I. AIR FREIGHT ON CERTAIN BEEF

(1) Nature and Extent of the Subsidy

(a) Background and Authority. A subsidy has been paid since 1951 on beef which is slaughtered and transported by air from the Glenroy abattoir of Air Beef Pty., Ltd., in the remote and little developed Kimberley region of North Western Australia. The subsidy is being paid in order to test the economics of the transport of beef by air and to assist in the development of the beef cattle industry in North Western Australia. The subsidy is due to expire at the termination of the 1957 killing season. The subsidy is actually paid by the Western Australian State Government but the finance is provided by the Commonwealth Government in the form of a grant to the State.

(b) Incidence. The bounty is paid to the company concerned on the quantity of beef air-freighted from the Glenroy abattoir.
(c) **Amount of Subsidy.** Expenditure on the subsidy in the year ended 30 June 1957 was £16,000.

(d) **Amount per unit.** The rate of subsidy for the 1956 season was 2 pence per pound and for the 1957 season the rate is 1 ½ pence per pound.

(2) **Effect of Subsidy**

The effect of the subsidy on total Australian exports of beef (153,000 tons in 1956-57) is negligible. In the absence of the subsidy cattle would be driven overland to Wyndham Meat Works.

II. **CELLULOSE ACETATE FLAKE**

(1) **Nature and Extent of the Subsidy**

(a) **Background and Authority.** The payment of a bounty on the production of cellulose acetate flake was introduced by the Cellulose Acetate Flake Bounty Act, 1956 following investigation by the Tariff Board. In the course of the enquiry it was found that the newly established industry had reached a stage where production was efficient and had sound economic prospects and that assistance was warranted, the most appropriate form being by way of bounty rather than customs duties. The bounty is payable up to 30 June 1958.

(b) **Incidence.** A bounty of 10 pence per pound is paid to the producer of cellulose acetate flake sold and for use in the manufacture, in Australia, of cellulose acetate yarn.

(c) **Amount of Subsidy.** Bounty is limited to not more than £142,000 per annum of sales in a particular year. Expenditure on the bounty in 1956-57 amounted to £179,117 including a retrospective payment of almost £100,000 in respect of 1955-56.

(d) **Amount per Unit.** 10 pence per pound.

(2) **Effect of Subsidy**

Australian capacity for the production of cellulose acetate flake is regarded as being sufficient to satisfy Australian requirements for the next few years.

III. **COTTON**

(1) **Nature and Extent of the Subsidy**

(a) **Background and Authority.** A bounty is paid under the Cotton Bounty Act, 1951-1957 on the production of cotton in Australia in order to foster the development of the local cotton growing industry. The bounty is payable on seed cotton delivered by growers to processors before 31 December 1958.
Incidence. Bounty is payable to the processor of the cotton who is required to distribute it under specified conditions to the producers of the cotton. The rate of bounty paid is the amount by which the average price to the growers is less than 14 pence per pound.

Amount of Subsidy. The cost of the bounty in 1956-57 was £150,666, £30,840 of which represented advance payments to growers for the next season's crop.

Estimated Amount per Unit. The average rate of the bounty was 7.3 pence per pound of seed cotton for 1956-57.

Effect of Subsidy

In 1956-57 bounty was paid on 3.93 million pounds of seed cotton from which approximately 1.46 million pounds of raw cotton was produced.

...
This system for the stabilization of prices and returns to producers results at times in the sale of the commodity for export at a price either higher or lower than the price for the commodity to buyers in the domestic market.

V. FLAX FIBRE

(1) Nature and Extent of the Subsidy

(a) **Background and Authority.** The Flax Fibre Bounty Act 1954-57 authorizes payment of a bounty on flax fibre produced and sold in Australia up to 31 October 1957.

(b) **Incidence.** Bounty is payable to the producer of flax fibre manufactured for local delivery from flax grown in Australia. An instrumentality of the Commonwealth is the largest manufacturer, accounting for about 80 per cent of the total output of flax fibre.

(c) **Amount of Subsidy.** Expenditure on the bounty in 1956-57 was £49,823.

