

RESTRICTED  
LIMITED B

GATT/CP.3/1/Add.3  
23 February 1949

ORIGINAL: SPANISH

GENERAL AGREEMENT ON TARIFFS AND TRADE

Contracting Parties

Third Session

NON-DISCRIMINATORY MEASURES NOTIFIED BY  
CONTRACTING PARTIES UNDER PARAGRAPH 6 117  
OF ARTICLE XVIII OF THE GENERAL AGREEMENT

ADDENDUM

Measures notified by the Government of Chile

The following statement dated 10 February 1949, in support of the measures maintained in Chile has been submitted by the Government of Chile to the Chairman of the Contracting Parties in accordance with the procedure recommended in paragraph 27 of GATT/CP.2/38/Rev.1.

1. The protective measures in force on 12 September 1947 to promote the establishment, development or reconstruction of particular industries or particular branches of agriculture, which were duly notified to the contracting parties, fall into two classes:

- (a) Quotas
- (b) Withholding of import licences.

2. The following list shows the protected industries, the type of protection they enjoy and the date of the decree or decision granting it. For the sake of clarity and in conformity with the classification given in paragraph 1, these measures have been divided into two groups:

Group (a) Products in respect of which quotas have been applied:

- |  |  |
|--|--|
| Calcium carbide                                | - Decree No. 782, 27 August 1946, of the Ministry of Economy and Trade.  |
| Cans of aluminium, saucepans and water bottles | - Decree No. 376, 14 May 1946, of the Ministry of Economy and Trade.     |
| Tailors' chalk                                 | - Decree No. 162, 30 January 1945, of the Ministry of Economy and Trade. |

- Butter - Decree No. 204 bis, 8 March 1944, of the Ministry of Economy and Trade.
- Stockings of cotton, natural silk, rayon or nylon and socks of cotton, silk and wool - Decree No. 1436, 18 December 1944, of the Ministry of Economy and Trade.
- Bovine cattle for slaughtering - Monthly quotas fixed by the Ministry of Economy and Trade.
- Sacks for agricultural uses - Monthly quotas fixed by the National Council for Foreign Trade.

(b) Products in respect of which import licences are withheld to assist the development of the domestic production of similar merchandise:

- Silver alloyed with other metals - Decision of the National Council for Foreign Trade, 26 June 1945.
- Sandpaper for carpenters - Decision of the National Council for Foreign Trade, 15 March 1942.
- Milling-cutters, boring tools and screw dies of all types and specifications - Decision of the National Council for Foreign Trade, 11 September 1941.
- Toilet articles - Decisions of the National Council for Foreign Trade, 1 and 2 February 1945.
- Paper clips - Decision of the National Council for Foreign Trade, 1 February 1945.
- Cork in sheets less than 4 mm. in thickness and ordinary stoppers of cork - Decision of the National Council for Foreign Trade, 30 October 1944.
- Round iron for building in sizes of 1/4, 5/16, 3/8 and 7/32 inches - Decisions of the National Council for Foreign Trade, 4 and 22 January 1945.

- Endless belts of linen,  
for cigar machines - Decision of the National Council for  
Foreign Trade, 15 December 1944.
- Jute sacking not  
exceeding 8 oz. in  
weight - Decision of the National Council for  
Foreign Trade, August 1944.
- Window glass, flat,  
common, of a thickness  
not exceeding 6 mm.  
and a breadth not  
exceeding 1.55 mm. - Decision of the National Council for  
Foreign Trade, 21 June, 1944.
- Retort carbon - Decision of the National Council for  
Foreign Trade, 25 September 1940.
- Black fuses for use in  
mines - Decision of the National Council for  
Foreign Trade, 10 February 1940.
- Galalith, in sheets and  
bars - Decision of the National Council for  
Foreign Trade, 7 August 1942.
- Wicks for candles - Decision of the National Council for  
Foreign Trade, 27 August 1941.
- Wools, up to 54 s. - Decision of the National Council for  
Foreign Trade, 6 April 1945.
- Potassium carbonate - Decision of the National Council for  
Foreign Trade, 4 September 1945.
- Potassium metabi-  
sulphite - Decision of the National Council for  
Foreign Trade, 3 July 1945.
- Dry batteries, except  
those for telephones  
and bells and small  
tubular batteries - Decision of the National Council for  
Foreign Trade, 11 September 1945.
- Glass bricks or blocks  
for building - Decision of the National Council for  
Foreign Trade, 14 August 1945.
- Umbrellas, except  
automatic or spring  
umbrellas, or  
en-tous-cas - Decision of the National Council for  
Foreign Trade, 11 October 1945.
- Paper, fancy, glossy  
and for binding - Decision of the National Council for  
Foreign Trade, 30 October 1945.

