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SPECIAL COMMITTEE ON INFORMATION TRANSMITTED UNDER ARTICLE 73e OF THE CHARTER

Second Session

SUMMARY RECORD OF THE THIRTY-SEVENTH MEETING

held at the Palais des Nations, Geneva, on Thursday, 11 October 1951, at 2.30 p.m.

CONTENTS:

Present:

Chairman Mr. KERNKAMP

Members:

Australia	Mr. PEACHEY
Belgium	Mr. RYCKMANS
Brazil	Mr. ROCQUE da MOTTA
Denmark	Mr. LANNUNG
Egypt	Mr. PHARAONY
France	Mr. PIGNON Mr. MOURRUAU Mr. SAGOT
India	Mr. PANT
Mexico	Mr. CALDERÓN PUIG
Netherlands	Mr. SPITS
New Zealand	Mr. SCOTT
Pakistan	Mr. ZIAUD-DIN
Philippines	Mr. INGLES
Union of Soviet Socialist Republics	Mr. SOLDATOV
United Kingdom of Great Britain and Northern Ireland	Mr. MATHIESON Mr. LEYDEN
United States of America	Mr. DAVIS Mr. de JESUS TORO

Representatives of specialized agencies:

International Labour Organisation	Mr. GAVIN
Food and Agriculture Organization	Mr. PAWLEY
United Nations Educational, Scientific and Cultural Organization	Mr. DESTOMBES

Secretariat:

Mr. Benson	Representative of the Secretary-General
Mr. van Beusekom	Secretariat
Mr. Cottrell	Secretariat
Mr. Kunst	Secretary to the Special Committee

1. PROGRAMME OF WORK

The CHAIRMAN noted that members of the Committee had received a copy of the timetable proposed by the Secretariat for the organization of the Committee's work during the remainder of the session. He called particular attention to the footnote. The adoption of a timetable, which had been drawn up with a certain degree of flexibility, would obviate the need for the Chair to impose any limitations on the discussions. He invited comments and suggestions for any alterations which members might think desirable.

Mr. LANNUNG (Denmark) said that his delegation approved the timetable in principle. It seemed to him, however, to be desirable that the Special Committee should complete its session on 27 October in accordance with paragraph 4 of General Assembly resolution 332 (IV), which laid down that the Committee should conclude its work not later than one week before the opening of each session of the General Assembly. Many delegations attending the General Assembly would require an adequate interval in order to consult their Governments. His delegation would, of course, be willing that the Committee should hold additional meetings in order to complete its work before that date.

Mr. BENSON (Representative of the Secretary-General) called attention to the fact that no provision was made for Saturday morning meetings. The Sub-Committee on Economic Conditions and Problems of Development might therefore hold a meeting the following morning instead of on 13 October, as proposed in the timetable. With reference to the Danish representative's suggestion, he said that any additional compression of the Committee's work should be made during the following week in order to give the Rapporteur sufficient time to prepare his report.

Mr. PANT (India), Mr. MATHIESON (United Kingdom), Mr. RYCKMANS (Belgium), Mr. PEACHEY (Australia) and Mr. DAVIS (United States of America) supported the Danish representative's proposal, as well as the suggestion that the Sub-Committee should hold a meeting the following morning.

It was agreed that the second session of the Special Committee should close on 27 October.

It was further agreed that the Sub-Committee on Economic Conditions and Problems of Development should meet on the morning of the following day, Friday, 12 October, at 11 a.m.

2. ECONOMIC CONDITIONS AND DEVELOPMENT IN NON-SELF-GOVERNING TERRITORIES: SECRETARY-GENERAL'S ANALYSES OF INFORMATION AND DOCUMENTS SUBMITTED BY ILO AND FAO (item 4 of the agenda) (continued):

(f) General Programmes of Industrial Development (A/AC.35/L.29 and Corr.1, A/AC.35/L.44, A/AC.35/L.46)

Mr. PIGNON (France) wished to introduce an expert on his delegation who would make a statement in connexion with general problems of industrial development.

Mr. MOURREAU (France) wished to refer particularly to the industrial development achieved in Morocco, Tunisia and the Territories south of the Sahara.

He stressed the exceptional rapidity and scope of the industrialization of Morocco. That had mainly been rendered possible by the existence of considerable equipment, as shown by the following figures: 1,715 kilometres of railway lines, 9,000 kilometres of fully constructed roads, 200,000 hectares of irrigated land, and the production of 4,000,000 tons per year of mineral products and 350,000,000 kwh.

Those material achievements, accomplished in a Territory where nothing comparable had ever existed before, were only the external manifestation - they were also the direct result - of a fundamentally humanitarian task designed to enable the people of Morocco, whilst fully protecting their traditions, to take a more important part in the life of the modern economic world.

In spite of the two wars which had resulted in a loss of 10 years in the work of industrialization, the results achieved in a few decades were clear from the following significant figures.

Production of electric power had increased from nil in 1915 to 150,000,000 kwh in 1940 and 450,000,000 kwh in 1949; production of phosphates, begun in 1920 with 30,000 tons, had risen to 2,500,000 million tons in 1939 and 3,700,000 tons in 1949; whereas industry, in its more restricted sense, which had been non-existent at the end of the first world war, had provided employment for 7,000 workers in 1924, it now employed over 120,000.

Industrialization had not only progressed rapidly, but was also developing simultaneously in all fields. The metallurgical industry consisted of three steel foundries, 29 cast-iron foundries and ten non-ferrous metal foundries. Existing production was at the rate of 5,000 tons of cast-iron and 700 tons of bronze. Moreover, a lead foundry and an antimony foundry had also been opened. The machine industry was also considerably developed and consisted of six shipyards, a workshop for the manufacture of railway material, 300 workshops for motor car repairs, 13 hardware factories, 3 accumulator factories and a factory for the manufacture of electric equipment. The building industries were annually producing 350,000 tons of cement, 200,000 tons of ceramic products and 160,000 tons of pre-fabricated materials. The chemical industry had developed and required export outlets. The most important part of that industry was the production of phosphate fertilisers which had reached 300,000 tons. But attention should also be drawn to the factories for the production of pharmaceutical products, matches, paper and cardboard, paint and liquid oxygen. Mention should be made too of the textile industry, particularly important for woollen textiles, and of the leather industry in which 1,200 tons of hides were tanned a year and which kept 93 shoe factories and 68 leather goods factories employed. Food production was also notable: 36,000 tons of tinned vegetables and fruit, 2,000,000 cases of tinned fish, 105,000 tons of sugar and 120,000 tons of oil per annum.

The fact that the present state of industrialization in Morocco was satisfactory had not prevented the application of a vast programme designed to accelerate industrial progress. At the beginning of 1949, a period of concentrated mechanization had been completed, as well as an overhaul of existing equipment in all fields. No rigid preconceived plan had been followed such as would have

been exposed to disruption by changing conditions, but advantage had been taken of every available possibility. The Territory had used its own foreign currency resources, both those put at its disposal by the French Government and these provided by United States aid to the metropolitan country. The mechanization of equipment in combination with financial investment had enabled Morocco to double its production over the pre-war figure and had resulted in an upward curve in its production graphs.

