The Conference adopted the following text, which involved only an amendment in detail:

"The Conference:

"Desiring to place on record its high appreciation of the value of the work accomplished by the International Institute of Agriculture, the International Institute of Statistics and the International Chamber of Commerce in preparation for this Conference;

"Recommends 1 that, in future, account should always be taken of the technical views and the scientific work of the competent international organisations."

Paragraph 1.

M. KRITZMANN (Union of Soviet Socialist Republics) reminded the Conference that he had already proposed a solution of the problem of the composition of the Committee of Technical Experts, which should, in his opinion, be acceptable to States which were not Members of the League. That proposal had been rejected. A new compromise, which he had submitted to the Bureau, had also been rejected.

The U.S.S.R. delegation asked that the Conference should take a decision on that compromise. His delegation could not approve the present text of paragraph 1 of Article 8.

Mr. Durand (United States of America) said that the American delegation abstained from voting.

M. BARROZA-CARNEIRO (Brazil) said that his delegation also abstained.

Paragraph 1 was adopted.

Paragraph 2.

M. CLAESSENS (Organisation for Communications and Transit) proposed to amend, as follows, the last sentence of paragraph 2:

"The Committee shall not without previous consultation with the competent international organisations make any recommendations, etc."

M. KRITZMANN (Union of Soviet Socialist Republics) said it was impossible for him to approve paragraphs 2 and 3.

M. Szturm de Sztrem (Poland) proposed that in paragraph 2 the word "recommendations" should be replaced by the word "reports", as the Committee of Experts had no power to bind the Governments. He also suggested that before the sentence "it shall examine all suggestions to the same end" the following phrase should be inserted: "these reports will be communicated to all the contracting States".

After an exchange of views between M. Pullerits (Estonia), M. Julin (Belgium), M. Gini (Italy), M. Ito (Japan) and M. Huber (France), the President said he thought that it was better to use the word "opinion" than the word "reports" in place of the word "recommendations". The countries to which these opinions were communicated would feel that they enjoyed a wider discretion.

Paragraph 2, thus amended, was adopted unanimously, except for the vote of the delegation of the Union of Soviet Socialist Republics.

Paragraph 3.

M. ITO (Japan) said that the French text was ambiguous. The States concerned were not "la moitié des États Membres de la Société et des États non membres" but "la moitié de tous les États membres ou non membres", which had ratified the Convention.

He further pointed out that it would be better to use the ordinary formula: "Les membres de la Société des Nations et les États non membres", as certain countries which formed part of the League of Nations were not legally States.

Paragraph 3, thus amended, was adopted.

Article 9.

Mr. Durand (United States of America) observed that the work of the Committee of Experts would be facilitated if, before its appointment, the signatories would send to the Secretariat not only their statistical returns, but also their working documents, such as questionnaires, etc. He had first proposed that a recommendation should be made in that sense, but he recognised that the despatch of the documents might be effected unofficially.

The President took note of Mr. Durand's remark and observed that the Conference was in agreement.

M. Gini (Italy) said he would prefer that the international interchange of documents should be made directly between the statistical services. Otherwise, these documents would have to be exchanged through the ordinary diplomatic channels, a process which was often very slow. There was already in existence an international agreement concerning international interchange of statistics. He had himself observed the advantages of such interchange, and desired to press his proposal.

The Conference decided to replace the expression "with each other" by the word "directly".

Article 9 was adopted.

1 The original draft then read: "... that the League of Nations continue to take account of the technical views ..."
Article 10.

M. Bikelas (Greece) asked for certain explanations in regard to the interpretation of Article 10. The Greek delegation wished to be sure that Article 10 could not be interpreted to mean that in the event of a dispute between the nationals of countries signing the Convention any responsibility would lie upon the State in respect of its official statistical returns.

The President replied that the Article could not be interpreted in that way, and that the delegate of Greece had nothing to fear in that connection.

M. Kritzmann (Union of Soviet Socialist Republics) said that the U.S.S.R. delegation accepted Article 10 in view of its optional character. Nevertheless, he thought it desirable to point out that the Union of Soviet Socialist Republics would in no case submit any dispute relating to the present Convention to the Committee of Experts, and did not, therefore, regard itself bound to appear before that Committee as the result of any complaint by another contracting party.

Article 10 was adopted.

Article 11.

M. Kritzmann (Union of Soviet Socialist Republics) said that, in view of the fact that his country was not a Member of the League of Nations, it could not fulfil the formalities referred to in this Article. The instruments of ratification, denunciation, etc., mentioned would be deposited by the U.S.S.R. Government with one of the Governments participating in the present Convention, with which it was in normal diplomatic relations.

The U.S.S.R. delegation would take this opportunity to draw the attention of the Conference to the fact that in all other cases in which the Convention contemplated the necessity of recourse to an organ of the League of Nations, whether that reference were in the text of the Convention or in the recommendations and annexes, it would not be possible for the Union of Soviet Socialist Republics to resort to any other body than the Committee of Experts.

Article 11 was adopted.

Article 12.

M. Huber (France) asked that the text should be modified so that it would clearly indicate to what Geneva conference it referred. There were many Geneva conferences, nor was it possible to refer to the first Economic Statistical Conference, as there had already been a Statistical Conference at Brussels. The reference might be to "The Conference which prepared the present Convention."

Article 12 was adopted, subject to such amendment of the text as the observations of M. Huber might, in the opinion of the Drafting Committee, render necessary.

Article 13.

M. Colesco (Roumania) said that the publication of the statistics could not take place within the period indicated in this Article.

Sir Sydney Chapman (British Empire) observed that it would be a mistake to amend the present text and to be too precise. On the supposition that the Convention came into force in October, 1929, it was certain that numerous countries would not be able to introduce into their statistics the changes which were necessary as from January 1st, 1930. It would only be able to do so on January 1st of the following year. It could not in such a case be said that there would be a breach of the Convention.

M. Gini (Italy) said he agreed with Sir Sydney Chapman. The question had been raised at the meeting of the Bureau and settled in the sense which had just been indicated.

Article 14 was adopted, without amendment.

Articles 15 and 16.

Article 15.

M. Huber (France), referring to the last sentence, asked what would be the position if a State opposed a reservation?

The President replied that the Convention was a contract. The refusal of a single contracting party to accept a reservation formulated by another country would suffice to make it impossible for that country to adhere to the Convention.

Mr. Beckett (British Empire) agreed with that interpretation.

Mr. Durand (United States of America) said he had some doubts on the desirability of the words "with such explanations thereupon as he shall think fit". Would it be for the Secretary-General to give any explanations in regard to the matter? The words referred to by Mr. Durand were suppressed.

The remainder of the Article was adopted.
Article 18.

The President said that the Convention was now adopted at a first reading.

19. Examination of the Resolutions and Recommendations of the Final Act (Document C.S.O./60).

The President read the following resolution, which would be resolution 1 of the Final Act (document C.S.O./71):

"The Conference declares that it is its desire that the Committee of Experts referred to in Article 8 should be composed of members selected for their technical competence only and in no way as representing the countries of which they are nationals."

M. Dvolaitsky (Union of Soviet Socialist Republics) said that his delegation would abstain from voting. He thought that the Council of the League of Nations, not being a scientific body but a purely political organisation, had not the necessary competence to appoint the Committee of Experts.

The resolution was adopted.

The President said that resolutions 2 and 3 had been adopted at the previous meeting.

Resolution 4.

Mr. Durand (United States of America) said that, according to the present drafting of the resolution, the meeting of international conferences of statisticians was only contemplated for Europe. He would propose that the expression "countries situated at a long distance from Europe" should be replaced by some such expression as "countries situated at a long distance from one another".

The President proposed that the resolution should be referred back to the Drafting Committee.

The Conference agreed.

Recommendation I.

Mr. Durand (United States of America) proposed to replace the word "furnished" by the words "compiled and published".

The amendment was adopted.

M. Szturn de Szterm (Poland) proposed that in paragraph 3 the expression "with the aid of the Committee of Experts" should be replaced by the expression "with the aid, if they so desire, of the Committee of Experts".

The President pointed out that the recommendation was not compulsory, and that this amendment was superfluous.

Mr. Durand (United States of America) said he, nevertheless, thought the amendment might be accepted.

Recommendation I was adopted with the amendments proposed.

Recommendation II.

Mr. Durand (United States of America) said he did not like the expression: "signature of such list should be deemed to be an undertaking". The fact that the delegates had signed the Convention did not bind the Governments.

After an exchange of views between Mr. Holloway (South Africa), Mr. Durand (United States of America), M. Gini (Italy), and the President, it was agreed that the Drafting Committee should be asked to submit a new draft.

Sir Sydney Chapman (British Empire) proposed that in paragraph 2 (b) the expression "not later than September 30th, 1929", should be replaced by the expression "if possible before September 30th, 1929", and that, in paragraph 2 (c), the formula "not later than June 1st, 1930", should be replaced by the expression "if possible before June 1st, 1930".

This proposal was referred to the Drafting Committee.

Recommendation III.

Mr. Hobson (International Institute of Agriculture) proposed that the Institute of Agriculture should be mentioned first, as it was an official body created under a Treaty.

The President also proposed that the Institute of Agriculture should be mentioned first, in view of the fact that such an arrangement would also be in conformity with the alphabetical order of the bodies.

M. Huer (France) observed that the International Institute of Statistics was mentioned first because it was created before the other bodies.

The Conference decided to follow the order of seniority.
Recommendation IV.

Mme. Falkner-Smit (Union of Soviet Socialist Republics) thought that the first draft as adopted by the Bureau was preferable, since it was more precise.

After an exchange of views between M. Huber (France) and Mr. Durand (United States of America), the Conference adopted the following text:

For the first paragraph: "prepare a detailed draft nomenclature of the branches of economic activity and occupations".

The rest of the recommendation was adopted.

Recommendations V, VI, VII and VIII were adopted, with an amendment in form in Recommendation VIII.

ELEVENTH PLENARY MEETING.

Held on Thursday, December 13th, 1928, at 11.30 a.m.

President: M. Rappard.


Declaration of the Delegation of the Union of Soviet Socialist Republics.

M. Dvolat'sky (Union of Soviet Socialist Republics) said that the Soviet delegation maintained the amendments which it had proposed during the first reading of the Convention, but that in order not to waste the time of the Conference, it would confine itself at present to a general declaration in regard to them.

Title.

The title was adopted in the following form: "International Convention relating to Economic Statistics" ("Convention internationale concernant les statistiques économiques").

Adopted.

Preamble.

Article 1.

M. Muchfik Selami (Turkey) said that Article 1 imposed a categorical obligation on the High Contracting Parties to publish certain statistics. It might happen that States, owing to unforeseen circumstances, might consider the publication of certain statistics at a particular moment as likely to prejudice their national security. He felt bound on behalf of the Turkish delegation to make a reservation in regard to such statistics.

The President said that there was no explicit reservation in regard to national security in the interpretations and reservations referred to in paragraph 3 of Article 1. His attention had been called to this question by several delegations, and he had found that it was the general opinion that no country would feel bound by the Convention in cases where the fulfilment of its obligations might prejudice the national security.

Sir Sydney Chapman (British Empire) said he did not think any specific reservation on this point was necessary. It was clearly understood that no country was under any obligation to publish figures which might endanger its security, and he did not think that any clauses of the Convention would require publication of any figures that would come under that description.

M. Gini (Italy) enquired whether there was any precedent in other international conventions for the insertion of a reservation such as the Turkish delegation had put forward.

M. Huber (France) said that the present Convention was obviously only applicable in normal circumstances. There might be extraordinary cases which would prevent its application; the Turkish delegation had drawn attention to some of them. There were others; for example, a portion of the territory of a contracting State might be invaded, and it would then be impossible for that State to publish statistics in respect of that territory. Or statistical records might be destroyed owing to some natural catastrophe. He did not think it was necessary to deal with such cases by means of reservations.
The President, in reply to the question put by M. Gini, said that there were several conventions, relating in particular to transit and labour, which contained reservations of the kind suggested by the Turkish delegation. He would procure information concerning those conventions, and would suggest that the discussion of the point raised by the Turkish delegation should for the moment be postponed.

M. Gini (Italy) said that, if such clauses were inserted in other conventions, it would seem that similar provisions would be necessary in the present case. The Conference would have to consider whether it was advisable to follow the precedents to which the President had alluded.

M. Muchfik Selami (Turkey) said that he had been formally requested by his Government to draw attention to the point which he had raised, at the moment of signing the Convention. Article I was adopted, the point raised by the Turkish delegation being reserved for further discussion.

Article 2.

**Paragraph I. — External Trade.**

*Adopted.*

**Paragraph II. — Occupations.**

M. Muchfik Selami (Turkey) said he understood that the census of occupations, referred to in paragraph II of Article I might be taken at the same time as the census of the population.

The President agreed.

**Paragraph II of Article 2 was adopted.**

**Paragraph III. — Agriculture, Live-stock, Forestry and Fisheries.**

M. Breisky (Austria), referring to paragraph III (A) said that Austria, while recognising the importance of the general census of agriculture, would not be able immediately to undertake the necessary work. She would endeavour to take a census at the earliest possible moment.

The President said that a similar situation might arise in respect of other provisions of the Convention and in respect of other countries. He wondered whether in this or in similar cases the Convention entailed obligations so absolute that special reservations were necessary. Was it possible to admit in general terms that the execution of certain obligations might be adjourned without such adjournment constituting an exception to the fulfilment of the obligations in principle?

M. Gini (Italy) pointed out that individual difficulties of Governments, as, for example, financial difficulties, could not be regarded as exempting them indefinitely from fulfilling their obligations under the Convention. It might be admitted that a country might, for special reasons, omit taking the general census in 1930, but the obligation in respect of the censuses to be taken in each future decade should be definitely recognised and fulfilled.

The President agreed that no definite obligation could be reasonably imposed for 1930, in view of the close proximity of that date. The question of a reservation for 1940 was hardly likely to arise, since States might in the meanwhile, if necessary, withdraw from the Convention.

M. Huber (France) pointed out that the words “if possible” occurred twice over in the paragraph under discussion. The obligation, therefore, to take a general census of agriculture was not strictly laid down, even in respect of each decade in succession to 1930.

M. Breisky (Austria) said it would only be possible for him to withdraw his reservation if the Conference was prepared to accept the declaration which he had made in lieu of it.

The President said he understood that the Conference agreed that the declaration made by the Austrian delegation and allowed by the Conference rendered an explicit reservation unnecessary.

M. Dore (International Institute of Agriculture) did not think it was necessary that the returns referred to in paragraph III (B) should show the areas sown or planted but not harvested. The figures required were the total areas sown or planted and the areas harvested. He therefore moved that the words “but not harvested” should be deleted.

**Paragraph III (B) of Article 2 was adopted,** in the following form:

“(1) The distribution of the cultivated area between the principal crops, stating, if possible, in cases where such information is of importance, both the areas sown or planted and the areas harvested; and . . . ”
M. Muchfiik Selami (Turkey) said that the annual statistics referred to in paragraph III (B) would be compiled by the Turkish authorities, but the Turkish Government could not at once undertake to make annual returns.

Mr. Holloway (South Africa) said that, in South Africa, a census of agricultural production was taken annually, but it had not been possible to find a method of estimating the area under cultivation by the individual native proprietors. The natives found it very difficult to be at all accurate in estimating the area of their farms. He must, therefore, make a formal reservation to the effect that it would not be possible for the South African Government to give figures showing the area under native crops.

The President asked whether it would be possible to meet the individual difficulties of the Governments of South Africa and Turkey without recording a formal reservation to the Convention. It was not possible for him as President to declare that the Convention might undertake to make annual returns. He must, therefore, ask the Conference to express its views on the subject.

Sir Sydney Chapman (British Empire) said he did not think that there was any serious difficulty in respect of the declaration of the South African delegate. He was not quite sure as to the significance of the declaration made by the Turkish delegation. He understood that the Turkish authorities intended to collect the necessary figures and to publish them, but that for the moment they could not make annual returns. He did not think that, if this were the case, an express reservation was necessary.

M. Muchfiik Selami (Turkey) said that the Turkish authorities would certainly do their utmost to compile the necessary figures and to publish annual returns as soon as possible.