Threads, fibres and  
yarns of flax in all  
sizes up to No. 30

- Decision of the National Council for  
Foreign Trade, 11 December 1945.

Refractory and silica  
bricks and foundry  
vessels of clay, except  
for types not produced  
in Chile

- Decision of the National Council for  
Foreign Trade, 7 September 1945.

Smoothing irons, coal-  
heated

- Decision of the National Council for  
Foreign Trade, 7 September 1945.

In regard to the products listed in Group (b), I have to draw your attention to the fact that although in principle import licences are not granted, in practice many exceptions are made, determined by market requirements, trade conditions, exceptional and unforeseen circumstances etc.

3. I am sending you herewith, in regard to the industries mentioned in the previous paragraph, a Memorandum containing the following information:

- (a) Number of undertakings comprised in each industry.
- (b) Approximate number of workers employed in it.
- (c) Average production 1946/47.
- (d) Average imports before the protective measure was imposed.
- (e) Average imports since the protective measure was imposed.
- (f) Average exports before the protective measure was imposed.
- (g) Average exports since the protective measure was imposed.

4. The data contained in this Memorandum show the importance of the industries mentioned for the economic development of the country, and their effects on full employment of labour and on the standard of living of the working classes.

It should be noted that nearly all the measures enumerated were decided upon during the war and particularly towards its close, with the obvious aim of ensuring to our industrial activities a continuation which it did not require while hostilities were in progress, but which appeared essential on the restoration of peace. Not to have taken such action might have spelt ruin to many of the undertakings established, completed or developed from 1939 onwards, the loss of huge investments, the unemployment of great masses of workers and employees, with a consequent danger of social disturbances, and the failure of the Nation's hopes for the success of the various efforts made to ensure its industrialization.

The reasons which induced the Government to act as it did still hold good.

5. At the present time, however, the protective measures adopted for the establishment, development or reconstruction of particular industries or particular branches of agriculture, although still legally valid, are all actually suspended, having been superseded by measures adopted to safeguard the balance of payments.

The financial and economic disturbances resulting from the 1929 crisis seriously affected our economic structure and balance of payments, compelling the Government to establish control over transfers of capital, and this in its turn naturally led to a restriction of imports. Since then, such measures have been maintained in a more or less stable form, although with due regard for world trade fluctuations, and our currency availabilities, increasing in stringency when the latter diminished and vice versa. Coupled with measures for the more effective protection of national industry, they have served to check the pressure on our monetary reserves due to the commitments contracted by the State in order to carry out a national policy of development of economic and industrial resources, the raising of production-levels and the maintenance and promotion of full employment.

Naturally, the machinery set up for this purpose had to be brought into line with the Bretton Woods Agreements. In accordance with Law No. 8403 by which these Agreements were approved, the first Foreign Currency Estimates were prepared for the year 1947, assessing, on the basis of precise rules, the amount of foreign exchange available during the year and determining its allocation to different purposes: import of goods, services on capital and loans and other requirements.

These first Estimates were not however sufficiently accurate, as was proved by the fact that half way through the year a deficit occurred which threatened to paralyse the whole of the import trade, forcing the Government to take drastic, inflexible measures and to draw up the 1948 Estimates in minute detail with an itemized list of articles which could be imported, having regard to the actual amount of currency available, and the sums which could be allotted in each case. A similar method, amended and improved in the light of experience, has been followed for the 1949 Estimates.

6. In this way and for the reasons given, all measures previously adopted for the protection of our industry have been incorporated in the decisions taken to safeguard our balance of payments.

This does not mean that the protective measures have been repealed. In applying the restrictions required to safeguard the balance of payments, steps have been taken, as was only natural, to prohibit or limit imports which had already been prohibited or limited by the Decrees of the Ministry of Economy and Trade or by the decisions of the National Council for Foreign Trade, in both cases with the aim of effectively protecting our industry. In this way, a kind of superposition has come about, which normally will have to continue as long as may be necessary to safeguard our balance of payments, carry out the plan for the development of the country's economic and industrial resources, raise production levels and neutralize the effect of the foregoing factors on the level of our monetary reserves.