The public authorities naturally took responsibility for providing basic equipment. The large dams at present under construction would, when completed, increase the surface of irrigated land from 200,000 to 500,000 hectares. In the same way production of electric power would go up from 450 million kilowatts per hour to one billion from 1953 onwards. Improvements were being effected in road, railway and port equipment which would augment water and electricity supplies. The public authorities were also responsible for mining equipment. Equipment needs in Morocco for the period ending in 1952 had been estimated at 222 million United States dollars, and from 1952 onwards at 230 million dollars a year.

The modernization programme did not place any restriction on private enterprise, either French or foreign, which had already proved its value in Morocco. The programme had the twofold aim of enhancing the part Morocco should be able, by virtue of its resources, to play in the world economy and, on the other hand, of effecting a constant rise in the standard of living of the Morrocan people, thus enabling them more and more to participate in modern technical progress.

With regard to Tunisia, there was no doubt that industrially that Territory had, at the beginning of the war, been considerably less advanced than Morocco. Tunisia had, of course, suffered particularly severely from the war, and in 1945 the essential task had been to restore the situation existing in 1939 and then to develop a degree of industrialization, the need for which had become pressing owing to a steady increase in the birthrate of 70,000 per year.

The Government of the Protectorate had been guided by the consideration that the only source of energy in Tunisia was hydro-electric power. Consequently, it

had been essential as a first step to draw up and put into application a vast scheme of dams not only for the construction of powerhouses but also for the supply of drinking water and the extension of the area under irrigation. Thanks to the support received from the metropolitan country, it had been possible to put the programme into execution regardless of financial return, only the economic advantages over a period of 15 to 20 years being taken into consideration. The following results had been achieved. The reconstruction of plant destroyed during the war had been completed and new equipment had increased the annual production of electric power from 67 million kWh in 1938 to 121 million kWh in 1948. Production in 1952 would amount to 225 million kWh. In order, however, to reach the figure proposed for 1952 and to secure the 350 million kWh estimated as necessary in the future, thermal factories working on imported liquid fuel would also have to be put into operation. The existing thermal plants at Sfax, Sousse and at La Goulette had been expanded and two new factories had been built in other regions.

Mining activity in Tunisia was concentrated mainly on phosphates, iron ore, zinc and lead. The industry had, however, been considerably affected by the war, and repairs in 1945 of the damage sustained had been hindered by the shortage of equipment and spare parts as well as of currency. Moreover, increases in the price of mineral products had been constantly offset since 1943 by increases in the prices of equipment and salaries. The public authorities had had to take steps of considerable importance before mining activities could be started again. In spite of unfavourable economic conditions, production bonuses and grants had made it possible for production in 1949 to reach the 1939 figures in the case of phosphates, iron, lead and zinc.

With regard to mineral oil, it should be observed that Tunisia was a big importer of hydro-carbons. In 1931 the Tunisian Government had, together with the French Government, founded a centre for oil research in Tunisia, but with rather meagre results, in spite of the time and money spent. At the same time, the fuel commission functioning under the Monnet Plan had instituted in 1946 the system of mixed companies with foreign capital for oil prospecting. Such companies, which had to undertake certain financial obligations to the Tunisian Government, were moreover obliged to cede to the Government their rights to any

workings which they might consider to be unprofitable. Three companies of that kind were at present working in Tunisia.

A considerable effort had been made by private enterprise for the development of various industries, of which the production of vegetable oil was an important branch. There were 1,865 factories of varying sizes at work, and 8 refineries, with ultra-modern equipment, treated 15,000 tons of oil per year. The canning industry which had existed only in a very small way in 1940, comprised 88 factories in 1951 producing 8,000 tons of preserves and fruit juices. The principal concern of the Tunisian authorities in that field at the moment was the installation of a chain of refrigerating plants which would enable the food industries to be developed to their fullest possible extent.

The metal industry had only been developed since the second world war and should be able to meet domestic needs within one or two years. Whether further development should be aimed at was a point upon which agreement had not yet been reached by the economic advisers. The three lead foundries already had a production capacity in excess of local extraction, and lead ore had to be imported.

The chemical industries were still at an early stage of development. Nevertheless, 45,000 tons of super-phosphates were being produced annually by one undertaking and a cement factory set up by the public authorities was producing 300,000 tons per annum, thus exceeding consumer needs in Tunisia.

Another industrial branch in the course of rapid development was the leather industry. Three tanneries and 12 taweries had been set up since the war and had made it possible for five shoe factories to be opened shortly afterwards. Most important of all, a hundred s all undertakings had been put into operation thanks to the specialized machine workshops for stitching and finishing. As a result of such activities, Tunisia, which in 1938 had exported 1,000 tons of hides, now not only absorbed the whole of that quantity in its local tanneries, but was also obliged to import 500 additional tons. Efforts in that field would in future have to be directed towards quality rather than quantity.

He would not refer to the textile industry, since it was in the hands of craftsmen. Handicrafts were a most important element throughout all North Africa, and he wished only to call attention to the fact that through government action the weavers' co-operatives had been considerably expanded in Tunisia.

In his survey of the industrialization of Morocco and Tunisia, he had dwelt on the programme of activities undertaken by the public authorities. The widest possible measure of initiative was left to private enterprise in other spheres, where the Government merely intervened in order to facilitate and direct its activity and to provide assistance should difficulties arise. The industrious habits of the indigenous population, capital investments from the metropolitan country and abroad, and the relative proximity of Europe were factors which made it possible for the public authorities to limit their action to organization, co-ordination, protection and guidance.

The question of the industrialization of tropical Africa was, however, a very different one. Owing to the vast area of the territories concerned and to demographic, climatic and soil conditions, industrialization gave rise to two entirely different but co-incidental problems. In the first place, industrialization plans were confronted with the need for obtaining the necessary means: power, basic machinery, capital and manpower. Secondly, they had to take into account the need for obviating the disadvantages on the human plane entailed by industrialization, namely, the creation of a proletarian class, urban concentration and a decrease in food production. The French Government was doing its utmost to arrive at a solution of those problems. Their very existence, however, as well as the difficulties encountered in coping with them, made it clear that it was not only impracticable but undesirable to force the pace of industrialization in the regions south of the Sahara.

The first condition for industrialization of such territories was the creation of a sufficient volume of power. Theoretically speaking, tropical Africa was particularly favoured in the matter of hydraulic power, but that was offset by the immense obstacle to civil engineering in those regions. Work had been begun

four years previously on four large dams in the French Territories of Guinea, the Moyen Congo, the Cameroons and Madagascar, which would begin to work with a total power of 60,000 kilowatts in 1953, thus making it possible to set up industrial centres supplied by them with power. Expenditure on these four dams already exceeded 8 million dollars and the total cost would probably amount to three times that sum. The original sum of 8 million dollars had been drawn from public funds and metropolitan sources. Furthermore, studies had been made by "Electricité de France" for the construction of other dams. However, in view of the statement made at a previous meeting by a representative who had seemed to imply that development plans existed only on paper, he would confine himself to those projects which had already been completed or upon which work had already begun.

