

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

IMC/INV/7/Rev.1/Add.2
23 July 1985

Arrangement Regarding Bovine Meat

Original: French

INTERNATIONAL MEAT COUNCIL

Inventory of Domestic Policies and Trade Measures and Information on Bilateral, Plurilateral or Multilateral Commitments

Reply to Parts G and H of the Questionnaire

SWITZERLAND

Addendum

The participants have agreed to provide information concerning their domestic policies and trade measures, including bilateral and plurilateral commitments, on the basis of Parts G and H of the Questionnaire (Rule 16 of the Rules of Procedure). The documents containing replies to these parts of the Questionnaire are circulated under the symbol IMC/INV; they will be revised as and when changes are notified.

This set of documents constitutes the inventory of all measures affecting trade in bovine meat, including commitments resulting from bilateral, plurilateral and multilateral negotiations, which the Council has instructed the secretariat to draw up and keep up to date, under the provisions of Article III of the Agreement (Note to Article III of the Arrangement and Rule 18 of the Rules of Procedure).

Note: Since the last notification, made on 2 May 1983 (IMC/INV/7/Rev.1), there have been no substantial changes in Swiss policy relating to the market for bovine meat. This supplement is therefore confined to updating the figures given (prices and subsidies).

ad I (c)(ii) Levels of guaranteed prices, support or stabilization prices

For the main categories of adult cattle and calves for slaughter, target prices have moved as follows:

Description	1.7.1983 to 30.6.1984	From 1.7.1984
<u>Average target prices with margins, per quintal, live weight</u>	\$1 = Sw F 2.10	\$1 = Sw F 2.35
Heifers and oxen I A	Sw F 585 ± 25 \$ 279 ± 12	Sw F 610 ± 25 \$ 260 ± 11
Cows, young and fat II A	Sw F 560 ± 25 \$ 255 ± 12	Sw F 560 ± 25 \$ 238 ± 11
Cows for sausage-making II E	Sw F 410 ± 30 \$ 195 ± 14	Sw F 435 ± 25 \$ 185 ± 11
Fat bulls III A1	Sw F 590 ± 25 \$ 281 ± 12	Sw F 615 ± 25 \$ 262 ± 11
Calves for veal AA	Sw F 875 ± 50 \$ 417 ± 24	Sw F 905 ± 50 \$ 385 ± 21
Calves for sausage-making D	Sw F 750 ± 50 \$ 357 ± 24	Sw F 780 ± 50 \$ 332 ± 21

In 1985, there will probably be no changes in target prices.

ad I (c)(iii) Amount of producer subsidies

The total amount of subsidies to promote the sale of dairy and stock cattle have moved as follows (in millions of Swiss francs and US dollars):

	1983		1984	
	Sw F 2.10 = \$1		Sw F 2.35 = \$1	
	Sw F	\$	Sw F	\$
Promotion of sales within the country				
. subsidies to relieve market pressure	1.1	0.5	1.5	0.6
. subsidies for the elimination of dairy cattle	37.6	17.9	40.8	17.4
Promotion of exports of stock cattle				
. maintenance of exports	18.4	8.8	17.5	7.4
. contributions to transport costs	0.9	0.4	0.7	0.3
. publicity	0.6	0.3	0.2	0.1
Contribution to expenses of cattle farmers in mountain regions (limited to fifteen units of adult cattle per farm)	169.1	80.5	169.3	72.1
Contributions to farmers reducing their livestock numbers	0.8	0.4	0.6	0.3

ad I (c)(iv) Average returns to producers, including methods of determining those returns and constituent elements thereof; relationship of price formation in domestic and international markets

Average returns to producers (per 100 kg. Live weight)

Description	1983		1984	
	Sw F 2.10 = \$1		Sw F 2.35 = \$1	
	Sw F	\$	Sw F	\$
Heifers and oxen I A	565	269	576	245
Cows, young and fat II A	504	240	520	221
Cows for sausage-making II E	403	192	417	177
Fat bulls III A 1	570	271	582	248
Calves for the butcher's trade AA	853	406	887	377
Calves for sausage-making D	714	340	749	319

ad II (a) Wholesale and retail prices on major domestic markets

As a rule, meat sold retail comes from slaughtering by butchers. The figures given below are based on information supplied by butchers; they relate to quality categories which do not exactly coincide with the categories mentioned above (I (c)(ii)).

Description	1983		1984	
	Sw F 2.10 = \$1		Sw F 2.35 = \$1	
	Sw F	\$	Sw F	\$
<u>Heifers and oxen, quality A</u>				
Cost to butchers per kg. of carcass weight	10.96	5.22	11.29	5.38
Retail price at butcher's, per kg. of boned meat:				
- boiling and stewing	17.66	8.41	18.46	8.79
- roasting	24.47	11.65	25.75	12.26
<u>Calves, quality A</u>				
Cost to butchers per kg. of carcass weight	14.58	6.94	14.97	7.13
Retail price at butcher's, per kg. of boned meat:				
- roasting	28.23	13.44	29.72	14.15
- stewing	20.98	9.99	22.11	10.53

After having declined in 1983, consumption of bovine meat rallied in 1984. Overall, the increase was by 4.9 per cent. Per capita, consumption reached 25.7 kg. in 1983 and 26.8 kg. in 1984. The degree of self-sufficiency of supply was 93 per cent in 1984.

Consumption of pigmeat, on the other hand, increased in 1983 and dropped back by 6.8 per cent in 1984 to the level of 42.4 kg. per capita.

ad (III) Measures at the frontier

During the spring of 1985, supply of livestock for slaughter increased in such proportions that - notwithstanding the customary price-support measures - producer prices were about Sw F 0.75 per kg. live weight below the target price in force. In order to maintain producer prices, even at that very low level, nearly 8,000 tons of meat had to be put into stock, representing the maximum quantity that can be subsequently reintroduced on the domestic market.

In these circumstances, the Federal Council agreed to an exceptional export operation limited to 600 tons of beef (forequarters). The necessary financial resources for lowering the domestic price to the level of the world market price come from the reserve fund designed to facilitate market stabilization and surplus disposal operations.

For this purpose, the Federal Treasury has granted a loan of Sw F 5 million to the reserve fund.