GENERAL AGREEMENT ON TARIFFS AND TRADE
Fourth Round of Tariff Negotiations

Statement made by Mr. Wilfried Platzer,
Austrian Envoy Extraordinary and Minister Plenipotentiary,
at the Public Session on 19 January 1956

In respect of Austria's participation in the Tariff Conference, I should like first to make a general statement. I shall, however, reserve the right to come back to questions of procedure and detailed problems at the appropriate time.

During the Tenth Session of the Contracting Parties the delegation of Austria accepted the report of the Intersessional Working Party on the lowering of tariffs. This means that we are in principle in agreement with the proposal of having the negotiations which are to open in a few days concerning the general lowering of tariff levels. This also means that we accept the rules and procedures for negotiations which have been recommended in document L/408.

However, I have to make two remarks to define more clearly the position of my country within the framework of this Tariff Conference.

My first remark concerns our relationship with the European Coal and Steel Community. My Government has always attached particular importance to the settlement of tariff matters vis-à-vis the European Coal and Steel Community. That is the reason why at the Tenth Session of the Contracting Parties to GATT my Government proposed that negotiations should be entered into between the European Coal and Steel Community and Austria in respect of items coming under the Treaty instituting the European Coal and Steel Community. My Government suggested, however, that such negotiations should take place within the general framework of the Tariff Conference to open in Geneva on 18 January.

I am very glad to be able to inform you that by a note of 13 January the High Authority has indicated to my Government that the Member States of the European Coal and Steel Community and the High Authority are ready to open negotiations within the Tariff Conference. My second comment concerns the part of Austria within the Tariff Conference. I would like to draw your attention to the fact that in the course of negotiations at Torquay and in the framework of Article XXVIII renegotiations last year the Austrian Government bound a certain number of customs duties and almost exhausted its possibilities in this field.

Furthermore, one has to take into consideration the fact that the programme of Article XXVIII renegotiations submitted by Austria last year affected only a part of the bindings granted by Austria under the General Agreement. The Austrian Government has decided to maintain most of its tariff concessions.
The maintenance of these items, nearly all of which are specific, is very advantageous for the contracting parties concerned as no adjustment of duties took place after the devaluation of the Austrian currency in 1953. The incidence of those tariffs is now much lower than the incidence of the tariffs resulting from the Torquay Conference.

The Tariff Conference is taking place at a time when my country has many difficulties.

You all know that the State Treaty which gave us back our freedom was signed only a few months ago. This was a great event for the people of my country, but it created very difficult problems for us. The State Treaty imposes a certain number of considerable financial difficulties and the problem of the readaptation of a certain number of firms and corporations which had been under Soviet control. The industrial equipment of those undertakings is obsolete and they cannot compete internationally. You will therefore understand that for many branches of our national economy the moment is ill chosen to envisage the tariff concessions.

We also have balance-of-payments difficulties. On the basis of recent figures our balance of payments deficit for last year was about 100 million dollars. This amount is extremely heavy for the Austrian national economy. This will explain that we have to be very cautious in the field of tariff negotiations.

The Austrian delegation is in a very special situation in view of the fact that we have to negotiate on the basis of a draft tariff which has not yet been ratified by the constitutional authority. You will understand, and I am quite candid about it, that the framing of our offers list has been extremely difficult for us.

Such therefore is the situation of Austria at this Tariff Conference. In view of the problems I have just referred to, our decision of taking part in this conference was difficult to make. We came to this decision because we felt that we could not stay aside from this joint effort and rest content with most-favoured-nation treatment.

For my part I would have liked to be in a position to submit offers as numerous as the entries in the telephone directory. Unfortunately we can only submit a very short list. While our contribution to this conference may appear on the face of it rather modest to certain of our partners here, I would like to draw your attention to the fact that our requests are also modest. We think that we have thus struck a certain balance between our offers and requests.

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In view of the difficulties to which I have just referred now I am sorry to have to state here that it will be impossible for us to give satisfaction to a certain number of requests emanating from our partners; but I would like to add too that we will do all that we can to meet these requests half-way so as to be in a position to reach a mutually satisfactory agreement for all the contracting parties concerned.

I hope, Mr. Chairman, that with these few observations I have clarified the position of my country in this Conference and I thank you for the interest which you have shown for this statement.