NEW ZEALAND - REQUEST FOR CONSULTATIONS UNDER ARTICLE XXII:1
IN RESPECT OF QUANTITATIVE LIMITATIONS ON THE IMPORTATION
OF CERTAIN MEATS INTO THE UNITED STATES

Addendum

The following is the text of a letter dated 2 December 1976, from the permanent mission of New Zealand to the United States permanent mission, which is being circulated to contracting parties at the request of the permanent mission of New Zealand.

GATT: United States beef quotas: Article XXII consultations

Further to my letter of 15 November, my authorities have asked that I write to you regarding New Zealand's request for consultations, under Article XXII:1 of the General Agreement, on the quota restrictions introduced by the United States on imports of beef and veal.

As you know, New Zealand was concerned that these consultations should be held as a matter of urgency, so that the United States action could be considered in the light of the rights and obligations established in the General Agreement, and before any decisions were made on arrangements for beef and veal imports during 1977. It would now seem, however, that despite endeavours we have made with both the United States authorities and with other suppliers of beef to the United States market, it will not be possible to hold consultations before the end of the year.

My authorities still see the need for the consultations to take place following the expiry of the 45-day joining period established in the 1958 Procedures for Article XXII Consultations, which we understand to occur on 3 January 1977. I shall be in touch with you following that date to set a mutually convenient time for the consultations.
The main point which my authorities wish to put before your authorities is that the imposition of quotas on beef imports, against the history of controls in the United States market, seemed to carry no economic justification in terms of injury to the United States beef industry, and ran counter to the co-operative manner in which access to the United States market has been conducted for more than a decade. It accordingly brought into focus the hitherto dormant question of the compatibility of the quota provisions of the United States Meat Import Act with the United States obligations under the General Agreement.

It is the view of my authorities that recourse to the quota provisions of the Act was inconsistent with those obligations, and that their reintroduction should not represent an option open to the United States in the development of arrangements for the importation of beef during 1977 and subsequently. It is this point which my authorities would have wished to have had examined and established during the course of the consultations they sought. My authorities would like to believe that the absence of a reference to any provision of the General Agreement in the notification of the quota action is an acknowledgement on the part of the United States Administration that the quotas are not consistent with its obligations to its trading partners.

In expressing this view, my authorities are conscious that the Administration has declared its determination to eliminate the quota restrictions, and look forward to this determination being fulfilled. They too would wish to return to the constructive and co-operative basis of conducting beef trade with the United States that has existed in the past.