PRODUCTS IN RESPECT OF WHICH QUOTAS  
HAVE BEEN APPLIED

CALCIUM CARBIDE

Number of Industries.....	1
Number of Workers.....	282
Average production 1946-47....	4,191 tons, value \$23,500,000
Average imports before 1946...	16 tons value \$ = 6d. 10,764
Average imports since 1946....	None
Average exports before 1946....	354.4 tons, value \$ = 6d. 662,724
Average exports since 1946....	None

CANS OF ALUMINIUM, SAUCEPANS  
AND WATER BOTTLES

Number of Industries.....	8
Number of Workers.....	13
Average production 1947-47....	13,300 units, value \$1,281,000
Average imports before 1947...	No data
Average imports since 1947....	No data
Average exports before 1947...	None
Average exports since 1947....	None

TAILORS' CHALK

Number of Industries.....	2
Number of Workers.....	7
Average production 1946-47....	338,500 pieces, value \$253,698
Average imports before 1946...	1,868 Kg. value \$ = 6d. 2,886
Average imports since 1946....	494 Kg. value \$ = 6d. 534
Average exports before 1946...	None
Average exports since 1946....	None

BUTTER

Number of Industries.....	Not known
Number of Workers.....	Not known
Average production 1944-47....	3-4 million Kg. value \$40-50
Average imports before 1944....	803,462 K.G. value \$ = 6d. 1,169,776
Average imports since 1944....	2,355,603 K.G. value \$ = 6d. 5,006,123
Average exports before 1944...	3,420 K.G. value \$ = 6d. 14,310
Average exports since 1944....	None

STOCKINGS, SOCKS & SOCKETTES

Number of Industries.....	172
Number of Workers.....	2,107
Average production 1944-47....	<u>Stockings</u> (372,683 dozen) <u>Socks</u> (734,445 doz.)
Average imports before 1944...	(\$101,971,858)      (\$75,190,734)
Average imports since 1944....	(5,834 K.L. \$ = 6d. (\$250,657)      (3,615 K.L. \$ = 6d. (\$110,044)
Average exports before 1944...	(1,554 K.L. (\$ = 6d. 338,432)      (494 K.L. \$ = 6d. (\$28,857)
Average exports since 1944....	(293 K.L. \$ = 6d. (\$30,858)      (582 K.L. \$ = 6d. (\$1,120)
	(1,415 K.L. \$ = 6d. (\$171,166)      (106 K.L. \$ = 6d. (\$2,491)

BOVINE CATTLE

Average production 1944-47....	382,833 head, value \$800-900 million
Average imports before 1944....	95 K.G. \$ = 6d. 18,121,191
Average imports since 1944....	190,549 K.G. \$ = 6d. 55,636,703
Average exports before 1944....	14,126 K.G. \$ = 6d. 136,920
Average exports since 1944....	9,030 K.G. \$ = 6d. 79,421

SACKS FOR AGRICULTURAL PURPOSES

Number of Industries.....	2 (one for fibre and one for osnaburg)	
Number of Workers.....	56	
Average production 1944-47....	Fibre (2,500,000 (\$26,500,000	Osnaburg (29,340 (469,020
Average imports before 1944....	(3,962,833 K.G. (3,652,312 \$ = 6d.	(30,132 K.G. (\$ = 6d. 132,634
Average imports since 1944....	(2,724,798 K.G. (\$ = 6d. 3,797,778	(2,702 K.G. (\$ = 6d. 15,572
Average exports before 1944....	(221,425 K.G. (\$ = 6d. 665,362	(2,787 K.G. (\$ = 6d. 8,208
Average exports since 1944....	(205,359 K.G. (\$ = 6d. 685,630	(12,500 (\$ = 6d. 37,696

PRODUCTS IN RESPECT OF WHICH IMPORT LICENCES ARE WITHHELDSAND PAPER FOR CARPENTERS

Number of Industries.....	1
Number of Workers.....	12
Average production 1944-47....	5,400 reams, value \$1,587,600
Average imports before 1944....	None
Average imports since 1944....	None
Average exports before 1944....	None
Average exports since 1944....	None

TOILET ARTICLES

Number of Industries.....	70
Number of Workers.....	487
Average production 1946-47....	Miscellaneous articles - value \$115,122,396
Average imports before 1945....	32,083 Kg. value \$ = 6d. 527,175
Average imports since 1945....	34,807 Kg. value \$ = 6d. 415,072
Average exports before 1945....	2,042 Kg. value \$ = 6d. 9,207
Average exports since 1945....	1,155 Kg. value \$ = 6d. 11,095