(d) **Estimated Amount per Unit.** The rate of bounty varies inversely with movements in the landed cost of imported fibre and is calculated, subject to limits, to give producers a return of £365 per ton. The maximum rate of bounty payable is £75 per ton.

(2) Effect of Subsidy

The average Australian demand for flax fibre is estimated to be about 2,000 tons per annum of which the local industry has capacity to produce approximately 1,500 tons. In view of the smallness of Australian requirements for flax fibre, the effect of the bounty on international trade would be negligible.

VI. RAYON YARN

(1) Nature and Extent of the Subsidy

(a) **Background and Authority.** The Rayon Yarn Bounty Act 1954-56 provides for payment of a bounty on continuous filament acetate rayon yarn produced and sold in Australia up to 30 June 1959.

(b) **Incidence.** The bounty is payable to the producer of rayon yarn sold for delivery in Australia.

(c) **Amount of Subsidy.** The amount of bounty paid in 1956-57 was £59,928.

(d) **Amount per Unit.** 6 pence per pound of yarn.
(2) **Effect of Subsidy**

The capacity of the Australian industry is expected to be sufficient to fully satisfy local requirements for continuous filament acetate rayon yarn.

**VII. SHIPBUILDING**

(1) **Nature and Extent of the Subsidy**

(a) **Background and Authority.** Under a scheme for maintaining an efficient shipbuilding industry in Australia the Commonwealth Government meets portion of the cost of approved merchant ships built in Australia for use in the Australian coastal trade.

(b) **Incidence.** The portion of the cost met by the Government is an amount not exceeding 33 1/3 per cent of the cost of the ship.

(c) **Amount of Subsidy.** In the seven years ended 30 June 1957 the Commonwealth has subsidized vessels built for private shipowners and the Western Australian State Shipping Service to the extent of £2,608,000.

(d) **Estimated Amount per Unit.** This amount varies according to the type, dead weight and cost of each ship.

(2) **Effect of Subsidy**

It is difficult to assess the effects of the subsidy on imports of ships, but it is not considered to be large. The amount of ship construction undertaken in Australia and overseas on account of Australian private shipowners in recent years has been small.

**VIII. SUGAR**

(1) **Nature and Extent of the Subsidy**

(a) **Background and Authority.** A scheme for regulating the production and marketing of cane sugar and certain products made from cane sugar, as a means of stabilizing returns to sugar growers, is provided in legislation enacted by the Commonwealth and Queensland Parliaments.

(b) **Incidence.** When the world parity price for sugar is less than the price of Australian sugar fixed under the scheme, price rebates equal to the difference between the two prices are granted to exporters on the sugar content of fruit products and other approved manufactured products exported from Australia.
(c) **Amount of Subsidy.** The cost of the rebates, estimated at £415,000 in 1955-56, is borne by the Australian sugar producing industry.

(d) **Amount per Unit.** The average rate of export rebate per ton of sugar content in 1955-56 was approximately £17.10.0.

(2) **Effect of Subsidy**

The export sugar rebate is not intended to increase exports or decrease imports in the manner described in Article XVI but is granted so that exporters of approved products containing sugar will not be at a disadvantage by reason of the Australian price of sugar being fixed at a level higher than the world price.

**IX. SULPHURIC ACID**

(1) **Nature and Extent of the Subsidy**

(a) **Background and Authority.** Provision is made in the Sulphuric Acid Bounty Act 1954-57 for the payment of bounty on the production of sulphuric acid from materials of Australian origin. The need for increasing the proportion of acid produced from local materials arose from the uncertainty of obtaining supplies of imported brimstone and the possible serious effects of any subsequent shortage of brimstone on the production of fertilizers and other commodities essential to the Australian economy. The bounty is payable up to 30 June 1959.

(b) **Incidence.** The bounty is payable to the producer of sulphuric acid manufactured from sinter gas and pyrites of Australian origin provided it is sold for delivery in Australia or for use by the producer for manufacturing purposes in Australia. The rate of bounty is to be determined according to landed duty free cost of imported brimstone. The bounty is £2 per ton when the landed cost of imported brimstone is £20.10.0 per ton and rises or falls in inverse proportion to variations in the cost of brimstone. Bounty is not to exceed £4 per ton and ceases when the cost of brimstone rises to £25.10.0 per ton.