M. Gini (Italy) said he was sure that the Conference would understand the scruples of the Turkish delegation and would accept the reservation it had made.

The President pointed out that there was a difference of opinion on the subject between M. Gini and Sir Sydney Chapman. Sir Sydney Chapman had expressed the view that a reservation was unnecessary. M. Gini had expressed the view that the Conference would be prepared to accept a reservation.

Sir Sydney Chapman (British Empire) said that, in his view, the Conference might accept the declaration of the Turkish delegation as rendering a formal reservation unnecessary. Turkey had accepted the obligation defined in the paragraph III (B), but the Turkish delegate had pointed out that it would be impossible for Turkey to publish the annual returns at once. He did not think that, if he understood the statement aright, a formal reservation was required.

M. Gini (Italy) thought that it would be more practical and straightforward if, in such cases, a formal reservation were made. Where circumstances prevented an immediate fulfilment of certain specific obligations embodied in the Convention, it seemed to him that formal reservations were both necessary and appropriate.

M. Breisky (Austria) thought that an endeavour should be made to avoid a formal reservation in such cases. States which had actually recorded a reservation to any of the provisions of the Convention might be less disposed to take steps to carry out the provisions covered by that reservation. A declaration was less formal in character and did not seem so seriously to detract from the obligation to which it referred. A declaration was obviously only intended to cover a provisional situation.

M. Gini (Italy) said he quite appreciated the point raised by M. Breisky, but nevertheless considered that it was essential for the delegates of the various States to indicate their precise position in respect of the Convention in the reservations which they made. The Convention laid down certain obligations and it was necessary that every State should know to what extent the other Contracting Parties were bound by those obligations. The position in respect of the mutual obligations of the various States should be clearly set forth in the Convention, so that each of the High Contracting Parties should be aware of the exact scope and character of the contract to which it was a party.

Sir Sydney Chapman (British Empire) said he would like to make his position a little more clear, and he would take the declaration of the Turkish delegation as a case in point. If the Turkish delegation accepted the principle of annual returns and felt that, within the period of the Convention, there was a reasonable prospect of publishing those returns, he suggested that it was more to the interest of the other delegations to accept the declaration of the Turkish delegate than to allow a reservation on the part of Turkey to paragraph III (B), which would entirely destroy the obligation to which it referred. A declaration, in his opinion, involved, first, that the principle of the obligation to which it referred was accepted, and secondly, that there was a reasonable prospect of fulfilling it within the period to which it must refer, the obstacle in the way of fulfillment at once being temporary.

In the case of Austria, he did not see that any reservation was necessary. There was no definite obligation that an agricultural census should be taken in 1930. That obligation would accordingly arise for the first time in 1940. It was impossible for the Government of Austria to make a reservation applying to a position which could not be foreseen, and it was equally impossible for the Conference to accept such a reservation.
M. Muchfik Selami (Turkey) understood that in the opinion of the British representative a reservation implied the non-application of certain provisions of the Convention. He could not quite agree with that view. It was possible in a reservation to accept a principle, but to define the conditions attaching to its fulfilment.

Mr. Craig (Egypt), referring to the reservation made by the South African delegation, pointed out that there was nothing in the paragraph under discussion which compelled States to guarantee the accuracy of their returns, and accuracy was always a relative matter. It would, of course, be understood that the accuracy of returns would depend on the means at the disposal of the various Governments. Was it, therefore, necessary for the South African delegation to make an express reservation on the subject of areas under cultivation by the natives?

M. Gini (Italy) thought the Conference would agree that a declaration or reservation such as the Turkish delegation had submitted would be accepted by the Conference. The practical point at issue was whether such a declaration should be inserted in the Convention or not. Personally, he thought it was necessary that the declaration should be included in the Convention. Sir Sydney Chapman, on the contrary, appeared to think it would suffice if such declarations were placed upon the Minutes. He would point out, however, that, if limitative declarations of this kind were merely placed upon the Minutes, the parties to the Convention would, in order to ascertain the extent of their mutual obligations, be obliged to consult the Minutes, and the Convention would not in that case be a self-sufficing instrument. It was, in his view, more proper to embody such declarations in the Convention.

Sir Sydney Chapman (British Empire) said he had no objection to embodying such declarations in the Convention provided they were carefully worded and did not constitute a reservation in respect of the principle or ultimate fulfilment of the obligations to which they referred. There were clearly two kinds of reservation. In regard to certain reservations the Conference might at once decide that they were unnecessary, and were merely put forward by the delegations owing to errors of interpretation. Other reservations were more doubtful, and these perhaps might be defined and recorded under Article 17. He was strongly of opinion that where reservations were not, in the opinion of the Conference, necessary, the Conference should say so.

Mr. Holloway (South Africa) said that he did not think the solution suggested by Mr. Craig could be accepted. The South African Government could hardly publish figures in which it did not itself believe. He had endeavoured to draft a clause for insertion in the Protocol which would cover the case to which he had alluded. The reservation he proposed would refer explicitly to returns made by natives and by persons who were illiterate.

M. Barboza-Carneiro (Brazil) said that the present exchange of views showed that it was essential for the Conference to take a definite decision on the question of principle which had been raised. A convention was, in his view, a series of obligations which were explicitly defined in a series of Articles. If exceptions were allowed in the case of certain States, those exceptions must be embodied in the Convention, or the States concerned had no legal right to take advantage of those exceptions. The Minutes of a conference had no legal validity, and nothing contained in them could be regarded as exempting States from the fulfilment of obligations explicitly laid down in a convention. He would ask the Conference to state definitely whether a reservation was necessary in order to exempt Turkey from the obligation under discussion.

The President agreed with M. Barboza-Carneiro that the Convention must, as a contract, be self-sufficing. and that nothing in the Minutes of a conference could be regarded as in any way amending a convention or detracting from its validity. If, however, a convention were in any point ambiguous or obscure, the Minutes of the Conference could be consulted in order to elucidate or interpret the Convention, and were for that purpose recognised as valid by courts of law.

Mr. Durand (United States of America) said he did not think the Article which Mr. Holloway proposed to insert in the Protocol was very satisfactory. There might be some difference of opinion as to the interpretation of such expressions as “native” and “illiterate”. It was better for the State concerned to make a definite reservation in regard to its specific difficulties. In his opinion, definite and formal reservations were a simpler method of dealing with exceptions than the introduction of qualifying articles into the protocol or a reference to the Minutes.

The discussion was adjourned.
TWELFTH PLENARY MEETING.

Held on Thursday, December 13th, 1928, at 3 p.m.

President: M. Rappard.


Article 2.

Paragraph III, A and B (Continuation of the Discussion).

Sir Sydney Chapman (British Empire) reported on his conversation with M. Gini concerning reservations. He said that they had come to a complete agreement. They thought that the reservations or applications that had been made for reservations all fell within one of the two following categories: (1) Reservations which constituted real exceptions to the Convention and which, as such, must be included in the latter in such form as the Conference might consider acceptable; and (2) reservations which were due to misunderstandings as to the meaning of the Convention and which should not be allowed since, in consenting to include them, the Conference would give the impression of endorsing erroneous interpretations.

Some delegates, it was true, had come with categorical instructions from their Governments, but the reservations which they had been instructed to make bore on the original draft Convention. The draft had since been amended in Committee and, in a number of cases, the reservations had lost their raison d’être.

In conclusion, Sir Sydney Chapman proposed that the Conference, while examining each article, should be asked to vote for the acceptance or rejection of the various reservations.

M. Gini (Italy) confirmed Sir Sydney Chapman’s statement.

M. Huber (France) thought that the Austrian delegate’s apprehensions were groundless. The Convention did not require an agricultural census except when the country concerned was able to hold one. That might be the case in ten or twenty years, on condition that the operation was carried out regularly every ten or every twenty years, and so on.

The President noted that the Conference agreed to allow Austria discretion to carry out the requisite census at any time which she thought expedient.

M. Muchfik Selami (Turkey) said that his country compiled certain returns annually, but he was not sure that it could undertake to publish annual returns. He would, therefore, ask for the inclusion of the following reservation:

"Returns provided for in this paragraph shall be compiled and published in Turkey at intervals as short as possible, but shall not be required annually."

M. Julin (Belgium), Rapporteur, said that the legal obligations resulting from the text differed essentially according to the case. In one case, the High Contracting Parties “undertook to adopt” certain principles, while in a second case they undertook to “adopt in a general manner”, and in a third, again, they undertook “if possible”. On this particular point, Turkey would be obliged to make a formal reservation, as the Convention did not say that the annual returns would be made if possible.

Sir Sydney Chapman (British Empire) hoped that Turkey would shortly be in a position to withdraw her reservation.

M. Ito (Japan) asked if the Conference intended to discuss only the reservations made by countries which were prepared to sign. That would greatly expedite the examination of the Convention.

M. Barboza-Carneiro (Brazil) expressed surprise at M. Ito’s suggestion. If a delegation made a reservation, it was because it could not undertake the responsibility of signing the Convention as it stood. It might, however, well happen that, even though the delegation was not in possession of powers to sign the Convention, the Conference would, by admitting a reservation, make it possible for the State concerned to sign after a short interval.

The President drew M. Ito’s attention to Article 12, for the drafting of which he had been partly responsible. If certain reservations were not made and adopted by the Conference itself, various countries which otherwise would have been able to sign the Convention before September 30th, 1929, would have to be classed among the countries which would adhere to the Convention, and would be obliged to ask approval for their reservations from all the contracting parties, thus causing an appreciable delay.

The President noted that the Conference was prepared to examine all reservations. The reservation of the Turkish delegation was adopted.

Mr. Holloway (South Africa) submitted the following reservation:

"Returns will not contain information with regard to area under crops on native farms and in native reserves, locations and mission stations."

The reservation was accepted.

Paragraph III, C and D. Adopted.
Paragraph III, E.

M. Barboza-Carneiro (Brazil) asked for the inclusion of the following reservation:

"These provisions will not apply to Brazil."

Sir Sydney Chapman (British Empire) said that, in his opinion, no reservation was needed. Brazil was not bound by the provisions in question, because her fisheries were neither very important nor organised.

M. Barboza-Carneiro (Brazil) pointed out that, in Committee, he had observed that the Brazilian fisheries were important and were partly organised. It must not be forgotten that Brazil had 7,000 kilometers of seaboard and an enormous river, the Amazon. In these circumstances, he could not withdraw his reservation.

M. Julian (Belgium), Rapporteur, read the second sub-paragraph of paragraph E, which was worded as follows: "Whenever it is not possible to render complete returns, an approximate indication of the extent to which such returns are defective shall be given". He thought that this stipulation allowed Brazil full latitude in the publication of her statistics.

M. Barboza-Carneiro (Brazil) said that his instructions were categorical. The reservation of the Brazilian delegation was accepted.

Paragraph IV. — Mining and Metallurgy.

Point 1, Non-metallic Minerals, was adopted.

Regarding Point 2, Metallic Minerals and Metals, M. Ito (Japan) said that hitherto his country had had no statistics for minerals, but that it would shortly begin to compile them. The work would have to be preceded by a new law and by financial appropriations, but it had not yet been decided with which ore to begin. Japan reserved her right not to begin with the ore of the greatest importance nationally. The Japanese delegation, therefore, asked for the acceptance of the following reservation:

"The choice of the ores shall be left to the discretion of the Japanese Government."

After an exchange of views between the President, Sir Sydney Chapman, M. Gini, and M. Westman, the Japanese reservation was accepted by the Conference.

M. Barboza-Carneiro (Brazil) asked that sub-paragraph (b) — Smelter Production, should not apply to Brazil.

Sir Sydney Chapman (British Empire) said that, in his opinion, this reservation was unnecessary. He pointed out that the world production of iron and steel was about 80 million tons, while the production of Brazil, of the remainder of South America and of Central America was estimated at only 50,000 tons.

Could it, in these circumstances, be said that the production of Brazil was of national importance within the meaning of the Convention?

Mr. Durand (United States of America) supported Sir Sydney Chapman's observation. He drew attention to the fact that the paragraph in question did not ask for complete statistics but merely for the effective or estimated output. Further, if the number of establishments was only a small one, the publication of the statistics was not required under the terms of the protocol. Mr. Durand hoped that the Brazilian delegation would withdraw its reservation.

M. Gini (Italy) expressed the same hope but did not altogether endorse the argument advanced by Sir Sydney Chapman. It was a question not of international importance but of national importance. In view of the great area of Brazil, the two criteria no doubt existed co-incidentally in that country, but such would not be the case in a small country, and for that reason, while agreeing in substance with Sir Sydney Chapman and Mr. Durand, he would utter a warning against this interpretation of the Convention.

Sir Sydney Chapman (British Empire) said that he had had in mind specifically the case of Brazil. On the general question, the criterion was undoubtedly national importance, but it was implied, he suggested, that this should be such as to constitute some international interest.

M. Barboza-Carneiro (Brazil) thought that if he accepted the standpoint of the delegates who had just spoken, there would be no obligation for Brazil. It would, however, be possible to prepare estimates if an effort were made. He thought, therefore, he could in any case withdraw his reservation.

Paragraph V. — Industry.

M. Breisky (Austria) thought that he might have to make a reservation with regard to decennial returns.

The President thought a reservation of that kind useless. The case was exactly the same as for decennial returns in regard to agriculture.

M. de Calheiros e Menezes (Portugal) said that the financial difficulties at present existing in his country prevented it from undertaking this commitment.

M. Funk (Danzig) said that the Free City, too, could not enter into this commitment. The political and economic situation of Danzig was an exceptional one. The territory was small, industrialists were confronted with keen competition and other numerous difficulties, and no change could be expected in the situation within a short period. Nevertheless, the Free City was quite prepared to reconsider her reservation once the situation in her territory had improved.
M. Mřáz (Czechoslovakia) said that it was a great satisfaction to him to be able to state that, in consequence of fresh instructions from his Government, he would be able to withdraw his last reservations in regard to statistics of industrial production and indices of industrial activity, subject, of course, to the condition that these statistics were not required within the next few years.

Furthermore, he pointed out that in Czechoslovakia, as in Austria, a certain number of industrial statistics were returned regularly—for example, the output of breweries, sugar refineries, distilleries, coke and briquette kilns, etc. Preparations were being made for a return in the following year of the production of electric power and steel; it was proposed gradually to extend this work to the other important industries.

M. Mřáz hoped that the Conference would recognise that the statistics of production now compiled in Czechoslovakia complied with the provisions of the Convention and would note that statistics for the other industries would be compiled successively as and when adequate financial means became available.

The President took note of M. Mřáz's declaration. He observed that the Conference agreed to accept the Czechoslovak delegation's point of view and expressed its gratification that it had been possible for a reservation to be obviated in this way.

M. Muchfik Selami (Turkey) observed that, while sincerely desirous of compiling and publishing the returns for industrial production and the statistical series provided for in Article 2, paragraph V, B and C, in accordance with the spirit of the Convention, his Government was obliged for the moment to make certain reservations in regard to the statistics in question.

M. Bikelas (Greece), on behalf of his delegation, said that, for technical reasons, and notwithstanding her persistent endeavours to obtain the necessary elements, Greece would be unable to supply all the data provided for in sub-paragraphs B and C, at any rate in the near future. He could say, however, that Greece would endeavour to apply the principles indicated in the annexes to Articles 6 and 7.

These reservations were the result of the experience gained by the Greek Government, which had been led to believe that, in the present stage of national economic development, it would be impossible for the country to carry out immediately the aforementioned principles.

In the absence, on the one hand, of special legislative measures obliging those concerned to furnish exact data, combined on the other hand with the lack of a technical staff of inspectors who could inspect the factories on the spot, give guidance to such persons as might be competent to supply the statistics, and then verify the information obtained on the spot, investigations of the kind required would be almost impossible and would give only a faint picture of the truth.

The Conference adopted, in respect of Portugal, the Free City of Danzig, Turkey, and Greece, the following reservation:

"The returns provided for in these paragraphs will not be required."

Paragraph VI. — Index Numbers of Prices.

M. de Calheiros e Menezes (Portugal) asked for the inclusion of the following reservation:

"Monthly publication of index numbers will not be required in the immediate future."