The Territories were poor in thermal power resources. Consequently, his Government was attempting to organize the large-scale exploitation of the only coal mines known to exist in them, the Sakoa mines in Madagascar. The cost of construction of a railway and of a special port had been estimated at 42 million dollars, for which the necessary funds were being sought. The existing small-scale workings were being financed by the Territory itself.

To introduce local industrialization in the overseas territories, it was also essential to ensure an adequate supply, both in quantity and quality, of basic equipment. In that connexion, the French Government had earmarked 65 per cent of the funds allocated to the Monnet Plan for the renewal and modernization of basic equipment. Clearly much work would have to be done, since the existing equipment, which had only sufficed for pre-war production, had been subjected to excessive wear and tear during the war and would have to be replaced by new and improved types to meet the needs of a modern economy. In spite, however, of the difficulties and the considerable cost involved, work had been put in hand over the last 4 years to an extent of 280 million dollars, divided among roads, railways, ports and air transport. But an additional amount of much the same figure would be needed before the territories could achieve a modern economy, and such undertakings would necessarily require a considerable time in view of conditions in these regions.

Certain speakers had stated or had implied that European capital earned considerable profits in the French Overseas Territories. But, if that were true, it would be difficult to explain why so little private capital was in fact invested in those countries and why it was difficult to attract such capital. Local industrialization should be based both on foreign capital and on domestic savings, and his Government aimed at encouraging both those sources. He would not enter into the details of the tax and exchange facilities afforded to capital invested in French Overseas Territories. They varied according to the Territory, since the local elected assemblies in each Territory were responsible for establishing them. He would, however, point out that foreign private investments made since 1949 could be repatriated in toto. He stressed that fact since the Egyptian representative, had, at a previous meeting, seemed to imply that certain restrictive measures had been taken by the French Government in connexion with investment of foreign capital in its Territories. On the contrary, the French Government sought to attract foreign capital to its Territories overseas.

Indigenous savings were far too small at the present stage to play an important part in local industrialization. It was essential to extend such savings by the development of cash crops, and he was at a loss to understand why certain representatives had deplored an increase in the production of cash crops. A knowledge of the psychology of the African farmer showed that he was only too willing to work harder in order to earn more money and the authorities were often obliged to impose certain checks so that such vital considerations as the need for the production of food crops and for soil conservation were not forgotten. In order, however, to create domestic savings, it was essential to impress upon the African mind a sense of economy and responsibility and, to that end, his Government had, principally with public funds, established local agricultural credit societies in seven Territories. In others, the customary rural collectivities had been entrusted with the task of serving as a credit organization, as, for instance, in Madagascar. It was his Government's view that savings which accrued chiefly from peasant sources could play an important part in the "Para-agricultural" sphere, the basis for their organization being either the small existing collectivities or the co-operatives which were rapidly growing up in all territories and to which

the French Government was giving technical and financial assistance.

Another consideration of the first importance in industrialization was that of the training of technical personnel in the wider sense of the word. That was primarily a problem of education, and his delegation would comment on that point at the appropriate time. He wished, however, to point out that over the last four years 21 million dollars had been set aside under the Monnet Plan for school equipment, to which should be added current expenses drawn from local budgets, and that half that sum was being spent on technical instruction on all levels and in all fields. The full effect of that development should become apparent in a year or two.

Summing up the stage reached in the industrialization of the French Overseas Territories, he noted that not only were the undertakings of the public authorities included in the development plan for those Territories, but a considerable part of the funds voted by the French Parliament was used for the financing of State or mixed companies. Such companies had been instituted whenever the need had been demonstrated for an industrial concern which private enterprise had not been able to set going without support; they were required to follow the general principles of the Monnet Plan, namely, the raising of the standard of living of the populations by increasing the territory's exploitable wealth.

The first field covered by those companies had been that of the processing of agricultural products. Three rice mills of 1[illegible],0[illegible]0 tons capacity had been opened in the [illegible]n. On the coast, nine palm-oil refineries had been built which were capable of dealing with 2,000 to [illegible],000 tons each, thus replacing manual extraction. Seven other factories of the same type would be completed within the next two years, and the capacity of all could be doubled if so desired. Two factories for the preparation of quinine and two ultra-modern factories for the manufacture of cellulose made up the group of pilot schemes for which private enterprise, in association with local collectivities, was responsible. At the same time, provident societies had set up a multitude of small industrial concerns, including coffee factories, oil presses, ginning factories, etc. In all those undertakings by the public authorities, the same emphasis was laid on the enhancement of the

value of agricultural produce. The companies with mixed private and public capital had also been active in the electrification of urban centres. Thirty towns in French West Africa, six in French Equatorial Africa and five in the Cameroons had already been endowed with thermal power production factories and installations given free to the collectivities. Finally, the mixed companies had taken over responsibility for activities in which the preliminary expenses prior to operation were too high to be borne by private enterprise, e.g. in the case of the cement factories in French West Africa, French Equatorial Africa and Madagascar.

During the past five years, private enterprise had made industrial investments which, though not regarded as adequate, were nevertheless estimated at 50 billion francs, or 145 million dollars. The timber industry had been one of the first to benefit from such activities, and, with the help of American equipment, two large ultra-modern factories had been built in the Cameroons. A wood-peeling factory, which could be classed among the finest in the world, had been built in the forest of Gabon. Private enterprise was also engaged in soap factories, oil works, tanneries, building and textiles. Two large textile factories had been built at Dakar and Duala, and two others were being built in Ubangi-Shari. Food industries were also developing.

Such activities had been undertaken by large concerns with specialized staff recruited in Europe and were of great importance in the modernization of under-developed territories. The most interesting development, however, had been the multiplicity of small and medium-sized undertakings which had grown up locally and spontaneously as a result of the economic impetus given by the large-scale achievements of the Monnet Plan. Many such undertakings were owned by Africans, and the French Government regarded that development with greater satisfaction from the purely human point of vi than the construction of large factories, since it could in some measure be taken as the barometer of the Monnet Plan's success, whereas an unduly rapid growth of large factories might entail certain dangers for the population.

As the United States representative had so rightly remarked, the industrialisation of the Non-Self-Governing Territories could not follow exactly the same lines of development as had been taken by the European countries. The existence of industries all over the world at the present time made it essential not to overlook the factor of competition and the consequences of a certain degree of specialization in the various regions. Consequently, only such industries as had a reasonable chance of prosperity should be developed. That was all the more important in the French Overseas Territories where the population was relatively small. It was true that the population was increasing steadily, thanks to the health policy which had been pursued for the past 50 years and to which objective observers had paid tribute on several occasions. But for several years yet to come, any part of the able-bodied population employed in one sector of the economy would be missed in another, notwithstanding the effect of mechanization. Activities which were only of a slight or doubtful interest to the community could not be encouraged, and, for that reason, the African economy was a planned one, which meant that only those undertakings which fell within the general framework of such a planned economy could receive assistance from public funds.

