

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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UNITED STATES - RESTRICTIONS ON IMPORTS OF CERTAIN SUGAR-CONTAINING PRODUCTS

Recourse to Article XXIII:2 by Canada

The following communication, dated 26 February 1985, has been received from the Permanent Mission of Canada, with the request that it be circulated to contracting parties.

The Canadian authorities are seriously concerned over the recent action by the United States to impose quantitative restrictions on imports of certain sugar-containing products, such as sweetened cocoa, pancake flour and other flour mixes, and other edible preparations such as unbaked frozen pastries, croissants and individually packaged prepared meals. These restrictions were imposed without advance consultations under a Presidential Proclamation of 28 January 1985, pursuant to section 22 of the United States Agricultural Adjustment Act.

The import restrictions threaten severe hardship for individual Canadian producers, jeopardize long-established trade relationships in the products affected and will result in plant closures and loss of employment. The Canadian authorities consider that benefits accruing to Canada under GATT are being impaired by these United States import restrictions affecting a wide range of manufactured grocery products.

The Canadian authorities note that pursuant to a Decision by the CONTRACTING PARTIES, the United States obligations under Articles II and XI are waived to the extent necessary to allow for actions required to be taken by the United States under section 22 of the Agricultural Adjustment Act. It will be recalled that the waiver was granted: (a) on the basis of assurances that the United States Government "will discuss proposals under section 22 with all countries having a substantial interest prior to taking the action"; and (b) on condition that the United States will notify contracting parties which have made representations providing particulars of import restrictions and reasons for them. The Canadian authorities also note that the CONTRACTING PARTIES declared that the waiver Decision shall not preclude the right of affected contracting parties to have recourse to the appropriate provisions of Article XXIII.

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Consultations between Canada and the United States, pursuant to Article XXIII:1 of the General Agreement, were held 12 February 1985, but have not resulted in a satisfactory adjustment of the matter. Having regard to the immediate and damaging effect of the United States restrictions on Canadian trade and employment, and the failure of the United States to observe the conditions of the waiver, the Canadian authorities request the CONTRACTING PARTIES:

- (a) to establish, on an urgent basis, a panel pursuant to the provisions of Article XXIII:2 to examine the matter; and,
- (b) to authorize Canada immediately to suspend the application to the United States of concessions or other obligations in order to restore the balance of concessions pending a decision on the panel's findings and recommendations.

GATT/1370
28 February 1985

JAN TUMLIR, GATT'S CHIEF ECONOMIST, RETIRES

Jan Tumlir, Director of Economic Research and Analysis for the past 18 years, is leaving the GATT this week to return to academic life in the United States. He will be succeeded by Richard Blackhurst who has been a senior economist in the GATT Secretariat since 1974.

Dr. Tumlir has been a lively and influential commentator on developments in the field of international economic relations and particularly trade policies. During his period with the GATT Secretariat he helped to shape economic thinking on the dangers and costs of protectionism, the role of structural rigidities in causing protectionism, and, most recently, pointed to the threat to the multilateral GATT system of the trend towards discriminatory trade policies.

Born in Czechoslovakia in 1926, Jan Tumlir, left his law studies in Prague in 1949 to live first in the Federal Republic of Germany and, after two years, in the United States. He enrolled at Yale University and received his BA degree in 1953, an MA (Econ) in 1955 and his Ph.D (Econ) in 1962. From 1960 to 1964, he was an assistant professor of economics at Yale after which he joined the GATT Secretariat, firstly as an economic counsellor. He became Director of Economic Research and Analysis in 1967.

Since 1968, Dr. Tumlir has been a part-time faculty member of the Economics Section of the Graduate Institute of International Studies in

Geneva. During the academic year 1983-84, he was a visiting professor of economics at the University of California (Los Angeles) where he will be returning after his retirement from GATT.

Dr. Tumlr has been author or co-author of a number of monographs:

- Trade Liberalization, Protectionism and Interdependence (1977),
- Adjustment, Trade and Growth in Developed and Developing Countries (1978) and
- Trade Relations under Flexible Exchange Rates (1980),

and has contributed to numerous professional journals and volumes of essays.

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