Mr. Durand (United States of America) thought that, if a country collected statistics quarterly, it could do so monthly without great additional expense. He realised the reason for which South Africa was not prepared to publish monthly returns, but conditions there (the area of the country and so forth) were quite different from those obtaining in Portugal.

Sir Sydney Chapman (British Empire) asked whether Portugal would be able, in a year or two, to furnish the statistical returns required.

M. de Calheiros e Menezes (Portugal) was unable to give any assurance on this point.

M. Barboza-Carneiro (Brazil) recalled that his country did not publish indices of wholesale prices. It undertook to do so, but it would begin with a few of the big cities. Indices of wholesale prices could not be prepared at once for the whole country, as Brazil had an enormous territory, and the economic districts were to a very great extent independent of one another. He wished to know whether the Conference would consider such an interpretation of the article under discussion sufficient. Otherwise, the Brazilian delegation would be obliged to make a reservation.

The President, in reply to an observation of M. Néculea, said that Article 8 of the Protocol covered Brazil and Mexico. The same did not apply to Portugal, which had a far less extensive area.

Sir Sydney Chapman (British Empire) thought that a reservation would be necessary in the case of Portugal.

The reservation submitted by Portugal was adopted.

M. Villegas (Mexico) observed that his country realised the importance and the necessity of publishing indices of the cost of living. It could not undertake to publish them at the present time, but would do so later on a quarterly basis. It intended to publish indices of wholesale prices quarterly. Seeing that the Conference held that Mexico was covered by Article 8 of the Protocol, he would make no reservation.
Article 3.

M. Ito (Japan) said that, for legal considerations, he could not accept the second paragraph except as a recommendation.

M. Muchifik Selami (Turkey) associated himself with M. Ito's declaration.

Sir Sydney Chapman (British Empire) said there were grounds for thinking that M. Ito was prepared to sign the Convention on Friday, December 14th, and that he had not had time to receive instructions from his Government. The reservation might be accepted by the Conference, which might nevertheless express the hope that it would be withdrawn.

The Japanese reservation and the two reservations submitted by the Turkish delegation were accepted.

Adopted without discussion. Articles 4, 5, 6 and 7.

Article 8.

M. Kritzmann (Union of Soviet Socialist Republics) said that his Government could not accept this article.

Mr. Durand (United States of America) requested the Conference to note that his delegation abstained.

M. Barboza-Carneiro (Brazil) said that the same remark applied to the Brazilian delegation. Article 8 was adopted.

Adopted.

Article 10.

M. Kritzmann (Union of Soviet Socialist Republics) requested the Conference to take note of the declaration which he had previously made in regard to Article 10 and to Articles 11 to 18.

Article 10 was adopted.

Paragraph 1.

M. de Bussy (Netherlands) said that, under this article, the Netherlands assumed no obligation in respect of the Dutch East Indies.

The President noted that the Conference took note of this declaration, which did not amount to a reservation.

M. Bikelas (Greece) recalled that he had submitted a reservation in regard to Article 10.

The President agreed. The representative of Greece had said that, if this article allowed a national to make a complaint against a foreign State because of the statistics produced by that State, he would be compelled to make a reservation. The President had recalled that the Convention constituted an engagement between States, and could not provide ground for an action by an individual against a State. The Conference had accepted this interpretation. If the proposed reservation were now agreed to, it would make it possible for that very eventuality to occur which the delegate of Greece desired to avoid. It was impossible, therefore, to give him more satisfaction than to keep the present text without change. In any case, the Greek Government would never be exposed to a complaint from the national of another country in regard to the statistics which it published.

M. Ito (Japan) entirely agreed with the President. Such an amendment would indeed be contrary to the nature of the Convention, which had nothing to do with private persons.

Paragraphs 2, 3 and 4. Adopted.

Article 12.

M. Ito (Japan) recalled that M. Huber had raised an objection to the term "Geneva Conference", but that he had since then informed the Drafting Committee that he was prepared to withdraw it.

M. Huber (France) said he had simply expressed a desire for greater precision. As, however, it would prove necessary to replace this expression by a long paraphrase, and, in view of the fact that no confusion was possible, he was quite willing to maintain it.

Article 12 was adopted. Articles 13, 14, 15, 16, 17 and 18.
22. Adoption of the Protocol.

Additional Clause to the Protocol (document C.S.O./72).

M. Muchfik Selami (Turkey) proposed a somewhat different text for this additional clause. It was a question of laying down that each High Contracting Party might suspend publication of any statistics connected with the defence and security of the country.

M. Ito (Japan) recalled that the Drafting Committee had unanimously considered that such an addition was unnecessary. In order to satisfy the Turkish delegate, however, it had included a provision already existing in a number of previous Conventions.

The President hoped that, at a period when the outlawry of war had been declared, the present text would give satisfaction to the Turkish delegate.

M. Muchfik Selami (Turkey) proposed a somewhat different text for this additional clause. It was a question of laying down that each High Contracting Party might suspend publication of any statistics connected with the defence and security of the country.

M. Ito (Japan) recalled that the Drafting Committee had unanimously considered that such an addition was unnecessary. In order to satisfy the Turkish delegate, however, it had included a provision already existing in a number of previous Conventions.

The President proposed the following amendment. Instead of referring to "grave events threatening its national security", the phrase could run "grave events threatening the security of the State". This would make it possible to cover the state of civil war.

M. Huber (France) thought that the text should also cover the case of force majeure. For example, fire might destroy the records of a census. He proposed the following text: "in case of force majeure or grave events".

The President noted that the position which the Turkish delegate was obliged to assume forced the Conference to contemplate a reservation. From the legal point of view, however, no reservation had ever been made to a Protocol. The only means, therefore, at the disposal of the Turkish delegation would be to make a reservation to Article I of the Convention.

M. Ito (Japan) agreed that this was the only procedure possible.

M. Muchfik Selami (Turkey) willingly agreed to this suggestion.

Sir Sydney Chapman (British Empire) could not accept this reservation to Article I, for it implied that all those States who did not make such a reservation would be supposed to have renounced the benefits of that provision.

Mr. Flux (British Empire) did not see what part statistics played in the question covered by the reservation, nor what statistics would place a Government in an embarrassing position. If grave events occurred, any Government might suppress that part of its statistics upon which it did not wish to give details.

M. Muchfik Selami (Turkey) was unable to explain in detail, for the amendment was designed to cover unforeseen circumstances. It might quite well happen, however, that part of the statistics of a State might at a particular moment assume the character of State secrets.

The President thought that this prudence would be understandable if States were compelled to give details regarding the exact nature of each object. No statistics, however, furnished secrets of manufacture.

M. Gini (Italy) noted that the additional clause submitted by the Drafting Committee was in conformity with the clauses contained in previous Conventions, and covered every case. The Conference could, therefore, approve it. He thought that his Turkish colleague might ask for instructions from his Government on the text.

M. Muchfik Selami (Turkey) was well aware of the extent of his powers and the intention of his Government, and was forced to maintain his point of view.

M. Huber (France), in order to avoid a legal difficulty, proposed that the additional clause should figure as a fourth paragraph of Article I. It was a clause which was of interest to all nations. He would also propose the deletion of the expression "in case of war", for that was obvious.

The text would, therefore, read "each of the High Contracting Parties can, in case of force majeure or grave events threatening the security of the State, suspend as an exception . . ."; the remainder without change.

The President recalled that, unhappily, a reservation to this clause, even if inserted in Article I, would not be adopted by the Conference. In any case, the text could be adopted with the amendment proposed by M. Huber. He would propose to draft the end of the paragraph as follows: "as an exception to suspend for as short a period as possible, and, in so far as circumstances require, the application of the provisions of the present Convention".

The text proposed by M. Huber and the President was adopted and included in the Protocol.

The President next put the Turkish reservations to the vote, it being understood that it would be rejected if one delegation only refused to accept it.

The reservation was rejected.
M. Gini (Italy) expressed the hope that the Turkish Government would be able to note that the new text gave it satisfaction, and would instruct its plenipotentiary to sign the Convention.

The Protocol was adopted, with the insertion of this additional clause.

23. Adoption of the Annexes to the Convention.

ANNEX I.

M. Ito (Japan) said that the Drafting Committee had taken account in the new draft of this annex of all the desires expressed by the various delegations.

M. Jahn (Norway) made the following declaration:

In Norway, the system of declared values was applied to exports and to 30 per cent of imports. The Norwegian Government intended to adopt the system of declared values for the remainder of imports. Since, however, this was very closely allied with the problem of the re-organisation of commercial statistics and would involve expenditure, the Government could not at the moment give the date on which this reform could take place. The Government desired, however, to carry out this reform as soon as possible, probably quite soon, for it was aware that it was of considerable importance if commercial statistics were to be made as effective as possible.

M. Jahn added that it would not be of any value to introduce the system of declared values so long as the present method for the compilation of import statistics in Norway was in force. In order to make the system of declared values effective, it was therefore necessary to reform the statistics of imports. This reform would take place as soon as possible. A law already existed which obliged importers to declare the values of their imports.

The Ministry of Finance and the Central Bureau of Statistics, at the head of which was M. Jahn, were preparing a plan for reforming import statistics. M. Jahn could not, however, say when this reform would be carried through, but he hoped it would be in the near future.

The President noted that the Conference was entirely satisfied with this explanation, and that M. Jahn was ready to withdraw his reservation.

Mr. McGreer (Canada) said Canada withdrew the reservation that she had previously made. The first part of Annex I was adopted with certain drafting amendments.

THIRTEENTH PLENARY MEETING.

Held on Thursday, December 13th, 1928, at 9.30 p.m.

President: M. Rappard.

24. Adoption of the Annexes to the Convention (Continued).

ANNEX I (continued).

The above was adopted, with a few amendments of form.

In the course of discussion, M. Julin (Belgium), Rapporteur, replying to a question put by Mr. Durand (United States) explained that the expressions "country of purchase" and "country of sale" had been introduced into the text at the request of the Swedish delegation, in order to take into account the system of statistics adopted in the Scandinavian countries, which entered not only the countries of origin and provenance but also the countries where the goods had been effectively bought or sold. The object of such statistics was to ascertain exactly, with a view to establishing the balance of payments, the country where payments were effectively made or from which they effectively came. It had been desired, in particular, at the request of the Netherlands delegation, to draw a distinction between the real countries of purchase and the countries which merely served as intermediaries for the purposes of payment. For example, goods might be bought in England and paid for in Paris. There was accordingly a difference between the country of purchase and the country where the payment was made, and it was desired to take that difference into account.

Mr. Durand (United States of America) said he thoroughly understood the point of view of the Scandinavian delegations.
He added that such statistics would present certain difficulties for traders who carried on their business in some twenty different countries.

M. Westman (Sweden) reminded the Conference that the question had been the subject of very thorough discussion in one of the Committees. It was hardly the moment to re-open the whole question. M. Westman took careful note that the Contracting Parties, in accordance with the provisions already adopted, undertook to make a study of the principal methods used in the various States in compiling commercial statistics. Among these methods, the system of classification according to countries of purchase and of sale was applied by four northern countries. The definition embodied in paragraph 5 of Part III of Annex I was not quite satisfactory, and he would have preferred a somewhat more explicit text indicating, in particular, that the method referred to was a mixed method. There were cases in which goods passed from one country to the other without being subject to sale, and in which goods were despatched with a view to sale. A supplementary rule should be adopted to cover these goods, and in such cases the country of consignment should be indicated.

He felt it necessary to make this declaration so that countries which, in conformity with the provisions of the Convention, tried to apply the classification according to countries of purchase and countries of sale should not subsequently, as a result of misunderstanding of a too summary text, declare to the Committee of Experts that the method did not cover the whole field of trade statistics.

Mr. Flux (British Empire) emphasised how difficult it was to find a formula which would entirely meet the case. The main object seemed to be, in his opinion, to indicate clearly in the statistics compiled the country in which the real proprietor of the goods was situated at the moment of their purchase. A difficulty arose, however, owing to the different conceptions which might be applied to the right of property according as that right was considered as attached to the property itself — in this case the goods — or to the person of the proprietor.

M. Gayon (France) said that, in the view of the delegations of the northern countries, the owner of the goods must be regarded as the person who made out the invoice, according to the procedure adopted for the receipting of the Customs duties. He would add that, in countries where the Customs authorities did not exercise the right to compel invoices to be shown, it would be impossible to distinguish between countries of consignment and countries of purchase or sale. These countries would inform the Committee of Experts of this difficulty, and in that event it would be shown that, for a certain class of country, it was impossible to draw up statistics in which the countries of provenance and destination were taken to be the countries of purchase and sale.

Mr. Durand (United States) said he would not press his point in view of the fact that the statistics were only compiled by States within the means at their disposal, and the statistics were not being requested for a very considerable number of articles. He was satisfied with the explanations given.

M. Bikelas (Greece) declared, in reference to Annex I, Part III, paragraph 5, that the Greek delegation, while recognising the advantages of drawing up special tables indicating the country of original provenance and final destination of the goods, was obliged to make reservations as to the collection of such information, which would involve a considerable increase in the staff of the statistical service which was at the moment being reorganised. The service could not at present give as complete figures as it would like to do.

The President explained that the article referred to an experiment which would be tried for twelve months and not to a permanent system of statistics. It would deal only with certain goods, the number and kind of which would be at the choice of each State.

M. Gini (Italy) proposed that, for greater precision, the fifth sub-paragraph of paragraph 5 should be completed as follows:

"... or in which they will undergo a process of transformation, repair or supplementary treatment, it being understood that re-packing, sorting and blending do not constitute transformation or supplementary treatment."

This amendment was adopted.

The Conference also decided that the end of paragraph 8 should be drafted as follows:

"This memorandum shall be circulated to the Governments of the High Contracting Parties with a view to a supplementary agreement."

It was thought that this draft would be less likely to prejudice future developments than the expression "with a view to a further Conference".

ANNEX II.

Fishery Statistics.

Adopted without observation.

ANNEX III.

Mining and Metallurgical Statistics.

Adopted without observation.
ANNEX IV.

Census of Industrial Production.

Adopted without observation.

ANNEX V.

Indices of Industrial Activity.

Adopted without observation.

ANNEX VI.

Census of Agriculture.

Adopted without observation.

25. Adoption of the Final Act.

The Final Act of the Conference was adopted with a few drafting amendments.

In the course of discussion, Mr. Horson (International Institute of Agriculture) proposed to suppress from the first recommendation any allusion to the International Institute of Agriculture. The Institute, which had been founded by a treaty between the various Governments, was under an obligation to do certain statistical work. It was therefore useless to refer to it in connection with the present Convention.

The President did not see any objection to suppressing the reference as the representative of the International Institute of Agriculture had requested. He would add that this amendment did not in any way affect the gratitude of the Conference for the work done in the statistical field by the International Institute of Agriculture.

M. Claessens (Netherlands) said that he did not wish to propose any amendment to Recommendation VI, as it was merely a recommendation. He felt it was his duty, however, to draw the attention of the Conference to the fact that there existed within the League of Nations a Committee which was dealing especially with questions relating to electrical power. That Committee, by its composition and by the relations which it had with the great international organisations dealing with the question, such as the World Power Conference and the Conférence des grands réseaux à haute tension, was specially competent to deal with the questions mentioned in Recommendation VI.

He therefore thought it desirable that the Committee of Experts to be appointed under Article 8 should get into touch with the League Permanent Committee on Electrical Questions before expressing any opinion on the subject.

The President, in order to avoid any misunderstanding, thought it desirable to emphasise that, for various reasons, and in particular out of regard for States non-members of the League of Nations, the Conference had avoided repeating, in recommendations which referred to a report from the Committee of Experts, that the report in question would be forwarded through the Secretary-General of the League. It was essential to provide, in a text such as that which was at present under examination, for a procedure for the forwarding and transmission of the reports which were established. The Secretary-General of the League of Nations seemed to be an appropriate channel. He was convinced that no delegation would wish to propose any other procedure.

M. Ito (Japan) and Sir Sydney Chapman (British Empire) expressed their agreement with the President.

The President announced that the next meeting would be devoted to the signature of the Convention.