CORK IN SHEETS & CORK STOPPERS

Number of Industries.....	3 (2 for sheets and 1 for stoppers)	
Number of Workers.....	112	
Average production 1944-47....	40-50,000 pieces and 18,000 stoppers value £3,000,000	
Average imports before 1944....	Sheets (217,283 K.G. (\$ = 6d. 516,268	Stoppers (106,444 K.G. (\$ = 6d. 519,252
Average imports since 1944....	(238,073 K.G. (\$ = 6d. 111,470	(714,407 K.G. (\$ = 6d. 923,623
Average exports before 1944....	---	(174 K.G. (\$ = 6d. 2,525
Average exports since 1944....	---	(4 K.G. (\$ = 6d. 649

ROUND IRON FOR BUILDING

Number of Industries .....	4
Number of Workers .....	220
Average production 1947 .....	26,470 tons - value \$201,200,000
Average imports before 1947 .....	(Cannot be determined since included
Average imports since 1947 .....	( with bar iron of other types
Average exports before 1947 .....	None
Average exports since 1947 .....	None

ENDLESS BELTS OF LINEN

Number of Industries .....	1
Number of Workers .....	9
Average production 1944-47 ...	1,194 dozen - value \$422,594
Average imports before 1944 ..	1,500 dozen - value \$ = 6d. 69,500
Average imports since 1944 ...	500 dozen - value \$ = 6d. 29,000
Average exports before 1944 ..	No data
Average exports since 1944 ...	No data

JUTE SACKING

Number of Industries .....	1
Number of Workers .....	1,264
Average production 1944-47 ...	992,812 m. - value \$4,767,892
Average imports before 1944 ..	506,039 K.G. - value \$ = 6d. 906,190
Average imports since 1944 ...	207,857 K.G. - value \$ = 6d. 495,372
Average exports before 1944 ..	1,591 K.G. - value \$ = 6d. 5,971
Average exports since 1944 ...	24,475 K.G. - value \$ = 6d. 32,913

WINDOW GLASS, FLAT, COMMON UP TO 6 mm in THICKNESS

Number of Industries .....	1
Number of Workers .....	250
Average production 1944-47 ...	2,700,000 Kg. (40% of 1.5 mm and 60% of 2 - 6 mm).
Average imports before 1944 ..	706,800 Kg. - value \$4,615,000
Average imports since 1944 ...	68,350 Kg. - value \$1,776,000
Average exports before 1944 ..	None
Average exports since 1944 ...	61,000 Kg. value \$1,770,000

FUSES FOR USE IN MINES

Number of Industries .....	1
Number of Workers .....	76
Average production 1946-47 ...	8,139,625 m. value \$5,650,315
Average imports before 1940 ..	209,772 Kg. \$ = 6d. 712,252
Average imports since 1940 ...	74,898 Kg. \$ = 6d. 411,987
Average exports before 1940 ..	None
Average exports since 1940 ...	1,166 Kg. \$ = 6d. 3,195



BALAJITH, IN SHEETS

Number of Industries ..... 1  
 Number of Workers ..... 23  
 Average production 1946-47 .. 3,255 Kg. - value \$261,660  
 Average imports before 1946 . Does not come in separate lots  
 Average imports since 1946 .. " " " " " "  
 Average exports before 1946 . None  
 Average exports since 1946 .. None

WICKS FOR CANDLES

Number of Industries ..... 3  
 Number of Workers ..... No data  
 Average production 1946-47 .. 8,000 Kg. - value \$510,000  
 Average imports before 1941 . 24,321 K.G. value \$ = 6d. 99,436  
 Average imports since 1941 .. 14,471 K.G. value \$ = 6d. 126,920  
 Average exports before 1941.. No data  
 Average exports since 1941 .. No data

WOOLS

Number of Industries ..... No data  
 Number of Workers ..... No data  
 Average imports before 1941 . 692,320 K.G. - value \$ - 6d. 1,947,947  
 Average imports since 1941 .. 1,362,382 K.G. - value \$ = 6d. 5,007,149  
 Average exports before 1941 .. 8,237,740 K.G. - value \$ = 6d. 24,159,032  
 Average exports since 1941 .. 9,756,918 K.G. - value \$ = 6d. 26,832,793

POTASSIUM CARBONATE

Number of Industries ..... 1  
 Number of Workers ..... 76  
 Average production 1946-47 .. 47,233 Kg. - value \$758,659  
 Average imports before 1945 . 15,435 Kg. value \$ = 6d. 12,529  
 Average imports since 1945 .. 32,122 Kg. - value \$ = 6d. 32,146  
 Average exports before 1945 . None  
 Average exports since 1945 .. None

