

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Inter-Sessional Committee

SUMMARY RECORD OF THE MEETING

held at the Palais des Nations, Geneva,
on 14 March 1960

Chairman: Mr. J. ETIENNE (Belgium)

Subject discussed: Article XXVIII:4 - Request by Australia (GATT/AIR/182 (SECRET))

The representative of Australia, referring to the request by his Government for authority under Article XXVIII:4 to enter into renegotiations for the modification or withdrawal of certain concessions in Schedule I (GATT/AIR/182 (SECRET)), explained that the greater part of most-favoured-nation imports into Australia of the products of the industry concerned were classified under items whose rates of duty were bound. The present request represented the final stage of the action initiated by Australia under Article XIX in April 1959 following a damaging flood of imports of particular types of these products. As soon as Article XIX action had been taken, the question of the protection to be afforded to the industry concerned was referred to the Australian Tariff Board. The Board had found that the industry was generally efficient and deserving of protection; that certain products required no further tariff protection; but that others required protection at rates above those bound.

The representative of Australia pointed out that renegotiation of the duties in question would promote a more equitable application of protective duties, and would avoid granting unwarranted protection where it was not needed. His delegation considered that the Australian request met the criterion of "special circumstances" and that, in any case, the interpretative note to Article XXVIII:4 was applicable. Tariff changes in Australia were effected by Parliament and not by administrative decision. Parliament was expected to rise in late April and his delegation were seeking this authority so that the renegotiations could be completed before then. They would expect to negotiate with the countries with whom the concessions had been initially negotiated, in 1947, i.e. Czechoslovakia and the United States, and he hoped that other contracting parties claiming an interest would notify the Australian delegation without delay.

In reply to questions from certain other representatives, the representative of Australia said that he did not know what rates for the items concerned had been recommended by the Tariff Board. It would certainly not be the intention of the Australian Government to provide more than a fair level of protection for the industry concerned. Further, he could give an assurance that the maintenance of the import restrictions under Article XIX was not desired by the Australian Government and that, as soon as the renegotiations had been completed, these restrictions would be removed.

The Committee found the existence of special circumstances and agreed that Australia should be granted authority to renegotiate the items notified under the provisions of Article XXVIII:4.

The CHAIRMAN said that any contracting party which considered that it had a "principal supplying interest" or a "substantial interest", as provided for in Article XXVIII:1 should communicate such claim in writing and without delay to the Australian Government and at the same time inform the Executive Secretary. Any such claim recognized by the Australian Government would be deemed to be a determination by the CONTRACTING PARTIES within the terms of Article XXVIII:1. If agreement could not be reached between the Australian Government and a contracting party the matter could be referred to the CONTRACTING PARTIES.