FOURTEENTH PLENARY MEETING.

Held on Friday, December 14th, 1928, at 11.30 a.m.

President: M. Rappard.


The President said that the heads of the various delegations would now be called upon in the French alphabetical order of their countries to sign the Convention and the Final Act. The Convention could be signed only by representatives duly accredited by their Governments for the purpose; the Final Act, however, might be signed by substitutes or secretaries on behalf of their delegations.
South Africa: Absent.

Germany: The accredited representative of Germany signed both the Convention and the Final Act.

United States of America: The representative of the United States of America signed the Final Act.

Austria: The representative of Austria signed the Convention and the Final Act.

Australia: Sir Sydney Chapman said that the delegates of Australia would sign the Final Act.

Belgium: The representative of Belgium signed the Convention and the Final Act.

The following declaration was read:

"In accordance with Article 11 of the Convention, the Belgian delegation desires on behalf of its Government to state that it cannot accept, as regards the Belgian colony of the Congo, the obligations involved by the clauses of the present Convention."

Great Britain and Northern Ireland: The representative of the British delegation signed the Convention and the Final Act.

Sir Sydney Chapman read the following declaration:

"I declare that my signature does not include any of His Britannic Majesty's colonies, protectorates, or territories under suzerainty or mandate."

The United States of Brazil: The representative of Brazil signed the Convention and the Final Act.

M. Barroza-Carneiro said he wished record to be made of the fact that the Brazilian delegation had abstained from participating in the vote on Article 8.

Bulgaria: The representative of Bulgaria signed the Convention and the Final Act.

Canada: The representative of Canada signed the Final Act.

Cuba: The representative of Cuba signed the Final Act.

Denmark: The representative of Denmark signed the Convention and the Final Act.

The following declaration was read:

"In pursuance of Article 11, Greenland is excepted from the provisions of this Convention; furthermore, the Danish Government, in accepting the Convention, does not assume any obligation as regards statistics concerning the Faroe Islands."

The Free City of Danzig: The representative of the Free City of Danzig signed the Convention and the Final Act.

Egypt: The representative of Egypt signed the Convention and the Final Act.

Ecuador: The representative of Ecuador signed the Final Act.


Finland: The representative of Finland signed the Convention and the Final Act.

France: The representative of France signed the Convention and the Final Act.

The following declaration was read:

"In signing the present Convention, France desires to state that her acceptance does not involve the assumption of any obligation in regard to all her colonies, protectorates and territories placed under her suzerainty or mandate."

Greece: The representative of Greece signed, ad referendum, the Convention and the Final Act.
Hungary: The representative of Hungary signed the Convention and the Final Act.

India: Absent.

Italy: The representative of Italy signed the Convention and the Final Act.

The following declaration was read:

"In accepting the present Convention, Italy does not assume any obligation in respect of her colonies, protectorates and other territories referred to in the first paragraph of Article 11."

Japan: The representative of Japan signed the Convention and the Final Act.

The following reservation was made:

"In virtue of Article 11 of the present Convention, the Japanese Government declares that its acceptance of the present Convention does not extend to its territories mentioned below: Chosen, Taiwan, Karafuto, the leased territory of Kwantung and the territories under Japanese mandate."

Latvia: The representative of Latvia signed the Convention and the Final Act.

Luxemburg: The representative of Luxemburg signed the Convention and the Final Act.

Mexico: The representative of Mexico signed the Final Act.

Nicaragua: Absent.

Norway: The representative of Norway signed the Convention and the Final Act.

Paraguay: Absent.

Netherlands: The representative of the Netherlands signed the Convention and the Final Act.

The following declaration was read:

"In accepting the present Convention, the Netherlands assumes no obligation as regards the Dutch East Indies, Surinam and Curacao."

Poland: The representative of Poland signed the Convention and the Final Act.

Portugal: The representative of Portugal signed the Convention and the Final Act.

The following declaration was read:

"In accordance with Article 11, the Portuguese delegation declares, on behalf of its Government, that the present Convention does not apply to the Portuguese colonies."

Roumania: Absent.

Kingdom of the Serbs, Croats and Slovenes: The representative of the Kingdom of the Serbs, Croats and Slovenes signed the Final Act.

The Union of Soviet Socialist Republics: The representative of the Union of Soviet Socialist Republics made the following statement:

"The object of the present Conference is stated at the beginning of the text of the draft Convention in the following terms:

"'It is important that statistics should be available to show the economic position and development in the world as a whole and in different countries on a comparable basis.'"

"The delegation of the Union of Soviet Socialist Republics, basing its suggestions on this declaration, has, during the present Conference, put forward a detailed system of provisions which, taken together, would complete the draft Convention, with a view to obtaining not merely fragmentary and uncorrelated statistics, but a really complete statistical system: in other words, a system which would indicate the economic position and development in the world as a whole, and would render the statistics of the various countries comparable."
The U.S.S.R. delegation, basing its suggestions on a wide experience of statistics, has submitted proposals which are not of an abstract character, but the result of statistical work based on actual experiment.

The U.S.S.R. delegation, to its great regret, feels bound to point out that its efforts to bring about the creation of a worldwide system of statistics worthy of the name, calculated to secure a veritable comparability of statistical data, have not been successful, through no fault of its own. To quote an example taken from the first paragraph of the draft itself, it feels bound to ask what will be the value of a census of occupations if the Convention confines itself to formulating an abstract conception of a census to be carried out in the various countries within periods more or less near to one another, without in any way guaranteeing the comparability of the future results of such a census. The object of the proposal of the delegation of the Union of Soviet Socialist Republics was to introduce such principles into the text of the Convention itself, and that proposal was rejected.

It is not necessary to quote other examples. A fairly large number of instances have been brought to the attention of the Conference. The efforts of the U.S.S.R. delegation to achieve the creation of a worldwide system of statistics have broken down owing, in the first place, to the inadequate development of statistics in a considerable number of capitalist countries and their backward stage of development from the statistical point of view. Moreover, the delegation found itself confronted with the perfectly clear and indubitable fact that not only the undeveloped character of statistics in several capitalist countries but also considerations of a purely political character form obstacles to the creation of an adequately complete worldwide system of economic statistics.

The Conference rejected the introduction into the scheme of statistics of production and external trade of information in regard to the production and the trade in arms and munitions. The U.S.S.R. delegation has, on many occasions, emphasised that the production of such commodities, which from its very character involves a danger of future war, at the same time constitutes an economic factor of enormous importance which cannot be left out of account in dealing with economic statistics. The fact that the production of these commodities is distributed among various branches of industry constitutes a reason for securing separate returns in regard to these objects, which are intended for non-productive consumption. Clearly there cannot be any reasons of a statistical character to justify the rejection of our proposal, and no reference to such reasons have been brought forward. Nevertheless, the proposal was rejected by the Conference without any thorough discussion.

The Conference has set aside the proposal of the Union of Soviet Socialist Republics and has decided not to publish information on the arms and munitions of war, in other words, the instruments of a future war. It has thus violated the spirit of the professions of those countries which are Members of the League of Nations, an institution which proclaims that its aim is to prevent future war.

The Committee of the League of Nations on the Control of the Traffic and the Production of Arms and Munitions of War, which has been sitting simultaneously in Geneva, has been unable to achieve any real progress, and up to the present the Disarmament Conference, in spite of the insistence of the U.S.S.R. Government, has not been convened. The Conference will therefore recognise that the U.S.S.R. delegation is here confronted with the indisputable fact that certain States do not even wish to discuss armaments questions under any form.

The Conference has also rejected the proposal to introduce labour statistics into the Convention. A system of economic statistics which does not include labour statistics is completely without meaning. Labour is the fundamental economic factor. For this reason the study of the situation of workers and other wage earners, and the changes occurring among them, is essential to a complete system of economic statistics.

The Conference has also rejected the proposal to introduce into the Convention a statistical study of the most important rural economic phenomena, such as the system of farming and agricultural credits. It has rejected the proposal not only as a compulsory provision but even in the form of a recommendation.

Political reasons have thus led the Conference considerably to limit the framework of economic statistics, that limitation being carried so far that there only remains, as indications of the economic situation, a few pitiable and disjointed fragments.

The presence of motives of a non-statistical character, and particularly motives of a political character, is shown not only negatively in the limitation of the framework of economic statistics, and in the fact that the Convention does not include all the necessary factors, but also in the text of the Convention itself.

In certain cases these motives appear, thinly disguised, in the introduction into the draft Convention of data which prepare the way for the application of so-called economic sanctions. That fact was mentioned in the first speech of M. Kritzmann, who quoted certain documents the intention of which no one was able to call in question.

The presence of such motives is so obvious that one is bound to point out quite definitely that, apart from the official aim of the Conference, there also exists another object which is not directly stated, but which very clearly appears in Article 8 and the following articles of the Convention. That object is the consolidation of the League of Nations, and the attraction within the sphere of its influence of States which do not at present participate in that Organisation.
"The proposed Convention is no more than a contract between States, and the object of the contract is defined as the creation of a worldwide system of statistics. That object does not justify the inference that an essential condition of the acceptance of the Convention consists in establishing connection with the League of Nations. It is true that the League of Nations has convened the present Conference, but it is also true that the Convention is a contract, not between the League of Nations and States non-Members of the League, but simply between the States themselves, quite apart from the fact whether they belong to any particular international organisation or not. The necessity of establishing connection with the League of Nations under the Convention in no way follows from the fact that the League of Nations convened the Conference.

"Nevertheless, the Conference has, in spite of the fact that only ten delegations voted against the proposal of the Union of Soviet Socialist Republics, decided that it is an essential condition of the acceptance of the Convention that there should be a direct dependence on the League of Nations, particularly in the methods of the appointment of the Committee of Experts. The members of that Committee must be appointed by the Council of the League, whose competence in questions which involve a choice of persons on scientific grounds is not greater than that of the respective Governments. It is thereby openly revealed that the Convention has purely political objects, namely, the inclusion within the influence of the League of Nations of States which do not belong to that Organisation and which do not even desire to be members. In the Convention statistical objects, therefore, are only given a place secondary and auxiliary to that conception.

"Though the Convention which has been voted does not guarantee an adequately complete worldwide system of statistics, the U.S.S.R. delegation would be ready to sign it immediately and without any reservation on statistical grounds, since it is in favour not of limiting but of enlarging the scope of statistics. It would have signed the Convention if it did not contain clauses of a purely political character which tend to subordinate statistics to political interest. Under these conditions it is not possible for the U.S.S.R. delegation, in view of the instructions which it has received, to sign the Convention, and the delegation is bound to bring the question of the adherence to the Convention of the Union of Soviet Socialist Republics to the Government of the Union. The U.S.S.R. delegation will not lose any time in informing the President of the Conference of the decision of its Government when that decision has been reached."

Sweden: The representative of Sweden signed the Final Act.

Switzerland: The representative of Switzerland signed the Final Act.

Czechoslovakia: The representative of Czechoslovakia signed the Convention and the Final Act.

Turkey: Absent.

Uruguay: M. Alfredo de Castro, in signing the Final Act, made the following declaration:

"The text of the Convention which is now offered for signature differs considerably from the text of the draft Convention originally communicated to the Governments, and the competent authorities in Uruguay have not had sufficient time to study the new document in detail and authorise its signature. In order, however, to show the good will of the Government of Uruguay, I propose to sign the Final Act. Personally, I consider that the present Convention constitutes very important progress in the field of international statistics."

Venezuela: The representative of Venezuela signed the Final Act.

International Institute of Agriculture: The representative of the International Institute of Agriculture signed the Final Act.

International Chamber of Commerce: The representative of the International Chamber of Commerce signed the Final Act.

Economic Committee: The representative of the Economic Committee signed the Final Act.

Sub-Committee of Experts for the Unification of Customs Nomenclature: Absent.

Organisation of Communications and Transit of the League of Nations: The representative of the Organisation of Communications and Transit of the League of Nations signed the Final Act.
The President said that the following States had now signed the Convention, the Protocol and the Final Act:

Austria        Denmark        Italy
Belgium        Egypt          Japan
The United States of Brazil        Estonia        Latvia
Great Britain and Northern Ireland        Finland        Luxembourg
Ireland        France
Bulgaria        Germany        Norway
Czechoslovakia        Greece        Poland
The Free City of Danzig        Hungary        Portugal

The following States had signed only the Final Act:

The United States of America        Ecuador        Sweden
Australia        Mexico        Switzerland
Canada        The Kingdom of the Serbs,    Uruguay
Goba        Croats and Slovenes        Venezuela

27. Close of the Conference.

M. Barroza-Carneiro (Brazil) said that the Brazilian delegation had been highly pleased with the successful result of the Conference. Certainly more could have been attained. It was common to all human endeavour that one was discontented with present achievements while there was still much to be done. However, one of the great geniuses of the French Revolution, Condorcet, had said that every step forward in human history was followed by even greater progress. The Convention which had been drawn up and which a number of delegations had signed was the first step in that progress which all wished to see accomplished in the field of statistics. It was the first occasion on which the States had bound themselves by contract in this matter. Another stage would certainly follow. Obligations would be undertaken which had not been possible to include in the present Convention. It behoved the delegations present to see that that stage was reached as soon as possible. The delegates would return to their respective countries, and the individual action of those who had participated in the work of the Conference would greatly influence the action which the various administrations would take to put into force not only the provisions of the Convention itself but the recommendations which formed the necessary basis of further advance. The Brazilian delegation was leaving the Conference full of hope, and, in this spirit, would communicate to its Government the result that had been achieved.

But all the effort put forth would remain fruitless if there were not a general and deep desire to attain, with as little delay as possible, even greater results. That object could indeed, only be reached if there were a continued desire that it should be reached. He would repeat in this connection a famous anecdote. It was said that a friend of Tasso, lost in admiration after reading his masterpiece, Gerusalemme Liberata, asked him how he had been able to write such a poem. Tasso hesitated a moment and then replied modestly, "I wished to do it, I always wished to do it, and I greatly wished to do it." The unification of statistics had always been desired by the masters of those present at the Conference. It was the raison d'être of the present meeting. It was for those who would shortly separate to wish to achieve a more extensive convention in the near future, to wish it constantly and to wish it greatly.

He thanked the President for the courtesy with which he had welcomed the suggestions of the Brazilian delegation. He would like on behalf of his delegation to express very real admiration for the masterly way in which M. Rappard had conducted the work of the Conference.

The President said that the Conference, in adopting the Convention which had just been signed by a number of delegations, had accomplished an act of great importance in international life. Its work had not been of a sensational character, but would perhaps for that very reason be more permanently useful to mankind.

For the first time a very large number of States, including all the great powers, had collaborated in a common effort to bring about an international co-ordination of economic statistics. This was, indeed, one of the conditions of closer co-operation in the field of economic investigation and policy. Many difficulties had been encountered. Some delegations might feel that a real and decisive progress had been made, while others would be conscious of the insufficiency of the results obtained. The truth probably lay between these two extreme views. All the difficulties had certainly not been overcome, but many obstacles had been removed owing to the good will of the delegations and their firm desire to succeed. The Convention constituted, in his opinion, a real advance, particularly in respect of the provisions laid down for the experiments which would be made with the object of finding a basis for further progress in the direction of unification. The experts who were now leaving Geneva would not discontinue their efforts, but would prepare the way for further advances in the future. The Committee of Experts would be appointed. That Committee, however, could not work alone, but would undertake preparatory work with a view to further progress, which would require the continuous collaboration of statisticians all over the world. It was obvious that a general advance could only be achieved with the support and co-operation of all the experts concerned.

A Genevese statesman had once said that when he thought of his ideal and of the distance which separated him from its attainment, he felt humiliated, but that when he compared himself with his enemies he was filled with pride. In the same way, at the conclusion of this Conference, if the distance between the present position and the object to be attained were considered, one
might well be disappointed, but comparing the results of the present situation with that which had prevailed when anarchy and a complete absence of collaboration reigned in the field of economic statistics, no one could fail to be encouraged. That was the right way to consider what had been done. The effective value of the Conference was measured not by the ambition of its instigators but by the benefits of which the international community would have been deprived if it had never taken place. It had been said that the Conference had a twofold aim, and that its statistical work had veiled a political intention. The President did not know what could have been the secret intentions of those who initiated this Conference, but he knew that if there had been a wish to consolidate in any way the position of the League of Nations by means of the present Conference, that desire had in no wise affected the purely scientific object of the meeting. He consoled himself by the thought that this allegation of political motives was itself perhaps inspired by considerations in which statistics probably did not play the leading part.