During the last few years, the urban population in Africa had grown considerably, a fact which could be explained by the mechanization of the region but which was nevertheless a cause for anxiety. The Soviet Union representative had compared the minimum wage of an indigenous worker, representing inexperienced manpower, with that of a white one representing the highly specialized worker, and had stated that such wages did not reach subsistence level. It would appear, however, that the indigenous population concerned did not agree with that view, since for the past two or three years there had been a considerable influx towards the industrial centres. That influx raised difficulties connected with the enlargement of urban centres and with health and social factors. Moreover, in view of the fact that it had been estimated that one-twenty-fifth of the total population had moved from rural areas to the urban centres during the past ten years, there was some risk of the food supplies for the whole population being

disrupted. To prevent such a situation, the Monnet Plan had financed large mechanized agricultural undertakings, such as the Office du Niger au Soudan, which specialized in intensive rice cultivation, and had at the same time encouraged mechanization of small-scale agriculture by various measures. But the full effect of such measures would not be felt for another three or four years, and it was therefore essential for an equilibrium to be maintained between the movement of population brought about by industrialization and the stablization required for adequate food production

Mr. PANT (India) said that the information supplied by the various Administering Authorities had been both remarkable and profuse and had done much to depict the situation with regard to the rapid industrial development that had occurred in the Non-Self-Governing Territories.

Before dealing with sub-item (f), on general programmes of industrial development, he wished to comment on the question of co-operatives to which the representative of the International Labour Organisation had referred at the previous meeting.

He emphasized the point that the co-operative organizations in the Non-Self-Governing Territories should act as centres of inspiration for the creation of new social energy in the ventures being undertaken. But it sometimes occurred that restrictions and regulations deadened that source of inspiration and that consequently the indigenous peoples were not often attracted by the co-operative movement.

Drawing attention to the resolution concerning national action regarding the co-operative movement in Asian countries adopted by the Asian Regional Conference of the International Labour Organisation (A/AC.35/L.49, Appendix II), he particularly stressed the desirability of adopting legislation in the Non-Self-Governing Territories such as that envisaged in paragraph 1 of that resolution. In many of the Non-Self-Governing Territories, the legislation governing co-operative societies clearly needed revision in the light of modern experience, and he hoped that the Administering Authorities would give the matter their serious attention.

Turning to the question of general programmes of industrial development, he believed that general agreement existed on the principles contained in paragraph 27 of the Secretariat's note (A/AC.35/L.44). In that connexion, he welcomed the French representative's statement pointing out the various difficulties experienced regarding the development of industry in the Non-Self-Governing Territories, particularly those connected with labour, capital, technical personnel and the factor of competition.

Industries, mining concerns, banks and commercial systems were being established in the Non-Self-Governing Territories in order to create new wealth. It was, however, essential to bear in mind that, in any society, due regard should also be paid to the way in which such wealth would be distributed since, if it were concentrated in the hands of a few, friction would be bound to arise, which would not favour the development of a stable society.

In an earlier statement he had referred to the desirability of instituting, wherever possible, village and cottage industries. He did not believe that the introduction of such industries would in any way constitute a backward step, but that, on the contrary, their existence would make for a more balanced economy. He recalled an occasion on which he had been present when the late Mahatma Gandhi had, in referring to the production and distribution of wealth, expressed the view that village industries were best suited to a country such as India since in that way wealth was distributed as soon as it was created. He felt that the same applied to Non-Self-Governing Territories. In the case of cloth production, for instance, varying extraneous costs connected with production in large centralized factories resulted in only 30 per cent. of the profits accruing to the workers themselves, the remainder being divided among organizational and marketing costs as well as capital charges, etc. Village industries, although production was doubtless slower, ensured a far higher standard of quality and, moreover, resulted in 70 per cent. f the profits accruing to the workers. It was true that, in a centralized industry, a proportion of the profits, in the form of taxes, was spent on social services. But under the system of decentralised

village and cottage industries, there was no concentration of labour and consequently no conflict arose between capital and labour. Obviously, some industries could not be developed in a decentralized form, whereas others, such as spinning and weaving, paper making, oil-pressing and furniture making, were particularly suited to such a system.

In view of the fact that new patterns of social existence were being created at the present time in new territories, it was desirable to bear that experience in mind. Efficiency was an important factor, but it should only be taken into account to the extent to which it was compatible with human contentment and the creation of a balanced society.

He believed that the time had come when the Administering Authorities would have to adopt a clear line of policy according to whether they considered that a multi-racial pattern of society was desirable in the Non-Self-Governing Territories. He would not express any view on the question whether the Administering Authorities should remain in the Non-Self-Governing Territories once their industrial development had been achieved or leave on the completion of their work. But he believed that all right-thinking people had come to the conclusion that the creation of such a plural multi-racial structure was both inevitable and desirable. In that connexion, he quoted an article which had appeared in The Times of 17 September 1951 with reference to East Africa but which was also applicable to other Non-Self-Governing Territories, where it was stated that the establishment of such a multi-racial society was the only way in which the rights of immigrant capital and experts gould be reconciled with the rights of the indigenous population.

With regard to practical measures for the implementation of such a policy, he thought that the Members of the United Nations responsible for the administration of Non-Self-Governing Territories should consider allocating a number of shares in industrial concerns to different racial groups, thus enabling them to take an active interest in the industrialisation of the Non- Self-Governing

Territories and to have a definite stake in their development. Conflict would inevitably ensue if industry was managed by a single class. The time had come for class and colour barriers to be eliminated in the production of [illegible] before it proved too late, as had already happened in other parts of the world.

Regarding the training of the indigenous population in the [illegible] industrial development, he [illegible] congratulate some of the Administering Authorities on the efforts [illegible] in that sphere, particularly since higher training establishments had been set up. He particularly [illegible] the United Kingdom Government for having set up a technical college in Nairobi, the first multi-racial establishment of that type, and he hoped that the college would be in full [illegible] in the near future since the need for such institutions was very great. [illegible] fully appreciated the fact that, [illegible] of the requirements for trained personnel in every sphere of action in the Non-Self-Governing Territories, the pace at which such training was undertaken could not be forced, particularly in the case of the indigenous peoples. His own country had had experience in that matter in connexion with its aboriginal population. Nevertheless, the indigenous [illegible] would learn far more quickly if sufficient incentive and inspiration were forthcoming.

He pointed to the dangers which might arise if trade unions were established on a separate racial basis. He also felt that it was essential that the principle of <u>equal pay for equal work</u> of the same efficiency should be accepted. That question was important in many of the Non-Self-Governing Territories. He did not intend to imply that equal pay should be given on humanitarian grounds, but it should be given if the work done were really of the same value. It was essential that the indigenous populations should have the opportunity of raising the standard of their work.

