

AIRGRAM**TÉLÉGRAMME PAR AVION**

GATT/AIR/15

25 APRIL 1952

SUBJECT: INTENSIFICATION OF IMPORT RESTRICTIONS - AUSTRALIA

BY MY AIRGRAM NUMBER 11 OF 21 MARCH 1952 I REPORTED THAT THE GOVERNMENT OF AUSTRALIA HAD SUBMITTED A NOTIFICATION OF NEW RESTRICTIVE MEASURES IMPOSED ON IMPORTS UNDER ARTICLE XII OF THE GENERAL AGREEMENT. A DETAILED STATEMENT HAS SINCE BEEN RECEIVED AND HAS BEEN DISTRIBUTED IN DOCUMENT L/3. I STATED IN THAT AIRGRAM THAT THE CHAIRMAN AND I CONSIDERED THAT THERE WAS PRIMA FACIE EVIDENCE THAT AUSTRALIA'S BALANCE-OF-PAYMENT RESTRICTIONS HAD BEEN SUBSTANTIALLY INTENSIFIED AND THAT THE GOVERNMENT OF AUSTRALIA SHOULD BE INVITED TO CONSULT WITH THE CONTRACTING PARTIES UNDER ARTICLE XII:4(b). MEMBERS OF THE INTERSESSIONAL COMMITTEE WERE INVITED TO REPLY WHETHER THEY AGREED THAT AN INVITATION TO CONSULT DURING THE SEVENTH SESSION SHOULD BE ADDRESSED TO THE GOVERNMENT OF AUSTRALIA.

THIRTEEN MEMBERS OF THE INTERSESSIONAL COMMITTEE INCLUDING AUSTRALIA HAVE REPLIED TO GATT/AIR/11, AND OF THESE ALL BUT THE UNITED KINGDOM HAVE AGREED WITH THE PROPOSAL TO INVITE THE GOVERNMENT OF AUSTRALIA TO ENTER INTO CONSULTATIONS UNDER ARTICLE XII:4(b). THE UNITED KINGDOM GOVERNMENT WAS NOT PREPARED TO AGREE THAT AN INVITATION BE EXTENDED FORTHWITH ON THE BASIS OF THE INFORMATION THEN BEFORE THE COMMITTEE, SINCE THE MEASURES ANNOUNCED BY AUSTRALIA ON 7 MARCH APPEARED TO RELATE TO IMPORTS ADMITTED ON A DISCRIMINATORY BASIS IN PURSUANCE OF THE PROVISIONS OF ARTICLE XIV. THE UNITED KINGDOM GOVERNMENT SAID THAT THE CONSIDERATIONS INVOLVED IN DETERMINING WHETHER CONSULTATIONS ABOUT THESE MEASURES WERE REQUIRED WERE SIMILAR TO THOSE WHICH HAD ARISEN IN THE COMMITTEE'S DISCUSSION IN JANUARY ON WHETHER CONSULTATIONS WERE REQUIRED ABOUT THE IMPORT CUTS ANNOUNCED BY

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THE UNITED KINGDOM ON 7 NOVEMBER 1951; THE UNITED KINGDOM REPRESENTATIVE HAD THEN CONTENDED THAT SUCH CONSULTATIONS WERE NOT CALLED FOR AND THE COMMITTEE HAD AGREED, IN VIEW OF THE QUESTIONS OF INTERPRETATION INVOLVED, TO DEFER THE DECISION FOR CONSIDERATION BY THE CONTRACTING PARTIES IF NECESSARY AT THEIR SEVENTH SESSION. THE UNITED KINGDOM GOVERNMENT WAS OF THE OPINION THAT IT WOULD LIKEWISE BE APPROPRIATE TO DEFER A DECISION ON THE AUSTRALIAN MEASURES UNDER DISCUSSION. WITH REFERENCE TO THE MEASURES TAKEN MORE RECENTLY BY THE GOVERNMENT OF AUSTRALIA, APPLYING TO IMPORTS FROM DOLLAR SOURCES, IT WAS THE VIEW OF THE UNITED KINGDOM GOVERNMENT THAT INSUFFICIENT INFORMATION HAD BEEN RECEIVED BY THE COMMITTEE AND THAT FURTHER CONSIDERATION OF THE QUESTION OF CONSULTATION SHOULD THEREFORE BE POSTPONED.

THE ARGUMENT PUT FORWARD BY THE UNITED KINGDOM GOVERNMENT CANNOT BE RESOLVED BY THE POSTAL BALLOT PROCEDURE. THE INTERSESSIONAL COMMITTEE MIGHT BE CONVENED TO DISCUSS THE MATTER, BUT IT SEEMS UNLIKELY THAT THIS WOULD SERVE TO RESOLVE THE QUESTION SINCE THE COMMITTEE WAS NOT PREPARED AT ITS MEETING IN JANUARY TO PASS JUDGMENT ON THIS POINT OF INTERPRETATION WHEN RAISED IN CONNECTION WITH THE NEW RESTRICTIONS IMPOSED BY THE UNITED KINGDOM, AS IT CONSIDERED THAT IT WOULD BE MORE APPROPRIATE TO REFER THE POINT FOR CONSIDERATION AT THE SEVENTH SESSION.

WHEN INFORMATION IS RECEIVED CONCERNING NEW RESTRICTIONS ON DOLLAR IMPORTS THE QUESTION OF AN INVITATION TO AUSTRALIA TO CONSULT UNDER ARTICLE XII:4(b) WILL BE RE-EXAMINED AND I SHALL COMMUNICATE WITH THE MEMBERS OF THE COMMITTEE AGAIN.

E. WYNDHAM WHITE