Nothing bound men together more closely than a fight against a common enemy. In this case the common enemy was ignorance and anarchy, which had previously prevailed in this particular field of economic science. The results of the common campaign against this common enemy had not only been of a scientific nature but had also given rise to a spirit of co-operation which could not fail to be of value for the future.

He desired to pay a cordial tribute to the delegations for their tireless energy and unfailing courtesy. In particular he would thank those delegations which had been sent by States which were not Members of the League of Nations and by countries which were at a great distance from Geneva. He would express special sympathy and gratitude towards the delegation of the Union of Soviet Socialist Republics which represented a country whose economic and social structure was profoundly different from that of other countries. The instructions which had been given to that delegation had probably not been such as to render its co-operation particularly easy, but the President was anxious to thank it all the more for the goodwill and courtesy which it had shown, even in very difficult circumstances.

He would also thank all those who, as Chairmen or Vice-Chairmen of Committees, as Rapporteurs or members of Drafting Committees had so ably assisted the Conference in its work, together with the advisory experts and representatives of the important international institutes invited to attend the Conference.

In closing, he would like to pay a cordial tribute to the work of Mr. Loveday and his colleagues of the Economic Section and to the Central Services of the Secretariat.

M. DVOLATSKY (Union of Soviet Socialist Republics) said that his delegation, though it was unable to sign the Convention, desired very cordially to thank the President of the Conference and the various Committees, as well as the Secretariat, for the efforts which had been made, to achieve useful results and for the invariable kindness which had been shown to the representatives of the Union of Soviet Socialist Republics.

M. HUBER (France) paid a very cordial tribute to the President of the Conference. All those who had previously known M. Rappard, either personally or through his works, had felt, on his appointment by the Council, that the fate of the Conference could not have been placed in more competent hands. Their expectations had been in all ways exceeded. Owing to the magnificent effort which the President had made, the work of the individual members had been co-ordinated and made fruitful. All the members of the Conference would retain the memory of his tall, sympathetic figure. They would not forget his cordial voice, ever ready to explain what was difficult and to dissipate doubts, his persuasive argument, his winning appeals that led to the withdrawal of many reservations and his sense of humour that often relieved a difficult situation.

M. Huber desired on behalf of the Conference to express to the President the gratitude and affection of all the delegations present, feelings which were justified not only by his dominating authority but by the cordiality which he displayed throughout the numerous and long sittings. The success of the Conference was in great measure due to M. Rappard. To him belonged the deep and lasting gratitude of all who were present.

The President thanked M. Huber for his kind references and declared the Conference to be closed.
B. MINUTES OF THE COMMITTEE ON TRADE STATISTICS.

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FIRST MEETING OF THE COMMITTEE ON TRADE STATISTICS.

Held on Wednesday, November 28th, 1928 at 4 p.m.

Chairman : M. WAGEMANN.

1. Appointment of a Vice-Chairman and a Rapporteur.

The Chairman thanked the delegates for the honour they had done him in asking him to preside over the Committee. He was well aware of the difficulty and importance of the problems which would have to be settled. The foreign commerce of the world had been valued at 60 billion dollars, and the Committee was being asked to deal with statistics relating to that immense amount of business.

He would venture to propose that the Committee should appoint as its Vice-Chairman M. DE BLANCK (Cuba) and as its Rapporteur M. JULIN (Belgium).

M. BARBOZA-CARNEIRO (Brazil) seconded the proposals of the Chairman.

The Committee elected M. DE BLANCK as its Vice-Chairman and M. JULIN as its Rapporteur.

2. Agenda of the Committee.

The Chairman said he would first inform the Committee that the Bureau were dealing with Articles 7 to 16 of the Draft Convention. Certain delegations were not represented on the Bureau, and he would ask members of these delegations to submit any amendments which they desired to put forward upon Articles 7 to 16 to the Bureau in writing.

The articles which the Committee would itself discuss were as follows: Article 1, paragraph III (e) (Fisheries) ; Article 1, paragraph IV (Index Numbers of Prices) ; Article 1, paragraph V (External Trade and Shipping) ; Article 2 (Trade Statistical Methods) ; Article 6 (Fisheries) ; Recommendation II (Tariff Nomenclature) ; and Annex IV (Fisheries Statistics).

It had been suggested that the clauses in the above list of articles and recommendations dealing with fisheries should be examined by a small sub-committee composed of delegates from the countries which were particularly interested in the fishing industry. He would ask the delegations concerned to send in the names of members who desired to serve on that sub-committee.

3. Article 1, Paragraph V (External Trade and Shipping).

The Chairman proposed that the Committee should first discuss Article 1, paragraph V, which read as follows:

"(a) Annual and monthly returns of the quantity and value of imports and exports;"

"(b) Annual and, if possible, quarterly, or preferably monthly, returns showing the net tonnage of mercantile vessels engaged in international trade entering and leaving the national ports with cargo and also of those entering and leaving in ballast, distinguishing the nationalities of the vessels."

Sir Sydney CHAPMAN (British Empire) suggested that, in sub-paragraph (a) of this paragraph, the words "where significant" should be inserted after the word "quantity". There were certain cases where returns of the quantity of imports and exports would have no statistical significance, and in such cases it should be possible to leave them out.

M. JANSEN (Belgium) asked that sub-paragraph (a) should be maintained as it stood. Emphasis had been laid already during the discussions of the Conference on the fact that returns of value were often precarious and might be misleading. The value of goods consisted of many factors and often covered various items such as cost of shipment, insurance, etc. Value, moreover, might fluctuate according to the state of the exchanges. It was essential that returns of quantity should be made, and he would regret the introduction of a reservation into the sub-paragraph under discussion. The words which Sir Sydney Chapman desired to introduce would have to be interpreted according to the personal judgment of the person making the return, and not everyone would agree as to what quantity might or might not be significant. It was, of course, obvious that in cases where any particular quantity was infinitesimal it might be omitted.

Sir Sydney CHAPMAN (British Empire) doubted whether his proposal had been rightly understood. The Governments would, in the great majority of cases, make a return of the quantity of imports and exports. In some cases, however, information as to the quantity would be of no value or significance whatever to the statistician. It was, for example, of no interest to be informed of the quantity of commodities such as diamonds or lace or of any commodities which might be described as works of art. He also referred to articles of clothing and cutlery. He felt it necessary to press his amendment, though he agreed that it would have to be carefully worded in order that there might be no misunderstanding as to its intention. His Government could not undertake to make a return of quantities where such quantities had no real significance.
M. JANSSEN (Belgium) asked Sir Sydney Chapman not to insist on his proposal. The cases mentioned were so rare that it was not advisable in a general preliminary provision to insert a special restriction in order to cover them. Quantity was so essential a factor that in paragraph III of Article 2 a special provision had been introduced requesting States to define precisely the unit of measure in which quantities were stated.

The Chairman suggested that the sub-paragraph should be left as it stood, but that an explanatory note should be put in the Protocol in the sense of the suggestion put forward by Sir Sydney Chapman.

Sir Sydney Chapman (British Empire) said he thought that that arrangement would meet his requirements.

M. GAYON (France) said he was not quite clear as to how paragraph V(a) should be interpreted. Was a country expected to make annual and monthly returns both of its special and of its general trade?

The Chairman said that certain countries might be prepared to give returns covering both special and general trade. A passage might be inserted in the Protocol to the effect that countries which made returns only of their special trade would not be required to make returns both of their general and special trade under the present paragraph.

M. JANSSEN (Belgium) thought it was obvious that countries which gave figures relating both to their special and general trade would, under the present paragraph, make returns both as to quantity and value.

The Chairman proposed to leave this paragraph as it stood and to reconsider it after Article 2 had been discussed. At a later stage, it might be necessary to discuss the paragraph again and perhaps to insert an explanation in the Protocol in regard to it.

M. COLESKO (Roumania) said that his country was not yet in a position to publish monthly returns. He would suggest that an amendment might be inserted to the effect that these returns should be made “if possible”.

M. WESTMAN (Sweden) supported this proposal.

M. ROTHE (Austria) said that he also must submit a reservation in regard to monthly returns. The Austrian Government intended eventually to issue such returns, but the necessary arrangements had not yet been made.

M. ELBEL (France) suggested that a time-limit should be introduced, within which States would be expected to introduce monthly returns.

Sir Sydney Chapman (British Empire) said it was obvious that, in the case of many countries, monthly returns would be necessarily less detailed than their annual returns. There might be a reference to these difficulties in the Protocol, and he would propose that the exact terms of that reference should be left to the Drafting Committee.

The Chairman again suggested that Article 1, paragraph V(a), should be left for the moment as it stood. It might be necessary to insert a note in the Protocol or for certain countries to make reservations in regard to monthly returns.

He would ask the Committee to take Article 1, paragraph V(b).

M. PIEKALKIEWICZ (Poland) pointed out that the article dealt only with maritime transport. There was no reference to railway and river transport. A Committee of the League of Nations was at that moment preparing a draft Convention dealing with internal transit. It would perhaps, in these circumstances, be better to suppress paragraph V(b).

Mr. HOBSON (United States of America) said that he would like to see a provision introduced dealing with internal transport. Returns relating to internal transport were a very important statistical item which had a close relation to the economic position of the country. A reference to the matter might be embodied in an additional article. He did not like to leave this important matter of transport statistics to be dealt with by another Committee.

Sir Sydney Chapman (British Empire) agreed that in a complete Convention it would be necessary to cover transport statistics. The Advisory Committee of the League of Nations for Communications and Transit, however, was at present dealing with the question of internal transport. That item could not therefore be included in the present Convention, but provision might be made under Article 8, when it came to be discussed, for future recommendations. Meanwhile, however, it was possible to include returns relating to maritime transport in the present Convention. Many countries published such returns, and it would be regrettable if they were omitted.

M. JANSSEN (Belgium) also pressed for the maintenance of paragraph V(b). The paragraph did not cover internal transport but related only to international trade. There would be no overlapping with the problems which were being considered by another Committee of the League.

M. DVOLATSKY (Union of Soviet Socialist Republics) supported the proposal of Mr. Hobson.
M. Claessens (Netherlands) submitted the following amendments (document C.S.O./Commerce/2):

"To strike out from the title of paragraph V the words ‘and shipping’ and to suppress sub-paragraph (b).

"To add as an additional paragraph the following:

"VI. Transport. Annual and, if possible, quarterly or monthly returns of the different kinds of transport.

"Pending the conclusion of an international Convention for the unification of transport statistics, the high contracting parties reserve the right to continue for the time being the publication of such statistics on the bases and forms at present in use."

He suggested that the additional clause which he proposed might be inserted either in the Convention itself or in the Protocol.

M. Pieckalkiewicz (Poland) said he was prepared to accept M. Claessens’ draft.

M. Janssen (Belgium) said that, in any draft accepted, it was essential to make it clear that States which already gave returns in regard to transport should continue to do so.

The Chairman proposed that the discussion of paragraph V (b) should be postponed until the amendment of M. Claessens had been distributed to the Committee.

The Committee agreed.

The Chairman noted that the discussion of paragraph V (a) had been closed but might be re-opened at a later stage. No vote had been taken on that paragraph.

The discussion of paragraph V (b) was postponed until the amendment of M. Claessens came up for discussion.

4. Discussion on Special and General Trade.

M. Methorst (Netherlands) said that he would like to make a few general observations dealing with commercial statistics.

As might be read in the preparatory documents and in the note which would be found on page 6 of the draft Convention, that Convention had been based on the recommendations adopted by the International Institute of Statistics. The Economic Committee had given to those recommendations the form of a draft Convention, and he would like to congratulate that Committee on the way in which it had done this difficult and delicate work.

At the same time, he was not quite satisfied with the draft before the Committee, owing to the way in which those recommendations had been embodied in the draft Convention.

The Institute, in its resolution dealing with the classification of foreign trade (document C.S.O.1, page 12), expressed the opinion that “statistics of international trade should make it possible to ascertain exactly the special trade of each State”, and that “special trade should not include any part of transit trade”.

That recommendation did not agree with the advice which the Institute subsequently gave to countries which were re-organising their commercial statistics. The Institute advised those countries that it would be to their advantage to adopt one of two systems, which M. Methorst then proceeded to describe in their general lines.

One of the two systems was thus described: “General trade and special trade not indicated separately”; the other dealt also with general trade. While, however, the Institute only put forward a recommendation, the text of the draft Convention was somewhat imperative in character. The States signing the Convention would have to follow one of the two systems, and would have to re-organise their statistics if they did not yet follow one or other of them.

Several countries, like Belgium and the Netherlands, had some years ago re-organised their trade statistics. They had confined themselves to special trade. They gave in a separate schedule figures relating to transit trade. They did not, however, establish statistics relating to general trade. As he had already said at the plenary meeting, it would not be possible for the Netherlands to give statistics of general trade with precision.

Neither of the two systems recommended by the Institute and embodied in a categorical form in the Convention were acceptable to his country. The Netherlands was working according to a third system, and her statistics clearly gave what the Institute required in the first place, namely, particulars of special trade. The Netherlands statistics were not, however, comparable with statistics drawn up according to system (b), in which special trade did not figure separately.

Such statistics gave special trade in respect of exports, adding very detailed information regarding re-exports. For imports, on the other hand, the general trade was given by combining direct imports for internal consumption with transit and warehouse trade, etc. Such a system did not enable special trade to be given with precision in respect of imports, because the moment at which the value was recorded would almost always be different for imports (arrivals) and re-exports, and because it would be very difficult to be sure that on re-export of any particular goods the same country of provenance was declared as when the goods were imported. The comparability between the trade statistics in question would not be adequately secured.

In his view, the Institute was absolutely right in formulating imperative recommendations only for special trade, and it must be recognised that the recommendations of the Institute dealing
Other countries, in particular Germany, had never included transit trade in their general trade figures but had kept a special heading for transit statistics.

The practice of including goods in transit in the general trade figures, and M. Gayon believed that a marked decline from one year to the other would be shown as one billion, whereas the French foreign trade would have suffered a marked special trade fall to 700 millions, the result would be that the general trade of France would in each year be shown as one billion francs; in one year it might be found that that amount was made up of 200 millions derived from transit trade from Switzerland and 800 millions from French special trade. If in the following year the value of the Swiss consignments in transit rose to 300 millions while the value of French transit trade fell to 700 millions, the result would be that the general trade of France would in each country. The figures for exchanges of goods were shown by the statistics of special trade and not by those of general trade. General trade consisted of a country’s special trade plus its transit trade. Transit, however, was really a question of transport, because, although the transit of special trade. Furthermore, even if it were possible to compile trustworthy statistics of general trade, they would not give a true view of the situation of any country’s foreign trade, and would mislead those consulting them. Suppose, for instance, that the general trade of France amounted to one billion francs; in one year it might be found that that amount was made up of 200 millions derived from transit trade from Switzerland and 800 millions from French special trade. If in the following year the value of the Swiss consignments in transit rose to 300 millions while the value of French special trade fell to 700 millions, the result would be that the general trade of France would in each year be shown as one billion, whereas the French foreign trade would have suffered a marked decline from one year to the other.

It was for these reasons that, two years ago, the French Government had abandoned the practice of including goods in transit in the general trade figures, and M. Gayon believed that other countries, in particular Germany, had never included transit trade in their general trade figures but had kept a special heading for transit statistics.