His remarks were not offered by way of criticism, but solely as forming part of a normal exchange of views. His delegation hoped that the Administering Authorities would accept them in the spirit in which they had been made.

Mr. DAVIS (United States of America) wished to introduce to the Special Committee a member of the United States delegation, Mr. de Jesus Toro, who was responsible for the co-ordination of the Puerto Rican budget plans, which included the annual Puerto Rican revenue of 100 million dollars as well as the 50 million dollars in the Revolving Fund. That revenue, he stressed, was entirely Puerto Rican in origin, and the Federal Government of the United States had no authority over its expenditure.

Mr. de JESUS TORO (United States of America) felt that a short account of the industrial development programme of the Government of Puerto Rico would be of value to the Committee's discussion on industrial development.

Puerto Rico, with a population in 1950 of 2,219,000, was one of the most densely populated areas in the world, having approximately 650 persons to the square mile. The Territory had no petroleum, coal, copper, zinc or lead and very little iron ore. In spite of those obvious limitations Puerto Rico had a fairly high per capita standard of living in comparison with other areas, whether self-governing or not. Estimates of per capita income in 1949, made by United Nations statisticians and covering nine-tenths of the world population, suggested that Puerto Rico had a per capita income larger by far than the majority of the countries of the world, higher than all but three of the Eastern European countries and all but four of the Latin American and Caribbean countries. Its position in the United Nations study was twenty-sixth among the seventy nations considered.

Historically and culturally, Puerto Rico was a Latin American community of United States citizens. As United States citizens, Puerto Ricans had an economic union with the United States, with free trade, a common monetary system, a single customs régime, etc. That union had brought with it a considerable degree of integration of the two economies and had proved an obvious blessing to the island, which thus had available to it the largest and richest market in the world for its agricultural and industrial products in addition to well-established economic institutions.

The major objective of the Puerto Rican Government was to raise the standard of living of its people. Production had practically doubled in the past ten years; indeed, it had increased as much since 1940 as during the previous 450 years. Gross national production had increased from 396 million dollars in 1940 to 773 million dollars in 1950: that corresponded to an increase in value of production per worker of from 813 dollars in 1940 to 1239 dollars in 1950, at the 1950 value of the dollar.

The Government had set itself the task of tripling production during the next ten years. That would involve an increase in the gross national product from 773 million dollars in 1950 to 2,122 million dollars by 1960, or a rise in value of output per worker of from 1,239 to 2,496 dollars.

Industrial development was expected to make an important contribution to the achievement of those goals. The total new capital going into manufacturing enterprises during the coming decade was expected to amount to 359 million dollars. Of that sum, 277,500,000 dollars would come from private and 81,500,000 dollars from Government sources.

With particular reference to industrialization, he stated that until 1940 previous governments in Puerto Rico had never undertaken a positive programme of action to foster industrial expansion although they had been favourable to such expansion. The Popular Party under Governor Luis Muñoz Marín had been swept into power in 1940 with a definite platform of economic development.

Several important public corporations had been created, three of which had special importance in the industrial development programme. Those were the Water Resources Authority, entrusted the development of electric power, the Government Development Bank, with powers to extend long-term loans at low rates of interest to manufacturing enterprises, and the Industrial Development Company with wide powers to promote, own, operate and finance industrial development.

The activities of those corporations had been seriously retarded by the special conditions resulting from the second world war so that they had come into full operation only towards the end of the war. The Industrial Development Company had

taken over a cement plant constructed by the Federal Government and erected glass, paper, ceramics and shoe factories at a total cost of nearly 11 million dollars. Although some of those factories were operated at a loss there had been a small consolidated net profit for the five year period; and all had been sold to private interests in 1950, again at a small profit to the Company. Government ownership and operation of those factories had never been conceived of as a permanent, but rather as an interim, policy intended to demonstrate the feasibility and advantages of manufacturing operations in Puerto Rico, particularly for products urgently needed in the Territory.

In 1947, the Industrial Development Company had shifted its efforts from the direct ownership and operation of factories to the promotion of investment by Puerto Rican and continental United States private investors.

Various aids and incentives had been made available. The first major step taken had been the adoption by the Legislative Assembly of the Tax Exemption Act of 1947, which provided that the Governor might grant exemption from all taxes up to 1959, and partially up to 1962, to any firm engaged in the manufacture of a product never before made in the Territory or of any one of a list of 42 products judged particularly suitable for manufacture there. Nearly 150 firms had so far availed themselves of that tax privilege. Since individual persons and firms engaged in business in Puerto Rico did not pay Federal taxes, tax exemption was recognized as having been the determining factor in the decision of many enterprises to start operations in the island.

The Government Development Bank had long-term loans amounting to 12 million dollars outstanding as of June 30, 1951; those loans had been granted mainly for the construction of industrial buildings and the purchase of machinery.

The Industrial Development Company had constructed 48 factories which it had leased or sold to private industrialists. That part of the industrial development programme had proved very important, since there were few industrial buildings available for lease or sale in the island, and it had been found that many prospective investors wanted to start immediate operations rather than wait

one or two years until facilities became available. Moreover, those firms did not like to tie up an important portion of their equity capital in buildings until they knew that their ventures would prove profitable. In the experience of the Puerto Rican Government, the lack of adequate industrial buildings had been the greatest bottle-neck in the programme, and a substantial amount of money had consequently been earmarked for building. Twenty-five new industrial buildings were currently under construction by the Industrial Development Company in addition to others being erected by private concerns.

The Company also granted both long and short-term loans to promising new industrial firms where the risk involved was such that neither the private banks nor the Government Development Bank could finance the operations because the obligations could not be discounted in secondary markets. The Company assumed responsibility for those loans even at the expense of freezing part of its capital for many years.

Other special aids were also given to manufacturing enterprises which formed the nuclei for the development of other industries. Those were so called "core" or "service" industries, such as metal treating, bleaching and dying, box and can manufacture, tool and dye manufacture and other enterprises serving a number of existing or potential industries. Other industries were not attracted to the Territory for lack of those core industries. Among the special aids given were free rent during the first year of operation, the under-writing of half their operating loans up to a specified amount and for a specified period of time, and the payment of salaries of technical personnel for training unskilled workers to become skilled craftsmen. The extent of the special aid granted was not fixed but was determined by the desirability in the long run of a particular industry from the stand point of the Territory's needs.

In addition to such direct aid there was also an extensive programme of industrial training composed of a number of complementary sub-programmes. In the first place, there were the orthodox courses of instruction in large educational schools; secondly, a new programme was started of training by actual work in the factories. The Government paid the teachers a salary, and a certain sum for materials spoiled in production.

