not parties to the contract and could come in?

Mr. COUILLARD: Yes. I was referring to countries who are not contracting parties to the General Agreement on tariffs and trade.

Hon. Mr. NICOL: But could come in?

Mr. COUILLARD: Yes, sir.

Hon. Mr. NICOL: And get the benefit of the contract?

Mr. COUILLARD: That is correct.

Hon. Mr. NICOL: Would Spain be one of those countries?

Mr. COUILLARD: Spain was not invited to the Havana conference, sir.

Hon. Mr. NICOL: Could they be one of the countries that would come in?

Mr. COUILLARD: I think that a strict interpretation of the membership provisions, article 71, paragraph 2, of the charter would permit the conference of the future organization to discuss and possibly to approve an application on the part of Spain to become a party to the Havana charter. The question was not discussed at Havana, and I would personally think that that problem would be left to the United Nations.

Hon. Mr. CRERAR: May I come back again to this matter of a possible dispute between the United States and Canada? Take as an illustration this ban on margarine. Now, if that dispute were to develop, I understood you to say that the signatory powers would sit in judgment?

Mr. COUILLARD: That is correct.

Hon. Mr. CRERAR: Nine signatory powers would sit in judgment. If they supported the United States point of view, and Canada persisted, the United States then could invoke sanctions against Canada in the way of withdrawing the privileges that Canada enjoyed under the agreement, as far as the United States was concerned?

Mr. COUILLARD: They could be authorized to withdraw concessions, or indeed be released of certain obligations towards Canada to an extent appropriate and compensatory having regard to the nullification or impairment suffered by the United States; all this would be done if the contracting parties consider that the circumstances are serious enough.

Hon. Mr. CRERAR: Does the machinery provide that the nine other contracting parties would take similar action?

Mr. COUILLARD: That is not specifically covered. It would be a question to be treated on an *ad hoc* basis having regard to the nature of the case.

Hon. Mr. CRERAR: What I had in mind was, the other nine members might say, "Well, Canada has broken the rules of the club; therefore we all will jointly take action against Canada". Is that a possibility?

Hon. Mr. NICOL: They would have to have an injury.

Hon. Mr. CRERAR: I am assuming for the moment that when the nine nations sit in judgment on this dispute they would come to the conclusion that the the rules had been broken.

Hon. Mr. NICOL: A party must suffer an injury. You are asking if the remedy which applied to the United States would apply to the other nine. If they do not suffer an injury they cannot complain.