M. JANSSEN (Belgium) observed that he was not only a member of the Belgian delegation but also President of the International Bureau of Commercial Statistics; and that in this capacity he was anxious to see the statistics of each country drawn up in such a manner that the publications of the Brussels Bureau might be as complete and accurate as possible. The proposal made by the Netherlands delegate raised a prior question, and M. Janssen considered that before going into details it would be advisable to decide whether the Committee wished to bring the question of general trade before the Conference. The object of the draft Convention was to obtain statistics which would give a clear idea of the international exchange of goods of each country. The figures for exchanges of goods were shown by the statistics of special trade and not by those of general trade. General trade consisted of a country’s special trade plus its transit trade. Transit, however, was really a question of transport, because, although the transit trade might result in a certain profit for the country crossed, it did not enter into that country’s exchange of goods. For the success of the Conference, it was essential that its programme should be a strict minimum, and hence the Committee should limit its efforts to a proper presentation of special trade. Further, M. Janssen would remind delegates that the Bureau of Commercial Statistics had taken into account only special trade. He submitted that the Committee should first decide whether or no it agreed to discuss Article 2 only from the point of view of special trade, for otherwise the same difficulty would recur for each point that came under consideration. M. Janssen therefore concurred with the proposal made by the Netherlands delegation.

M. GAYON (France) supported the proposal of the Netherlands delegation for practical reasons.

For compiling the statistics of general trade, the statistical service did not have the same bases as for the compilation of those of special trade. Thus, the denomination of the goods on a waybill would not correspond to the nomenclature employed in each country crossed, and even with a uniform nomenclature for all countries it would not be possible to guarantee that the denomination indicated was exact, because goods in transit entered a country in sealed wagons and the duties of the Customs officers in regard thereto were confined to satisfying themselves that the seals were intact. The same difficulty arose in regard to declared values.

Furthermore, even if it were possible to compile trustworthy statistics of general trade, they would not give a true view of the situation of any country’s foreign trade, and would mislead those consulting them. Suppose, for instance, that the general trade of France amounted to one billion francs; in one year it might be found that that amount was made up of 200 millions derived from transit trade from Switzerland and 800 millions from French special trade. If in the following year the value of the Swiss consignments in transit rose to 300 millions while the value of French special trade fell to 700 millions, the result would be that the general trade of France would in each year be shown as one billion, whereas the French foreign trade would have suffered a marked decline from one year to the other.

It was for these reasons that, two years ago, the French Government had abandoned the practice of including goods in transit in the general trade figures, and M. Gayon believed that other countries, in particular Germany, had never included transit trade in their general trade figures but had kept a special heading for transit statistics.
Mr. Horson (United States of America) said that in his delegation’s opinion neither statistics of special trade nor those of general trade should include statistics of transit trade. It was the American practice to list these statistics separately, and the delegation would like to see that practice adopted if possible.

M. Acklin (Switzerland) said that in the compilation of statistics of foreign trade in Switzerland the practice of preparing figures for general trade had been abandoned. He did not see that there was any necessity to propose the compilation of any other groups of statistics over and above those for special trade, especially as the figures for general trade were liable to mislead, and, moreover, the statistics of special trade were sufficient for the comparability of international statistics. He therefore agreed with the proposal that the question of statistics of general trade should be excluded from the Committee’s discussions.

Mr. Riddell (Canada) said that it was his Government’s practice to show under “imports” all goods entering into Canada for consumption in the country, and under “exports” goods produced in Canada and re-exports of imports from abroad, the latter including only goods released into the trade of the country and not goods in transit.

M. Duzmans (Latvia), as representative of his own country, associated himself fully with what the delegates of France, Belgium and the Netherlands had said in regard to the negative aspect of the question, namely, that general trade statistics were superfluous for the compilation of comparable international statistics. Speaking from his experience as representative of a transit country par excellence and on this point he was speaking on behalf of his Estonian colleague also he would point out that in practice it had been found quite impossible to include the figures for transit trade in those of foreign trade. For instance, goods could be stored in a warehouse in Latvia for two years without being inspected by the Customs. Even if it were desired to ascertain the goods for general trade, it would be quite impossible to verify the nature or quantity of goods stored in the warehouses. It would be impossible, for instance, to open a packet of tobacco, which would lose a great part of its value if exposed to the air. Further, the compilation of general trade statistics would necessitate a double staff of Customs officials. In fact, examples of the difficulties which the compilation of general trade statistics would involve could be multiplied ad infinitum. He therefore supported the proposal to exclude the question of general trade, any attempt to compile statistics of which would be quite useless.

In reply to what the French delegate had said, M. Duzmans stated that in his former position of Consul-General he had been able to realise how great an interest the commercial world attributed to transit statistics and that Latvia, as an important transit country, was able in considerable measure to satisfy such an interest. It had been proposed that a special chapter should be given to so-called “general trade” as the Polish delegate had said, if it were found necessary to have a special chapter for transport statistics, consideration of this question could be postponed until a later meeting, and the same course might be adopted with regard to the statistics of transit trade. It might be said that transit trade was a matter of economics and transport, and, further, even transport itself was made to the introduction of a special chapter dealing with transit statistics. If this class of statistics were taken by itself as a separate heading, the difficulties felt by various speakers would disappear. To sum up, therefore, M. Duzmans, on behalf of his own and the Estonian delegations, supported the proposal for the exclusion of general trade from the discussion and submitted that the question of transit trade taken by itself, which was a suitable subject for treatment in a discussion in regard to the comparability of statistics, should not be overlooked.

Mr. Flux (British Empire) wished to be clear on one matter. He assumed that paragraph IV (b) of Article 2 was not concerned with the point at present under discussion, which related solely to the question of what was to be comprised under the heading “special trade”. If that were so, he would have nothing more to say.

The Chairman agreed that there was great difficulty in establishing the values of transit trade and in obtaining figures for general trade, but thought that there was no difficulty in treating the question of declared values in regard to special trade. The Committee therefore might proceed to discuss the question of declared values, confining its examination to the question of special trade.

M. Janssen (Belgium) thought that the Committee should take a clear decision whether or no, in discussing Article 2, it would deal only with the question of special trade. Without a clear pronouncement on that question, the Committee could not avoid confusion in the debate.

M. Claessens (Netherlands) suggested that a small drafting committee should be nominated to remodel the text of the draft Convention in such a way that it would deal only with special trade.

The Chairman thought it too late to take a decision of that kind. The Committee should now proceed to discuss the question of declared values with regard to special trade, leaving aside the question of general trade. He thought, moreover, that the Committee in general agreed with him.
M. JANSSEN (Belgium) insisted that the Committee should take a clear decision on the question of principle. Those members who wished to bring up the question of general trade could do so later; he thought that all members of the Committee were in agreement on this previous question.

5. Appointment of a Sub-Committee on Special Trade.

Mr. FLUX (British Empire) submitted that the Committee would understand more clearly to what kind of trade the prescriptions of paragraph I of Article 2 were to apply if it had a definition before it of what was to be comprised under the term “special trade”. In some cases special trade might include goods which entered a country in which they were not charged duties, and in which they were released from Customs control and from which they were subsequently re-exported. If that position were accepted, Mr. Flux would find no difficulty from the point of view of the system presently in operation in Great Britain; but, unless the Committee had a clear definition of what was included in special trade, it might continue to talk indefinitely without coming to a decision. He therefore suggested that it might be well to appoint a special Sub-Committee to agree upon a definition of “special trade” and to report to the plenary Committee, which would then of course have the right to discuss that definition. At present, the Committee did not know with what groups of articles it was dealing.

M. ITO (Japan) observed that he had intended to raise the point submitted by Mr. Flux in connection with paragraph IV of Article 2. The Japanese delegation had much difficulty in understanding what was meant by “special trade”. For instance, many goods imported into Japan paid no duty and were then re-exported. Were they to be included under special trade or not? Those who wished to limit the discussions to special trade must tell the Committee what they meant by that term. M. Ito therefore agreed with the proposal to appoint a sub-committee.

M. DE BLANCK (Cuba), Vice-Chairman, pointed out that a definition of special trade was given in document C.S.O.1. page 12, paragraph IV (a).

M. JULIN (Belgium), Rapporteur, observed that the document to which M. de Blanck had referred, and which constituted the basis for the draft Convention, was not prepared by the League, but by the International Institute of Statistics at its Brussels session in 1923. Certain members of the Committee had taken part in that session, while others had attended it as observers. The Conference was, of course, entirely free, if it so wished, to discuss the definition of special trade again, but in the interests of the work of the Committee M. Julin suggested that, as the definition contained in document C.S.O.1 had been agreed upon by the International Institute of Statistics, the constitution of a new committee to reconsider that definition should only be decided upon for absolutely imperative reasons; for instance, because it had been ascertained that that definition contained some obvious error.

Mr. FLUX (British Empire) explained that it was not with any purpose of disregarding or overlooking the definition established by the International Institute of Statistics that he had made his suggestion for the appointment of a sub-committee; he had done so because the question of the inclusion of transit trade statistics appeared to preoccupy the minds of certain speakers, and for the advantage of those who had not attended the meeting of the International Institute of Statistics at Brussels. It might well be that the sub-committee would find that there was nothing to add to the definition given in paragraph IV (a) of the document C.S.O.1, though Mr. Flux personally thought that it might be necessary to find a clearer definition of what constituted direct transit and indirect transit. He would not question, from the point of view of the system employed in Anglo-Saxon countries, any decision that might be taken as to the mode of determining values of special trade. The mode of determining values for both the Anglo-Saxon and the Continental systems could be dealt with at the same time, and Mr. Flux thought that that was the reason for which the first paragraph of Article 2 had been placed where it was. His idea had been that the special sub-committee which he had proposed should be set up as the creature of the present Committee and not as that of any antecedent body, and that it should report to the Committee at the earliest possible date.

The CHAIRMAN enquired whether the Committee accepted the proposal to set up a Sub-Committee.

The proposal was carried by fourteen votes to five.

M. JANSSEN (Belgium) said that he had abstained from voting on the proposal because he did not wish to place any obstacle in the way of those who desired a clearer idea of what comprised special trade. At the same time, he thought that the Sub-Committee would inevitably be brought to agree with the definition established by the International Institute of Statistics.

On the proposal of Mr. RIDDELL (Canada), it was decided that the members of the Sub-Committee should be:

M. ITO (Japan);
M. CLAESSENS (Netherlands);
M. GAYON (France);
M. JANSSEN (Belgium);
Mr. FLUX (British Empire).
Mr. Hobson (United States of America) suggested that not only should the Sub-Committee be requested to define special trade but that a statement to the effect that the Conference contemplated special trade rather than any other kind of trade should be inserted in the Convention.

M. Duzmans (Latvia) thought it would be the Sub-Committee's task to find a definition of special trade; he suggested, further, that its duties might be extended to finding a new form of wording for paragraph IV (a), which dealt with the question of general trade.

The Chairman observed that the same remark would apply to paragraph IV (b).

SECOND MEETING OF THE COMMITTEE ON TRADE STATISTICS.

Held on Thursday, November 29th, 1928, at 10.30 a.m.

Chairman: M. Wagemann.


M. Gayon (France), Rapporteur of the Sub-Committee, gave an account of its proceedings. It had noted that the conception of trade in England was very closely allied to the Continental conception of general trade. In the English conception, such trade did not include goods in transit or transhipment. The Sub-Committee had therefore decided to retain paragraph IV (b) without change. It suggested, however, the following wording for the penultimate section of paragraph IV (a):

"General trade shall be taken to include: as regards imports, everything arriving from all territories external to the Customs or trade statistical area of the country in question; and, as regards exports, everything leaving the Customs area for a destination outside that area. However, there shall be excluded foreign goods which at the time of their arrival are re-exported in transit or by transhipment."

The adoption of such a draft would enable the statistics of countries employing the systems set forth in sub-paragraph (a) and sub-paragraph (b) to be easily compared. The Sub-Committee also suggested the following amendment to the title of sub-paragraph (a):

"When figures of special trade are compiled alone or parallel with the figures of general trade."

The object of that amendment was to leave each country free to publish statistics of general trade if it wished to do so. Countries which did not keep such statistics, however, should not be compelled to do so. The Sub-Committee had not been unanimous, for a certain number of members had wished to delete all reference to general trade. The majority, however, had decided against this proposal and also against another proposal that the paragraph under consideration should be entirely re-drafted.

On the proposal of the Chairman, the consideration of the proposals of the Sub-Committee was adjourned to a subsequent meeting.

7. Article 1, Paragraph V (External Trade and Shipping) (continued).

Sub-paragraph (a).

The Chairman submitted an amendment proposed by the Roumanian delegation in the following terms:

"(a) Annual and, if possible, monthly returns of the quantity and value of imports and exports."

M. Barroza-Carneiro (Brazil) supported the amendment.

The Chairman pointed out that its adoption would mean that no progress could be made in this respect, because all countries already possessed and published annual statistics and, if they were to do no more in this direction, it would be impossible to develop that form of statistics.

M. Julin (Belgium), Rapporteur, agreed with the Chairman. The amendment proposed might at first sight appear to be inoffensive. The provision thus emasculated would impress uninformed public opinion, but would in reality make it impossible for any real progress to be achieved. The effect of the amendment would, indeed, be to leave the present position unaltered. He would urge members not to adopt the amendment, because it constituted a definite hindrance to progress either in the national or in the international field. He felt sure that the Committee was really anxious to make a great effort to achieve that essential progress which was the object of the Conference.

M. Barroza-Carneiro (Brazil) had no desire to weaken the Convention. On the other hand, he must point out, in justice to Brazil, that his country was very large and possessed slow and, in
many instances, laborious means of communication. Brazil published monthly statistics of foreign trade, but they did not appear up to date, nor were they as detailed as the annual statistics published by that country. It would be quite impossible for Brazil to publish detailed monthly statistics up to date owing to the difficulties of communication, and the consequent impossibility of obtaining the necessary data in time. Such detailed statistics could only be published once a year.

The same difficulty met with by Brazil was, he thought, encountered by many other countries, especially in South America. Perhaps the Committee could agree to the following amendment:

"(a) Annual and monthly summarised returns of the quantity and value of imports and exports."

M. JULLIN (Belgium), Rapporteur, replied that there was nothing in the provision which laid down that monthly and yearly statistics should necessarily be identical. In many countries, even in those whose economic life was most highly developed, the annual and monthly statistics were not the same. If this interpretation of the stipulation was correct, he thought M. Barboza-Carneiro could have complete satisfaction. It was a legal maxim that, if it were impossible to fulfil a stipulation, no one was required to fulfil it, but only to prove that they could not do so.

M. COLESCO (Roumania) said that a large number of countries could not publish monthly statistics up to date. If, therefore, summarised returns meant immediate publication, he could not agree to the amendment proposed by M. Barboza-Carneiro. He also felt himself unable to subscribe to the legal argument put forward by M. Julin. On the other hand, he had no desire to force any State to make a reservation when adhering to the Convention.

M. BARBOZA-CARNEIRO (Brazil) thanked M. Julin for his explanations. He would be grateful if they could be included in his report. In so far as the observations of M. Colesco were concerned, M. Barboza-Carneiro wished to know whether the keeping of monthly returns necessarily meant their immediate monthly publication. In Brazil, monthly statistics were collected, but they were not published till three or four months later. If paragraph (a) merely stipulated the collection of monthly returns, and not their immediate publication, he could agree to it and was prepared to withdraw his amendment.

M. COLESCO (Roumania) said that, if this were the case, he, too, could withdraw his amendment.

M. JULIN (Belgium), Rapporteur, said that the text of the Convention was a legal text and would have to bear a legal interpretation. Monthly returns, in his view, meant "returns dealing with the particular month in question" and no more. It did not necessarily mean that those returns had to be published at the end of the month, but within a certain period; the longer the period, the greater the difficulty. He thought that countries publishing such statistics would find it increasingly inconvenient if the period between their collection and publication were allowed to increase. In their own interests, they would do their best to hasten publication. There was, however, no obligation incumbent upon them to do so.

The CHAIRMAN consulted the Committee on the amendment proposed by the Roumanian delegate.

The amendment was supported by the representatives of Brazil, Finland, Roumania and Sweden.

The CHAIRMAN thought that, in those circumstances, the countries concerned could be allowed to make a reservation and the original text could be maintained.

M. BARBOZA-CARNEIRO (Brazil) said that, since the majority of the Committee were prepared to adopt the text as it stood, he would withdraw his opposition and would make no reservation.

Sir Sydney CHAPMAN (British Empire) thought that the difficulty was due to a misunderstanding in regard to what was required by monthly returns. Could not a sentence be inserted in the Protocol to the effect that, in the case of countries without a large external trade, monthly returns need not be submitted in great detail?