The second programme had met with considerable success and was, for a number of reasons, particularly suited to conditions in the Territory. First, the equipment needed for instruction was provided by the factory; secondly, experienced teaching personnel was frequently made available by the firm; thirdly, the training offered the student the opportunity to acquaint himself with the real work situation; fourthly, the management was provided with the opportunity for selecting the best personnel; and fifthly, the programme constituted one of the least expensive means of training.

The experience of the Industrial Development Company indicated that the average duration of the training period should not be less than three months or approximately 500 hours.

The third part of the programme was the training of managerial personnel. In addition to the facilities available at Puerto Rican universities, unusually promising young men were given government scholarships to various management-training centres in the United States. The advantage of sending them there was not only the high standards of the curricula offered, but also the better understanding of industrial problems that trainees could acquire by living in an industrial community and associating with students of diverse backgrounds [illegible] stimulation of experienced teachers.

[illegible] the [illegible] activities of the Industrial Development Company [illegible] the establishment of a Department of Industrial Promotion which had [illegible] in New York, Chicago and Los Angeles and made use of all the modern methods of interesting prospective manufacturers. The prospective industrialist's interest once roused, he was urged to visit the Island, where industrial agents facilitated his preliminary investigations and helped him in every possible way. The Department also had charge of general Puerto Rican publicity on the mainland which contributed to industrial promotion as well as to tourism and to the Territory's other interests.

Turning to the specific results of the industrialization programme, he stated that since 1945, [illegible] new factories had been established, 46 of them during the [illegible] year 1950-1951 alone. It was estimated that those new factories provided for 15,000 to 20,000 new jobs in addition to the many resulting indirectly from

the programme. They manufactured a very wide number of articles including textiles, shoes, chinaware, pharmaceutical products, radio and television sets and many others intended for consumption both within Puerto Rico and on the mainland. It was also hoped that the financial success of one firm would induce others to risk their capital in similar ventures.

The record of the past few years was encouraging. As the Governor had stated in his annual message to the Legislative Assembly "What in 1941 was faith born of aspiration and spiritual fortitude, in 1951 is calculated and reasoned hope".

Mr. MATHIESON (United Kingdom) expressed his gratification at the United States representative's statement and added that he was fully conscious of the advances effected in Puerto Rico, advances indeed of which his Government took advantage by sending persons from its Caribbean Territories to study the successful achievements made in the island.

He recalled that in his general statement at the beginning of the Committee's discussions, he had called attention to the importance placed by his Government on the question of industrial development as an aspect of the diversification of the economy of the Territories for which it was responsible. He would take the opportunity to state that while his Government fully recognized the difficulties which had been so clearly analysed by the French representative, it still believed in industrialization and was convinced that the difficulties could be overcome. As a cautionary rider, he would add that he fully agreed with the statement included in the Secretariat paper (A/AC.35/L.44, paragraph 27) that every endeavour must be made to avoid a rash mushroom growth, as well as with the views of the Indian representative on large urban agglomerations. His Government realized also that social planning had to go hand in hand with industrial development, and it had devoted much study to that problem.

Calling attention to certain statements concerning Territories under United Kingdom administration contained in the Secretariat's study on General Programmes of Industrial Development (A/AC.35/L.44), he said that while it was true that the legislation recently passed in some territories to control and guide industrial development by limiting competition might encourage the growth of monopolies, he

would point out that that legislation was only applicable within a limited period of time which could not be extended. After some three to five years of legislative support and protection, industries had to stand on their own feet. It was somewhat misleading to state, as was done on page 44 of the Secretariat's study, that private mining interests in the Gold Coast were studying the possibility of harnessing the waters of the Volta to generate the power required for the local processing of bauxite; in the early stages some of the exploration necessary had been privately undertaken, but the Government of the Gold Coast was the authority responsible for the planning and direction of the project and would play a dominant part in the hydroelectric developments.

He stated formally that he would later circulate two memoranda giving details illustrating and expounding the United Kingdom Government's policy regarding industrial development. In the meantime, however, that policy could be illustrated by a statement of the progress made in industrialization in Uganda which was typical of his Government's policy in Africa generally. He would request the Committee to hear his colleague, Mr. Leyden, on that subject.

Mr. LEYDEN (United Kingdom) stated that the population of Uganda was increasing rapidly; from 3½ millions in 1931 it had risen to nearly 5 millions in 1948 and was expected to reach some 9 millions by 1978. That population was principally occupied in agricultural pursuits and would require support on the land. The Government of Uganda was making every effort to bring more land under cultivation, for instance, the currently tsetse-infested areas and swamp land, but it had been advised that under a system of peasant agriculture 10 million was the largest population which the Territory could support on the land alone. It had therefore turned to industrialization, so that any excess of population could be absorbed and provided with a decent livelihood.

The revenues of Uganda had nearly quadrupled since 1941 owing to the rise in prices of certain raw materials, and while much of those revenues had been devoted to social services and technical enterprises, a surplus existed which had been invested in the development of industrial enterprises for the benefit of any population which might ultimately not be accommodated on the land.

Uganda was fortunate in [illegible]ssessing certain raw [illegible]terials of considerable [illegible], and although, despite considerable research, [illegible] coal or oil had been found in the Territory, a scheme had been under consideration in co-operation with the [illegible] Government for harnessing the [illegible] Falls to provide electric power. [illegible] scheme [illegible] come [illegible] fruit [illegible] that the dam, which was being built, would be operating by 1954. [illegible], in order not to hamper industrialization in its initial stages, [illegible] 25,000 KWh of electric power had been provided by thermo-electric stations. By 1954, when the dam was operating, it was hoped to increase that figure to 60,000 KWh and to approximately 120,000 [illegible] by 1956.

The [illegible] ion pl[illegible] was int[illegible] for the ben[illegible] people [illegible] cem[illegible] factory [illegible] nearing completion, which, by the [illegible] of the current year, would produce [illegible] tons of cement per annum. While [illegible] was naturally [illegible] Secretary of State's [illegible] the economic development of colonial territories, [illegible] the primary object [illegible] materials locally [illegible] which [illegible] urgently needed [illegible] which currently had to [illegible] imported. Thus cheap cement would be [illegible] the population; in addition, a small [illegible] for [illegible] for use [illegible]

The Government of Uganda had [illegible] its own [illegible] deposits in the country, and within five years [illegible] tons of triple-super-phosphate [illegible] which would be needed would [illegible] available [illegible] closely connected with the [illegible] copper cobalt mine which would produce [illegible] 2,000 tons of copper a year. While 70 per cent of the capital invested in the mine was private, the Government had itself [illegible] ,000 [illegible] development of that Kilembe mine had also made [illegible] the construction [illegible] mile railway which would bring down concentrates from the mine [illegible] region where sulphuric acid would be made [illegible] being necessary for the production of the triple-super-phosphates used in East African agriculture [illegible]. The railway, of course, would also open up vast [illegible] land.

The mineral investigation had been concluded and work was in progress on the development of an ore-dressing process to produce magnetite, pyrochlore for export and apatite for phosphates.

Government capital would be invested to a greater or lesser extent in all those enterprises, and the revenue would revert to the Government for the profit of the general population.