POTASSIUM METABISULPHITE

Number of Industries ..... 3  
 Number of Workers ..... 15  
 Average production 1946-47 .. 80,000 Kg. - value \$1,920,000  
 Average imports before 1945 . 50,000 Kg. - value \$450,000  
 Average imports since 1945 .. 10,000 Kg. - value \$126,000  
 Average exports before 1945.. None  
 Average exports since 1945 .. None

DRY BATTERIES

Number of Industries ..... 2  
 Number of Workers ..... 30  
 Average production 1944-47 .. 297,400 units - value \$1,301,475  
 Average imports before 1945 . 695,000 units - value \$458,000  
 Average imports since 1945 .. 115,000 units - value \$330,000  
 Average exports before 1945 . None  
 Average exports since 1945 .. None

GLASS BRICKS OR BLOCKS FOR BUILDING

Number of Industries ..... 2  
 Number of Workers ..... 40  
 Average production 1944-47 ... 250,000 units - value \$4,750,000  
 Average imports before 1945 .. None  
 Average imports since 1945 ... 13,150 Kg. - value \$149,000  
 Average exports before 1945 .. None  
 Average exports since 1945 ... None

PAPER, FANCY, GLOSSY AND FOR BINDING

Number of Industries ..... 3  
 Number of Workers ..... 49  
 Average production 1944-47 ... 3,190,750 sheets & 4,732 rolls -  
 value \$5,584,850  
 Average imports before 1945 .. 1,570,000 sheets - value \$2,010,000  
 Average imports since 1945 ... 778,000 sheets - value \$1,014,000  
 Average exports before 1945 .. None  
 Average exports since 1945 ... None

FLAX YARNS

Number of Industries ..... 1  
 Number of Workers ..... 90  
 Average production 1946-47 ... 210,000 Kg. - value \$20,918,000  
 Average imports before 1945 .. 4,000 Kg. - value \$365,000  
 Average imports since 1945 ... 1,700 Kg. - value \$334,000  
 Average exports before 1945 .. 20,000 Kg. - value \$1,000,000  
 Average exports since 1945 ... 1,000,000 Kg. - value \$7,600,000

REFRACTORY BRICKS

Number of Industries ..... 2  
 Number of Workers ..... 424  
 Average production 1946-47 ... 4,465,600 Kg. - value \$7,799,411  
 Average imports before 1946 .. 2,187,488 Kg. - value \$ = 6d.1,732,909  
 Average imports since 1946 ... 3,989,532 K.G. value \$ = 6d.23,186,  
 Average exports before 1946 .. None  
 Average exports since 1946 ... None

MILLING CUTTERS, BORING TOOLS, ETC.Milling cutters

Number of Industries ..... 1  
 Number of Workers ..... 6  
 Average production 1944-47 ... 2,605 units - value \$326,327  
 Average imports before 1945 .. No data  
 Average imports since 1945 ... No data  
 Average exports before 1945 .. No data  
 Average exports since 1945 ... No data

Boring Tools

Number of Industries ..... 1  
 Number of Workers ..... 2  
 Average production 1944-47 ... 1,100 units - value \$65,427  
 Average imports before 1945 .. No data  
 Average imports since 1945 ... No data  
 Average exports before 1945 .. None  
 Average exports since 1945 ... None

RETORT CARBON

Number of Industries .....	2
Number of Workers .....	65
Average production 1946 ....	417,600 Kg.
Average imports before 1946	None
Average imports since 1946 .	None
Average exports before 1946	None
Average exports since 1946..	None

PAPER CLIPS

Number of Industries .....	1
Number of Workers .....	3
Average production 1944-47 ..	3,237 Kg. - value \$156,250
Average imports before 1945 .	No data
Average imports since 1945 ..	No data
Average exports before 1945..	None
Average exports since 1945 ..	None

UMBRELLAS (except automatic spring umbrellas and en-tout-cas)

Number of Industries .....	2
Number of Workers .....	54
Average production 1944-47 .	35,152 units - value \$5,656,000
Average imports 1944-47 ....	41,706 units - value \$3,586,335
Average exports 1944-47 ....	None

SMOOTHING IRONS, COAL HEATED

Number of Industries .....	2
Number of Workers .....	47
Average production 1944-47 .	25,081 units - value \$1,203,670
Average imports 1944-47 ....	Cannot be determined since included with other types of smoothing irons
Average exports 1944-47 ....	None