M. COLESCO (Roumania) was prepared to withdraw his amendment, provided that the collection of returns did not necessarily mean their publication.

M. JANSSSEN (Belgium) was unable to agree with the Roumanian delegate. If the monthly returns were not published, they would not exist in so far as other countries were concerned. Could not M. Colesco be content with making a reservation?

The CHAIRMAN said that the Committee might express its views on the proposal of Sir Sydney Chapman.

M. PIEKALKIEWICZ (Poland) was unable to agree to the proposal of Sir Sydney Chapman, for to allow a difference to be made between countries with a small external trade and countries with a large would imply that countries with a large external trade would have to arrange that their monthly and annual statistics should be identical.

Sir Sydney CHAPMAN (British Empire) agreed. The monthly and annual returns should not by any means necessarily be the same. Could it not be stated, however, in the Protocol that monthly returns must in some cases, of necessity, be less detailed than annual returns, and
that countries with a small external trade need publish no more than a summarised monthly return? The actual wording of his proposal could be left to the Drafting Committee.

M. COLESCO (Roumania) agreed with the second proposal of Sir Sydney Chapman, provided that it were inserted in the Protocol.

M. WESTMAN (Sweden) was also prepared to agree to the proposal of Sir Sydney Chapman, provided that no reference was made to countries with a small external trade. The Drafting Committee would have to consider very carefully the form of words to be recommended.

M. ROTHER (Austria) said that in Austria monthly statistics were not published. The detailed figures were kept for the use of the Government Departments and for the information of interested parties. Austria would publish her monthly statistics as soon as her financial position enabled her to do so. But as she could not yet undertake this work, M. Roth said that he would be obliged to make a reservation on behalf of the Austrian delegation regarding the article in question.

The CHAIRMAN concluded that the proposal of Sir Sydney Chapman to be inserted in the Protocol was acceptable to the Committee.

The Committee agreed.

The CHAIRMAN pointed out that there was another amendment to this paragraph also proposed by Sir Sydney Chapman to the effect that figures of quantities could be omitted if they were not significant.

M. CLAESSENS (Netherlands) thought that the suggestion of Sir Sydney Chapman with regard to quantities would be better dealt with under paragraph III.

Mr. FLUX (British Empire) disagreed. The scope of paragraph III was quite different, its object being solely to define precisely the unit of measure. It would be far better to refer in the Protocol to an omission of certain quantities rather than to include such reference in a paragraph of the article to which it did not belong.

M. CLAESSENS (Netherlands) was unable to agree. Would it not be better if the exporter and the importer were required to declare the total quantities in weight of their imports and exports? The national administrations need not necessarily be compelled to publish these figures if they were insignificant.

Mr. FLUX (British Empire) would protest against any proposal that information should be exacted from merchants which could not be used. If the Conference were convinced that certain forms of data had no practical application, it was useless to ask for them. To do so merely created difficulties and antagonised that very class whose help it was desired to obtain.

On a division, seventeen members voted in favour of the explanation concerning quantities proposed by Sir Sydney Chapman for insertion in the Protocol, and six against.

The two explanations proposed by Sir Sydney Chapman, the first with regard to monthly returns and the second with regard to non-significant quantities, were adopted for inclusion in the Protocol.

The CHAIRMAN called upon the Committee to adopt the text of Article 1, paragraph V (a), as submitted in the draft Convention.

M. JANSEN (Belgium) was ready to vote for the text as it stood, provided that it could be altered as the result of any decision which the Committee might take with regard to paragraph IV of Article 2.

The text of Article 1, V (a) was unanimously adopted in the following form, with the reservation that the explanations proposed by Sir Sydney Chapman should be inserted in the Protocol:

"(a) Annual and monthly returns of the quantity and value of imports and exports."

Sub-paragraph (b).

On the proposal of Sir Sydney CHAPMAN, the discussion of this article was postponed until members had had time to consider the following amendment submitted by the Dutch delegation (document C.S.O./Commerce/2):

"Omit in the heading of paragraph V the words 'and shipping', and omit (b).

"Add the following paragraph:

"VI. Transport.

"Annual and, if possible, quarterly or monthly returns concerning the various means of transport."
"Pending the conclusion of an international Convention on the unification of transport statistics, the contracting States reserve the right to continue provisionally to publish these statistics on the same lines and in the same form as at present."

"This last clause might be inserted either in the Convention itself or in the Protocol."

8. Article 2, Paragraph II (Frontier Values).

M. CLAESSENS (Netherlands) proposed the following amendment to paragraph II:

"For countries where import or export or statistical duties are levied ad valorem, the declared value, which forms the basis for the payment of such duties, may be utilised for import and export statistics also."

M. PIEKALKIEWICZ (Poland) thought this proposal to be unnecessary, for paragraph II only referred in general terms to the declarations made by importers and exporters. Whether duties were levied or not, these declarations could be used.

The Chairman thought that, before the amendment of M. Claessens could be discussed, the question of principle, that is to say, whether or not the system of "declared values" should be employed, must be settled.

M. JANSEN (Belgium) agreed. Paragraph I of Article 2 stated the principle that the system of "declared values" should be maintained or established. That principle should first be decided.

On the proposal of M. GAYON (France), it was decided to postpone consideration of the amendment proposed by M. Claessens until paragraph II was under consideration.


The Committee proceeded to examine paragraph I, which read as follows:

"1. To maintain or establish the system of valuations known as 'declared values'; that is to say, values declared by importers and exporters (or their duly recognised agents) in respect of each individual transaction. Further, with a view to obtaining accuracy in international trade statistics, they undertake to subject such values to adequate verification, checking and control."

M. DUZMANS (Latvia) pointed out that paragraph I contained a general formula which, in his view, was somewhat too vague for ordinary purposes. The formula was scientific and therefore could not be attacked for any defect in itself, but only on the ground of insufficiency. It was not clear enough; and, while he would pay a tribute to those persons who had drafted it, he would emphasise that a mere scientific formula would inevitably give rise to difficulties in practice. To criticise it, however, did not mean that he was opposed to it, but merely that he desired a more flexible phrase to be used. There were many such in the Convention. For example, it could be stated that the values declared could be subjected to adequate verification by means of invoices. Here was a definite suggestion which would give important practical results. A declaration might have been made by various persons concerned in a commercial transaction, for example, by the forwarding agent, and was consequently frequently inaccurate. The system of invoices, however, had worked perfectly satisfactory in Latvia and Estonia and could, therefore, be recommended.

M. JANSEN (Belgium) thought that the suggestion of M. Duzmans, like that of M. Claessens, referred to paragraph II rather than to paragraph I of the article. Paragraph I established the principle whereby declared values were to be used in drawing up statistics. It went further, however, and did not insist on their being used slavishly, but added that they should be subjected to an adequate system of control. It was upon this point that the Committee should first take a decision. He would add, in passing, that he could not agree with the observation of M. Duzmans with regard to the efficacy of the invoice system.

M. JAHN (Norway) desired to make a statement on behalf of his Government with reference to paragraph I of Article 2. Norway was prepared to accept the recommendations of the article in so far as export statistics were concerned. Her present practice in regard to "declared values" for import statistics, however, covered about 30 per cent only of the total imports into the country. The system used in respect of the remainder was that information was obtained each month from many of the importers of Norway in regard to the prices of goods; these prices were then used to calculate their value. The system worked as well as could be expected. Norway intended to adopt the system of "declared values", but it was a question of re-organisation, and the Government had not thought it wise to impose a compulsory declaration of value for all imports before its statistical system had been reorganised. The main difficulty was one of money. The Norwegian Government could not, therefore, assume a definite obligation, such as was contained in the Convention, until it was financially able to reform its statistical methods. It was uncertain when the Norwegian Parliament would vote the sum of money necessary, and Norway would therefore reluctantly have to make a reservation in regard to import statistics. M. Jahn personally, however, believed that the money for the necessary statistical re-organisation would be voted within a year.
M. Barboza-Carneiro (Brazil) would draw the attention of the representative of Latvia to the following point: The Convention as drafted made no recommendation as to the method or system to be followed by the various Administrations in obtaining the required declaration from traders and merchants. Administrations were to demand a declaration of value of the goods in the way they thought best. Each Government was left to choose its own method. Some Governments might consider the system of invoices satisfactory, others might revert to the consular invoice, whereas others might adopt some other system. The text of the Convention left all Governments perfectly free in this respect. M. Barboza-Carneiro was therefore prepared to subscribe to paragraph I of Article 2 and could not support M. Duzmans' proposal, which, he thought, have the effect of weakening rather than of strengthening the article. The object of the stipulation was that statistics should be based on values declared by merchants and not on official assessments.

M. Pieckaliewicz (Poland) agreed with M. Barboza-Carneiro. It was essential that the declaration of value should be subjected to as close a verification and control as possible, but Governments should be left entirely free to choose their own methods. If one particular method — such as invoices — were suggested in the Convention, as was proposed by M. Duzmans, every method would have to be enumerated.

M. Claessens (Netherlands), while agreeing with M. Janssen and M. Barboza-Carneiro, suggested the following modification to the last few words of paragraph I:

"... they undertake to subject such values to such verification, checking and control as are necessary in order to secure accuracy."

Mr. Flux (British Empire) had no objection to the proposal of M. Claessens, but pointed out that the text as originally drafted bore exactly the same meaning.

The Chairman submitted the following amendment on behalf of the representatives of Latvia, Estonia and Roumania: To add after the words "or their duly recognised agents" (Article 2, paragraph I) the words:

"supported by detailed invoices in respect of each category of goods."

M. Janssen (Belgium) denied the adequacy of invoices as the sovereign means of checking the accuracy of a declaration of value. He was opposed to the general obligation to furnish invoices and especially consular invoices, for these involved charges which were often very high. The Geneva Conferences, in particular the Conference on Customs Formalities of 1923, had worked for the elimination of all charges that were not absolutely necessary.

M. Nathan (Germany) agreed with M. Janssen. Nothing should be added to paragraph I of the article. It was certainly essential that the declarations should be carefully checked, but Governments could decide how best that could be accomplished. It was impossible to lay down an international method of checking declarations of value.

In passing, he would agree that the system of invoices was often useless.

M. Duzmans (Latvia) thought that there was a misunderstanding regarding his proposal. The words suggested on behalf of the Roumanian, Latvian and Estonian delegations did not affect the principle enunciated in paragraph I. If the system of invoices were not adopted, what guarantee was there that any other system of checking the accuracy of a declaration of value would be better? Without an invoice system, the position would indeed be ever worse than was feared. He would therefore press for the adoption of his amendment and would, at the same time, point out that the system of consular invoices, which had been justly attacked by M. Janssen, was not a general practice but had been abolished in many countries — for example, in his own and in Estonia.

M. Julin (Belgium), Rapporteur, thought that the Committee was now in a position to take a decision. Paragraph I of Article 2 laid down two principles: first, that the system of declared values should be adopted, and, secondly, that the declarations must be carefully verified. M. Duzmans had suggested one method of verification which was apparently successful in Latvia, Estonia and some other countries. Those countries could adopt it, but other countries should be free to choose what system best suited their method of administration.

M. Colesco (Roumania) said that, in submitting the amendment standing in his name and in those of the Estonian and Latvian representatives, he had had no desire to attack the principle of declarations of value; on the contrary, he had been under the impression that he was strengthening it. He had merely introduced into paragraph I what was already to be found in paragraph II of the article. The system of invoices was one of the most useful means of verifying the accuracy of declarations of value.

M. Pieckaliewicz (Poland) thought that the amendment could not be adopted. In its original form, the words "if possible" had been included; these had now been omitted, and it was consequently less acceptable even than before. The invoice value of goods did not necessarily mean that the value had been obtained solely from the invoice. It might just as easily have been calculated from the declaration made by the merchant. The invoice system was only one method of control and should not be recommended to the exclusion of all others.

M. Colesco (Roumania) explained that he had used the expression "categories of goods" in his amendment in order to make the position clearer.
The CHAIRMAN put the amendment standing in the names of the representatives of Roumania, Latvia and Estonia to the vote in the following form:

Paragraph I.

“...or their duly recognised agents...”

On a division, three members voted for the amendment and a large number against it.

The amendment was rejected.

The preamble and paragraph I of Article 2 were adopted without modification, the amendment to the last sentence proposed by M. Claessens being rejected by a large majority.

THIRD MEETING OF THE COMMITTEE ON TRADE STATISTICS.

Held on Thursday, November 29th, 1928, at 4 p.m.

Chairman: M. Wagemann.

10. Article 2, Paragraph II (Frontier Values) (continued).

The following text was before the Committee:

II. To employ for this purpose frontier values (land frontier or sea frontier, as the case may be), including, for imports, invoice value plus cost of carriage, insurance and freight to frontier, and showing, for exports, values free on board at port or free on rail at frontier.

“For imports, the import duties, taxes and similar charges shall be excluded from the values. For exports, all inland and export duties, taxes and similar charges shall be included.”

Mr. Hobson (United States of America) said that American statistics were, under United States legislation, based on the foreign values of goods. It would not be possible to change the system in force. The American authorities, however, were prepared to furnish annual estimates of carriage, insurance and freight which would enable statisticians to obtain the figures, which they desired in accordance with the present paragraph, by a process of calculation.

He had drafted an amendment (document C.S.O./Commerce/8) which would leave it open to countries which were in the same position as the United States to apply an alternative system to that defined in the paragraph.

Paragraph II would, in accordance with this amendment, read as follows:

“To employ for this purpose frontier values (land frontier or sea frontier, as the case may be) including, for imports, (a) invoice value plus cost of carriage, insurance and freight to frontier, or (b) the foreign value, i.e., the same as (a) but excluding cost of carriage, insurance and freight; in this connection, each annual report of imports shall contain a clear statement as to the basis employed and, in case basis (b) is followed, an annual estimate of the total value of imports according to basis (a); and showing, for exports, values free on board at port or free on rail at frontier.

“For imports, import duties, taxes and similar charges shall be excluded from the values. For exports, all inland and export duties, taxes and similar charges shall be included.”

Mr. Flux (British Empire) said that the United States Government was not the only Government which based its tariff, not on the value of goods as they arrived in the country but on their value as they left the country from which they were imported. The same system was in force in Australia, Canada and New Zealand. Some of these countries added 10 per cent to the foreign value of the goods as an equivalent to the cost of carriage, insurance and freight. The results obtained by this addition did not, of course, give c.i.f. values for individual commodities. The Conference, however much it might desire to secure uniformity, could not expect Governments to reconstruct their tariff systems in order to meet statistical requirements. It would be too much to expect such countries to provide figures for each class of commodities which would allow the c.i.f. values to be calculated corresponding with the foreign values used for tariff purposes. He feared that Governments would not very readily respond if they were asked to do more at the present moment than provide some means of estimating their total c.i.f. trade in the aggregate.

He did not think that it would be possible to secure more than was suggested in the amendment submitted by Mr. Hobson, and he was therefore prepared to support that amendment.

Mr. Riddell (Canada) said that Canada was in the same position as the United States in this matter. The values used by the Canadian authorities for tariff purposes were foreign values, i.e., values calculated f.o.b. at the point of consignment. It would be exceedingly difficult for Canada...
to make any change in that system. The proposal of Mr. Hobson appeared to offer a solution of this rather serious difficulty and, if comparability could be secured by those means, the Conference would be wise to consider it favourably.

M. HENEIN (Egypt) said that the Egyptian delegation considered it undesirable to include in the values used for statistical purposes the duties levied on exports, since such duties were not the same in all countries and in some countries did not exist. He would therefore move that export duties should be excluded from the values which were taken as a basis for statistical purposes.

Mr. FLUX (British Empire) said that he had already given notice of an amendment dealing with the point raised by the Egyptian delegate, with whose point of view, however, he could not agree. In his opinion, the value assigned to exports should be based on what the countries obtaining the exports would be required to pay. Export charges should therefore be included, and he urged the Committee not to entertain the idea of omitting them.