Another phase of development in Uganda was the training of personnel at both the higher and lower levels. For higher scientific and technical training, Africans were sent abroad, while in the textile industry, for example, the firm operating the textile factory would co-operate with the Government in the training of operatives.

To deal with the labour problem, when it arose, the Government had not overlooked those factors which went hand in hand with industrial development. Town planning had been considered in order to provide decent homes in the industrial sectors, and vegetable farms were planned. In addition, a Uganda Fish Marketing Board had been set up.

The Government of Uganda realised that the Territory's agricultural economy would sooner or later be stretched to the full, and that diversification of the economy was very necessary. It was planning for such diversification, and planning a long time ahead, since it considered that to be the only way in which the Territory could be made fit ultimately to be handed over to the population.

Mr. GAVIN (International Labour Office), speaking at the invitation of the Chairman, stated that if the Committee so wished, he could circulate a study entitled "Industrialization and Social Problems in Central Africa" which had been prepared by an official of the International Labour Office, although independently of that Office.

The CHAIRMAN thanked the representative of the International Labour Organization and assured him that the Committee would be greatly interested in the study mentioned.

Mr. INGLES (Philippines) wished to make certain observations in order to emphasize the conclusions drawn in the Secretariat's note on Mining Economy in Non-Self-Governing Territories (A/AC.35/L.29). The importance of the mining industry to world economy, and more particularly to the economy of individual territories, was clearly shown by the figures in the Secretariat's paper where it could be seen that the output of five minerals in certain territories represented respectively from 48 to 100 per cent of total world production.

The document also clearly indicated the problems that had to be faced, particularly that of obtaining the maximum benefits for the indigenous population of Non-Self-Governing Territories. One conclusion reached by the Secretariat in that connexion was that governments had a major interest in restraining the export of mining profits and in fostering their investment in the territories themselves. In section VIII of the document it was stated that the amount of mining revenue in Northern Rhodesia going to foreign countries in 1938 was valued at over £4,869,000, while only £2,484,000 directly benefited the indigenous population and the European residents. In Malaya the profits of many tin companies were transferred as dividends and export of capital outside the Federation. It was also stated that the profits earned by the non-indigenous population of the Overseas Territories of France were for the most part transferred to the metropolitan country or abroad. In the view of the Philippines delegation, those facts posed an important problem of determining in what manner the profits of mining investments, or a portion thereof, should be retained or reinvested in the territories. Some indication as to how that might be done was given in paragraph 133 of the Secretariat's document where it was stated that some local governments encouraged reinvestment of the profits in the territory, or sought to diminish extra-territorial mining investments either by direct financial participation or by enabling the people of the territory to purchase mining shares.

In paragraph 136 (f) it was stated that in most cases the indigenous inhabitants of Non-Self-Governing Territories not only did not own mines but their chances to exercise the right to work them were remote, even though there was, generally, no legal discrimination. Two problems were raised in that statement - that of the ownership of mines and that of licences for mining operations.

With regard to the first, it was stated in the document that the importance of mining to the territories justified the vesting of all mineral rights in the governments which would ensure their use for the common welfare. Exceptions were, however, cited, and the lack of uniformity in the legislation of, for instance, territories under United Kingdom administration had resulted in the concession of mineral rights to corporations by chart or agreement. In Northern Rhodesia, for example, mineral rights were vested in the British South Africa Company, while in Swaziland those rights- the communal property of the Swazi nation - had been alienated by the King towards the end of the nineteenth century and granted to Europeans.

In connexion with the problem of mining licences, it was stated that the laws in most territories generally enabled the indigenous inhabitants to obtain prospecting and mining licences; but there were exceptions, and mining by indigenous persons was, in practice, only carried out on a very small scale. In the French Union and in territories under United Kingdom administration, for example, mining laws were the same for all, but it was in fact difficult for indigenous persons to meet all the requirements necessary to obtain licences. In that regard he wished to stress the objective indicated in paragraph 136(g) of the Secretariat's study, that the indigenous inhabitants should gradually be enabled to obtain the necessary qualifications so that they might exercise the right to become mine operators rather than be limited to earning wages in mines owned and operated by foreigners.

Another problem was that of taxation and royalties on the output of mines. The general consideration to be borne in mind was that taxes and royalties should produce as much revenue as possible for Non-Self-Governing Territories, but should not be so exorbitant as to discourage the operation of mines. He had been particularly struck by the q tation from the United Kingdom memorandum of 1946 (A/AC.35/L.29, para. 123) which indicated a possible means of ensuring flexibility in taxation by suggesting that where the rate of royalty in a lease was unreasonably low, governments should secure an adequate return by the levying of an export duty in addition to the royalty, and that in the case of new leases there should be a provision for reviewing the rate of royalty at comparatively short intervals.

Mr. MATHIESON (United Kingdom), replying to the Philippines representative, said it was well-known that a mining enterprise demanded a great deal of capital in the traditional form of money investment and that frequently an investment of that character took a very long time to show profits. That consideration should be borne in mind when the legitimacy or otherwise of profits was considered. The Secretariat paper to which the Philippines representative had referred quoted from the United Kingdom White Paper presented to Parliament on mining policy in dependent territories and describing the mining policy followed since 1946 by the United Kingdom in those territories.

The question of retaining a declared share of mining profits could be considered under three heads: (1) the participation of the Government in new mining enterprises as indicated in the case of the new mines in Uganda; (2) the imposition of a rate of income tax on industrial undertakings which retained in the territory a reasonable proportion of their profits; (3) a royalty system or a system of export duties on minerals exported. Those systems were all employed by his Government in varying degrees in different territories in which mining was a major industry. For example, in the case of the gold mining companies in the Gold Coast the capital employed in the year 1949 had been £18,000,000, the gross income had been a little over £1½ million and taxation had taken £811,000, leaving a net income of £476,000. The percentage of net income to capital employed was 2.61, which did not represent an unreasonable profit margin, considering the long period over which the companies' big capital investment had not produced any profit at all.

His Government had adopted a policy of adjusting royalties and other taxes in accordance with the current profitability of an undertaking.

The Secretariat paper (A/AC.35/L.29) stated that the mineral rights in Northern Rhodesia were owned by the British South Africa Company. That had been the case, but only until 1949. In that year an agreement had been negotiated whereby Northern Rhodesia received a share of the royalties, and mineral rights would revert completely to the Government of that Territory in 1984.

Mr. RYCKMANS (Belgium), referring to the Philippines representative's statement, pointed out that European, like the Africans, generally, did not operate

the mines personally; in fact, mining enterprises necessitated a very large [illegible] beyond that which could [illegible]rally be found by private persons. They only participated in the operation of mines by owning shares rather than by actually [illegible] the mines. It would be a good idea if the indigenous population also [illegible] shares, as suggested by the Indian representative but the extent to which [illegible] would be possible would inevitably be limited by the meagre [illegible] of the savings of that population.