There was another point to which he would draw attention. It would appear from the wording of paragraph II that there would be included in the values there described excise charges which were actually refunded on export. He did not think that was the intention of the paragraph, and he would therefore ask leave to submit the amendment of which he had given notice. In accordance with that amendment, paragraph II would read as follows:

“To employ for this purpose frontier values (land frontier or sea frontier, as the case may be) including, for imports, invoice values plus cost of carriage, insurance and freight to frontier, but excluding import duties, and showing, for exports, values free on board at port or free on rail at frontier, exclusive of any excise charges refunded on export and including export duties, if any.”

He had noted, since drafting the amendment, that it contained an omission. Not only excise charges refunded on export should be excluded, but also any duties levied on goods that were imported into the country in cases where the duty was refunded when the goods were re-exported.

The CHAIRMAN said that he did not understand the difficulty to which the Netherlands delegation had drawn attention. He understood that, under the Netherlands legislation, declared values was to take them from the values declared for Customs and statistical purposes. The only method of obtaining statistical values was to take them from the values declared for Customs purposes. So far as he knew the values used in the Netherlands for tariff purposes were in fact calculated according to the provisions of the present paragraph. He thought it would create a bad impression if any reference to the possibility of a twofold system of values were introduced into the text. Was it necessary to insert an amendment in the sense suggested by the Netherlands delegate? Would it not meet the case if a reservation were inserted in the Protocol?

M. CLAESSENS (Netherlands) said that it would be necessary to add a third section to the paragraph. It should, in his view, be open to countries where Customs duties were levied ad valorem to use, in the recording of statistical returns, the declarations of value taken as a basis for Customs purposes. In the Netherlands, statistical duties were levied ad valorem only, in the case of imports and exports. In addition, the import duties were almost always levied ad valorem. It would not be advisable to ask for two declarations of value in respect of imports, one for statistical and another for Customs purposes. If a country desired to use one declaration for both Customs and statistical purposes, it should be free to do so.

M. JANSEN (Belgium) said that in practice there would necessarily be an identity between values declared for Customs and statistical values. The only method of obtaining statistical values was to take them from the values declared for Customs purposes. So far as he knew, the values used in the Netherlands for tariff purposes were in fact calculated according to the provisions of the present paragraph. He thought it would create a bad impression if any reference to the possibility of a twofold system of values were introduced into the text. Was it necessary to insert an amendment in the sense suggested by the Netherlands delegate? Would it not meet the case if a reservation were inserted in the Protocol?

M. CLAESSENS (Netherlands) said that, if a declaration in the Protocol were inserted to the effect that declared values for Customs purposes might be used as a basis for statistical returns, there would be no need of any amendment to the paragraph.

M. COLOMBO (Italy) said that little trust could be placed in declared values when they were used as a basis for the assessment of ad valorem duties. In certain countries, for example in Italy, lists of values existed for the purpose of assessing ad valorem duties on certain goods. The importers were, however, also obliged to declare the effective value of the goods released from Customs; again, the values declared for statistical purposes were used periodically to check the official values. He proposed that this principle should be followed in other countries also.

Mr. FLUX (British Empire) said that he was about to draw attention to the same point. There were cases in which official values were used for Customs purposes and declared values for statistical purposes. Were there, however, any cases in which there were two declared values in current use?

M. CLAESSENS (Netherlands) said that, under the Convention as it stood, the Netherlands Government would be obliged to adopt legislation embodying the definition of value given in paragraph II. The Netherlands delegation could not accept that obligation.

The CHAIRMAN said that he did not quite understand the difficulty to which the Netherlands delegation had drawn attention. He understood that, under the Netherlands legislation, declared values were available, which, so far as he could see, could be taken as a basis for statistical returns.

M. CLAESSENS (Netherlands) explained that in the Netherlands there were three definitions of value—one for goods liable to import duty, one for goods which might enter the country freely, and yet another for exports. The value for imports was used for statistical purposes, and the value for imports was used for Customs and for statistical purposes. All three definitions came very near to the definition in paragraph II, but were not quite identical.
The CHAIRMAN asked whether these considerations affected the principle of declared values which had been already adopted. If the proposal of the Netherlands delegation infringed that principle, it could not be accepted, and it would be necessary for the Netherlands delegation to make a reservation.

11. Appointment of a Sub-Committee on f.o.b. and e.i.f. Values (Principal Sub-Committee).

Mr. HOBSON (United States of America) pointed out that there were now three amendments to paragraph II before the Committee. Would it not be well to refer these amendments to a sub-committee with instructions to report back to the main Committee? He did not himself quite understand the nature of the difficulty to which the Netherlands delegation had drawn attention or what was the exact bearing of the amendment which the Netherlands delegation desired to submit.

M. BARBOZA-CARNEIRO (Brazil) said he thought that the case of the Netherlands Government was exceptional. Would not the Netherlands delegation therefore agree to the insertion in the Protocol of a reservation to the effect that its Government would adopt within a period to be fixed by itself the system proposed in the draft Convention?

Another point had been raised by the Egyptian delegation. He could well understand the point of view of the Egyptian delegate but would draw his attention to certain practical considerations. Export duties were levied on goods at the moment of their leaving the country and these exports, when they had passed the frontier, bore those export charges, which had thus become incorporated in their value. How those duties had been levied was not of real importance. The point at issue was to assess the value of the goods as they passed the frontier. The provisions in the Convention merely embodied a position of fact, and he would ask the Egyptian delegation not to insist on its proposal.

The Committee agreed that paragraph II should be referred to a sub-committee.

The Sub-Committee was constituted as follows:

Mr. FLUX;
Mr. HOBSON;
M. HENEIN;
M. CLAESSENS;
M. GAYON;
M. BARBOZA-CARNEIRO;
M. SCHLAMP,
together with the Chairman and Rapporteur of the Committee.

12. Article 2, Paragraph III (Definition of Units of Measure).

"To define precisely the unit of measure in which quantities are stated—weight, length, surface, capacity, etc.

"Particularly in the case of weights, precise definitions shall be given for terms such as 'gross weight', 'net weight' and 'legal net weight', with due regard to the fact that the same term may connote different meanings as applied to different classes of goods."

M. CLAESSENS (Netherlands) said that the text of Article 2, paragraph III, left open the choice of the unit of measure in which quantities should be stated, provided a precise definition of the unit were given. The statistics of the various States would not therefore always be comparable so far as quantities of goods of the same kind were concerned. For manufactured stuffs it would be open for returns to be made either of the gross weight, or net weight, or net legal weight, length, surface, number of pieces. Value was an inadequate measure, as it varied according to prices and the exchange rate of the currency. Only quantity measures were invariable. It was accordingly necessary to indicate not only the value but also the quantity of each kind of goods, expressed in the same unit for all countries. He would propose that the unit of gross weight should be taken, as that was a measure which was of great importance in relation to transport statistics, and one which could be declared without difficulty. Freight charges were almost always based on gross weight.

It went without saying that every State would be free also to return quantity according to some other unit, such as net weight, surface, number of pieces, etc.

A comparable unit of measure in respect of quantity was necessary, in order that an idea might be formed of the prices of goods imported and exported. That was very important from the economic point of view. The method of indicating the quantity of goods in special trade according to an identical measure would enable the calculation to be made.

As for purposes of transit only gross weight would probably be required, it would be possible to add the figures for special trade to the transit figures, and thus to obtain approximate statistics of general trade for countries which were interested in that trade.

He was not proposing any amendment, but hoped that some suggestion dealing with the point which he had just raised would be put forward by another delegation.

M. JANSEN (Belgium) said that the object of the Convention was to lead to concordant returns of international trade. For such a purpose it was not gross weight but rather net weight which would appear to be the significant datum. He did not think that it was necessary to move any amendment in the sense indicated by the Netherlands delegation.

M. GAYON (France) said that not all countries made use of the same unit of measure. Some countries adopted gross weight and some net weight as a basis for their statistics, which were therefore not comparable. A Committee had been established to deal with Customs nomenclature,
and that Committee was proceeding with its work under the chairmanship of M. Figiiera. Would
it not be possible to ask this Committee to establish a unit of measure for each category of goods?
It would be a natural development of their work.

M. Barboza-Carneiro (Brazil) suggested that the Committee should ask the Economic
Committee to invite the Committee on Customs Nomenclature to examine the question which
had been raised. The present Conference could hardly decide the matter for itself.

M. Julin (Belgium) said that the main problem before the Conference was to secure the com-
parability of statistics. If a statistician desired to study movements of commodities in a particular
country over a period of years, the statistics available were comparable, whatever unit of measure
that country might employ, so long as the unit remained the same for the period covered by the
enquiry. Movements of a particular commodity, such as coffee, might also be followed in different
countries, provided those countries used the same unit during the period covered by the statistics.
It appeared to him that comparability, for most problems of real practical importance, was thus
secured, even though a different unit might be employed in different countries. He was not in
favour of referring the question under discussion to the Committee on Customs Nomenclature.
Such a procedure would involve long delays.

M. Gayon (France) pointed out that, if a statistician wished to compare the importance of
the trade in a given commodity in different countries, it was not possible to do so unless the same
unit of measure were used in all cases. A common unit for all goods of the same kind was desirable.
He did not think that his suggestion to consult the Committee on Customs Nomenclature involved
a suspension of the present discussion. The Committee might adopt paragraph III and at the
same time draw the attention of the Committee on Customs Nomenclature to the point which
still remained to be settled.

M. Acklin (Switzerland) said that it would seem at first sight that the calculation of quantities
and weights could not vary since these were objective data, and the systems of measurement were
identical in a large number of countries. In fact, however, the definitions given to gross weight
and net weight varied greatly.

The Customs legislation of Switzerland conformed with the definitions approved by the
Third Congress on Customs Regulations, but in Switzerland there was no such thing as legal net
weight, because goods were taxed according to gross weight.

The definitions in Swiss legislation in respect of net weight, gross weight and effective weight
applied also to trade statistics, and he thought that this should be the case in all other countries.
It would be extremely difficult to reduce all the definitions of weight to a single formula, and
it seemed to him that it would be necessary to abandon the idea, however desirable it might seem.

According to the calculations which had been made, the tare amounted on an average to
20-25 per cent of the gross weight. Variations from that figure should not, in his opinion, have
a decisive influence on the comparability of the figures.

The differences which might arise owing to the various ways of calculating gross weight or net
weight were of small importance when the enormous tonnage of the import and export trade of
commercial countries was considered. In his view, accordingly, definitions of weight which
should be adopted in all countries might be omitted from the Convention. The Committee
should confine itself to showing that statistics of special import and export trade should be based
on net weight, and leave open the question of what was to be understood by that term.

M. Neclucea (Economic Committee) said that, as representative of the Economic Committee,
he agreed entirely with the French delegate's proposal to submit the question of the definition
of units of weight to the Committee on Customs Nomenclature. If, therefore, the Conference
adopted the proposal, the Economic Committee would also accept it.

The Chairman said that there were two proposals before the Committee. First, that it should
adopt paragraph III as it stood, and, secondly, that the very important but less urgent question
raised by the French delegate should be left for consideration by the future Committee of Experts,
in collaboration with the Committee on Customs Nomenclature. In this connection, the
Chairman would point out that there were, after all, certain questions which could not be
settled immediately.

M. Janssen (Belgium) said that, while he would have liked to be optimistic in regard to the
French delegate's proposal, he foresaw serious practical difficulties. That proposal raised an entirely
new problem : it was no longer a question of the form of the tariffs but of the very basis of the
collection of duties. While the different States might have little objection to accepting a common
Customs nomenclature, it would be necessary, if it was desired to achieve in addition a uniform
basis of collection, to modify the tariff laws; and this would certainly involve serious complications
with the legislative authorities.

M. Gayon (France) thought that the Belgian representative failed to consider the question
as a whole. There was a further point to be considered. What was the object with which the
Economic Committee of the League had taken up the work of establishing a uniform Customs
nomenclature? The object was that each trader might be able to find the goods in which he
was interested placed under the same heading in the tariff of every country. Now the advantages
which would result from such a measure would be very greatly increased if the bases of collection
were also unified. M. Gayon was sufficiently optimistic to think that the standardisation of the
bases of collection would encounter no difficulties in Parliament on the condition that the duties remained exactly the same as hitherto but were merely converted to a new basis. The Committee on Customs Nomenclature was, however, not a legislative body; its function was merely to prepare a draft which should be circulated to all the Governments and on which the Governments would have to give their opinion. In the meantime, the Committee could adopt paragraph III, which merely consecrated the status quo and laid down the quite natural provision that the unit of measure should be indicated.

M. NECULCEA (Economic Committee), with reference to the proposal to refer the question of the standardisation of units of weight to the Committee on Customs Nomenclature, observed that that proposal would be in accordance with the Economic Committee’s report. The adoption of that course would not hold up the work of the Conference, since the settlement of the question could be left till a later date.

The Chairman asked whether there was any objection to leaving the question for consideration by the Committee of Statistical Experts, to be set up under the Convention, in consultation with the Committee on Customs Nomenclature.

M. BARBOZA-CARNEIRO (Brazil) said that the adoption of this proposal would involve the pre-judging of one of the questions raised in the draft Convention—that was to say, the work of the future Committee of Statistical Experts. He would therefore suggest that it would be wiser to vote a simple motion asking the Economic Committee to take such steps as it thought proper to deal with the question. In this way, the matter would be left to the Economic Committee’s discretion. When it came to consider the question, the Economic Committee might discover some other means of solving it.

The Chairman said that Mr. Loveday had drawn his attention to the fact that the proposal should be put to the Bureau of the Conference, which would then decide whether it should be placed before the Conference.

Mr. Flux (British Empire) did not feel sure that the Conference would be justified in putting this new question before the Committee on Customs Nomenclature, which had been appointed for a special problem and which might say that, having settled that problem, its functions were at an end. There was another point which should not be overlooked by the members of the Conference in their capacity of statisticians. There were cases in which, in accordance with the rules established in the country concerned, the returns for all merchandise exported were indicated by weight. That, however, was in some instances of little value for statisticians, and another unit was maintained alongside the unit of weight. Would it not be desirable, therefore, to make some provision tending to encourage the use of a second unit of measure in cases in which the unit of weight did not express any very instructive feature of the merchandise in question? In the case of textiles, for instance, it would be useful to know the cubic measure of the goods as well as their weight. It would therefore be advisable to encourage the development of the use of more than one unit where units other than that of weight were of special significance. It was quite clear that, if the Conference took steps to generalise the use of one unit only, that unit being weight, it would thereby be discouraging the further development of the present statistical movement.

Mr. Flux therefore suggested that the first sentence of paragraph III should be amended to read as follows:

“To define precisely the unit or units of measure in which quantities of each commodity are stated . . .”

M. BARBOZA-CARNEIRO (Brazil) thought that Mr. Flux’s proposal made no change in the text as it stood.

After due reflection on what had been said by the various delegates and on the remarks made by his two colleagues of the Economic Committee, he wished to submit to the Committee a draft resolution to be forwarded to the Bureau, which would then decide whether to put it before the Conference. His proposal was as follows:

“The Conference, considering that it would be of great advantage if a precise definition of gross weight, net weight, etc., were adopted for all countries, draws the attention of the Council of the League of Nations to the importance of this question, with a request that the investigation of the problem be entrusted to a technical organisation of the League.”

If the Bureau agreed to that motion in principle and if it were adopted by the Conference, it would be included as a resolution in the Final Act. The Council would then decide to which body the question should be submitted.

M. GAYON (France) said that the motion submitted by M. Barboza-Carneiro failed to take into account the suggestion he had made that it would be of advantage not only statistically but also possibly commercially that a common unit of collection should be adopted in all countries. He would therefore ask that the motion should be completed in this sense.

M. BARBOZA-CARNEIRO (Brazil) accepted M. Gayon’s suggestion and pointed out that the question was one of drafting.

M. PIERKALKIEWICZ (Poland) thought that the Conference must confine itself to units of statistics. M. Barboza-Carneiro’s motion should therefore be completed by some such addition as the following: “and the question of the units used for the establishment of commercial statistics.”

M. BARBOZA-CARNEIRO (Brazil) said that he would ask the Committee’s permission to make a general proposal to the Bureau on the question of principle. The Bureau would then submit a final text to the Conference, taking into account all the different points raised in the course of the discussion.

The Committee assented.