[illegible]) Fisheries (A/AC.35/[illegible]3[illegible] A/AC.35/L.4[illegible])

Mr. LANNUNG (Denmark) said that so far as his Government was concerned [illegible] 4 ([illegible]) and 4 (c) were closely connected as the main industry of Greenland [illegible] fishing.

[illegible] a small amount of agriculture was carried on in the [illegible]rn part of the country but even there the climate was not warm enough for [illegible] ripen or for the growing of trees.

Seal-hunting and whaling had been the economic mainstay of Greenland in the past, but the climate had gradually become warmer and had brought about a transformation in the Greenlanders' means of subsistence so far as the sea was concerned.

The most important change in the fishing around Greenland was the new abundance of cod. Seals, however, had decreased in number owing partly to the higher temperature and partly to excessive hunting at the breeding places outside Greenland waters. The population of Greenland had doubled in the first half of the century and cod fishing had replaced seal hunting as the economic mainstay of the country. Seal-hunting provided a man and his family with food and clothing, and only a small part of the catch was left for sale on the market. In the case of cod fishing, however, almost the entire catch had to be sold for cash.

It had taken some time to turn a population of sealhunters into a fishing population but that had been accomplished to a large extent. It had, however, involved a movement of the people from smaller to larger population centres.

His Government had established fishery stations along the coast of Greenland to buy, salt and later export the cod. The main economic objective had been to strengthen the fishing industry, and his Government hoped that the Greenlanders would in due time be able to take over the fishery stations and the export operations on a co-operative basis. Figures showed that the export of cod had greatly increased with the use of more modern fishing methods and the ever-increasing number of motor fishing boats. There remained, however, a certain amount of conservatism among the Greenlanders, which had to be overcome, and progress was hampered by lack of manpower.

Experts had stated that the recurrence of cooler conditions could be expected in Greenland, which would cause the cod to leave those waters. Marine biological investigations had shown, however, that cod fishing prospects were favourable for the coming years.

In view of the risk that cod might disappear, the Greenland Department of the Danish Government intended to ensure that fisheries other than cod - e.g. shark, wolf-fish, halibut, salmon and shrimp - were encouraged. It also intended to continue its fishery investigations, and to develop shrimp canneries.

Mr. DAVIS (United States of America), referring to the reports of the Food and Agriculture Organization (FAO) on Non-Self-Governing Territories (A/AC.35/L.41) pointed out that the statement that 90 per cent of United States canned salmon was packed in Alaska was incorrect according to the recent figures supplied by the Department of the Interior, which showed that the percentage was closer to 75 per cent. The information appearing in document A/AC.35/L.41 was not so recent as some other information now available which would be found in the 1951 report of the United States Government to FAO.

Mr. MATHIESON (United Kingdom) considered that the note by the Secretariat on Trends in Fisheries Development in Non-Self-Governing Territories (A/AC.35/L.34) presented a very comprehensive and valuable survey of the question. His Government was conscious of the importance of developing fish production as a valuable source of protein by assisting in the organization of fisheries in lakes, rivers and the sea, and also by stimulating the production of fish in ponds. He had prepared a paper on the subject which he asked the Secretariat to circulate to members.

Mr. BENSON (Representative of the Secretary-General), referring to the statement of the United States representative, pointed out that the Secretariat had agreed with FAO that fishery conditions in Alaska were to be covered by that Organization, and therefore the latter had had the advantage of receiving from the United States Government a memorandum containing up-to-date information. He also stated that an addendum to the Secretariat note on fisheries (A/AC.35/L.34) had been submitted by the Belgian Government on the extent of modern fishery developments in the Belgian Congo.

(d) Forests (A/AC.35/L.37, A/AC.35/L.41)

Mr. MATHIESON (United Kingdom) asked the Secretariat to circulate a short paper on forests which he had prepared to supplement the information contained in the documents before the Committee.

Mr. PANT (India) wondered what steps were being taken and envisaged by the Administering Authorities to remedy the deforestation which was taking place in certain parts of the Non-Self-Governing Territories, and which had serious effects on the climate and health conditions of those areas.

Mr. MATHIESON (United Kingdom) said the policy of the United Kingdom Government was to consider forest conservation as a primary objective, followed by controlled exploitation of timber resources in the Non-Self-Governing Territories, since it regarded forest protection as an essential feature of soil and climate conservation.

The forestry policy of the United Kingdom Government was closely connected with its general agricultural policy and, in British Africa, where development schemes were being undertaken, a forestry officer was a member of the teams dealing with such schemes. When any question arose regarding the clearing of land and replanting, the forestry officer's advice was always sought. Every step was taken to ensure that the timber resources of a country were exploited in such a way that they were never depleted, but were continually being regenerated.

Mr. SAGOT (France) said that of the territories under French Administration French West Africa had the largest forest acreage, 170 million hectares. The acreage under forest had been much greater in the past, but had been reduced by fire and other causes, and the land has thus become impoverished.

After reviewing the rules laid down by the French Government for the exploitation of forests, he pointed out that the clearing of land by the indigenous inhabitants was a very important factor in deforestation. Enormous tracts of forest land had thus been transformed into unproductive tracts of poor pasture land which were swept annually by fire. The indigenous inhabitant could not simply be forbidden to clear the land. Such clearing should be controlled and forest zones created, and the reason for their creation explained to the indigenous inhabitants.

With respect to measures to be taken to improve forest productivity, he said that the acreage of trees used for commercial purposes might be increased and surveys made to discover which varieties were commercially unknown and therefore not used. Such surveys were being carried out by the research sections in local branches of the National Research Office.

Referring to the question of bush fires, which were sometimes caused by lightning, but more often by negligence, he emphasized that forests should be protected by laws, forest guards employed and preventive fire-fighting techniques adopted, such as the destruction of grasslands by fire at an appropriate time before vegetation became completely dry.

With regard to re-afforestation, various types of trees had been introduced into the forests of Senegal, Guinea and the Ivory Coast, 100,000 tons of rough timber being exported annually from the last named Territory. Re-afforestation had also been carried out in the Sudan, the Saharan Zone and the Cameroons, from which Territory 60,000 tons of rough timber and 10,000 tons of sawn wood were exported annually. In French Equatorial Africa there were 970,000 hectares of forest land, and 300,000 tons of rough timber were exported each year. Madagascar, which had 1,000,000 hectares under forest, used all the timber produced for domestic consumption.

The expenses in connexion with forest protection in the Territories under French Administration were borne partly by the budgets of those Territories and partly by the Fonds d'Investissement pour le Developpement Economique et Social (FIDES).

With reference to the Indian representative's statement, he stated that the French Government had studied the very important question of dust bowls and was taking appropriate measures to solve that problem.

Mr. BENSON (Representative of the Secretary-General) referring to the statements of the United Kingdom and French representatives, drew attention to the Food and Agriculture Organisation's report on Forestry Policy in Non-Self-Governing Territories (A/AC.35/L.37).

The meeting rose at 5.55 p.m.