(c) **Amount of Subsidy.** In 1956-57 the total cost was £420,652 on 244,257 tons of acid produced.

(d) **Estimated Amount per Unit.** The rate per unit varies as described in sub-paragraph (b) above, but in 1956-57 the average rate was £1.72 per ton.

(2) **Effect of Subsidy**

The bounty is intended to foster the production of sulphuric acid from indigenous materials which is in addition to production from imported brimstone.
I. TRACTORS

(1) Nature and Extent of the Subsidy

(a) Background and Authority. The Tractor Bounty Act 1939-56 provides for the payment of bounty on wheel-type tractors of from ten to seventy belt-pulley horsepower produced in Australia for use in Australia and its territories. The bounty is payable up to 23 October 1958.

(b) Incidence. The bounty is paid to the producer and is an amount per unit determined according to the belt-pulley horsepower of the engine and the percentage of the cost of locally produced materials used to the total factory cost of the tractor. No bounty is payable on tractors exported to other than an Australian controlled territory or on crawler-type tractors.

(c) Amount of Subsidy. The total cost of the bounty in 1956-57 was £153,303.

(d) Estimated Amount per Unit. If the percentage of the value of Australian labour and materials to total factory cost is 90 per cent or more the rate of bounty varies from £80 to £240 per tractor depending on the belt-pulley horsepower. No bounty is payable if the proportion of Australian content is less than 60 per cent whilst if the proportion is greater than 60 per cent but less than 90 per cent the rate of bounty payable varies in proportion to the percentage Australian content.

(2) Effect of the Subsidy

During 1956-57, 15,657 wheel-type tractors were imported and bounty was paid on 575 tractors produced in Australia. The effect of the bounty upon the demand for imported tractors is very small.

II. WHEAT

(1) Nature and Extent of the Subsidy

(a) Background and Authority. The Wheat Stabilization Scheme authorized under Commonwealth and State legislation (1954) includes provision for a guaranteed price for export wheat for five years commencing with the 1953-54 wheat crop. However, there is no subsidy. The scheme is financed by a tax on growers.

(b) Incidence. The guarantee covers exports of up to 100 million bushels per annum. Operation of the scheme involves the building up of a Stabilization Fund from a levy on exports when the price exceeds the determined cost of production and payments from the Fund to producers if the price falls below the determined cost of production. In the event of the Fund being insufficient to meet payments required to be made to producers the deficiency will be met by the Commonwealth. The funds provided by growers appear adequate for the liabilities under the scheme.
(c) Amount of Subsidy. No Stabilization payments had been made up to 30 June 1957, by which date some £9 million had been accumulated in the Fund.

(d) Estimated Amount per Unit. Nil.

(2) Effect of Subsidy

The scheme is not affecting imports or exports in the manner described in Article XVI.

AUSTRIA

Notification of 26 November 1957

No measures falling within the scope of Article XVI have been taken since the notification of 26 September 1956 (L/480/Add.6).

BELGIUM

Notification of 20 November 1957

I. SUBSIDIES ON CERTAIN DAIRY PRODUCTS

Cheese, powdered milk and sweetened concentrated milk benefit by direct subsidies to the processor. The amount of these subsidies, granted per kilogramme, on limited quantities, is fixed each month. Payment of subsidies is only made to undertakings which are able to pay the milk producer a minimum price valid for the period.

II. SUBSIDIES TO PRODUCERS OF FEED GRAINS

In order to assist producers of feed grains who have been severely affected by the fall in world prices of these products, it has been decided to grant them a premium per hectare seeded to rye, barley or oats. The amount of the premium has not yet been fixed.

These premiums will not affect imports. They are principally intended to avoid increased cultivation of wheat to the detriment of feed grains.

III. EXPORT SUBSIDIES ON EGGS

In order to avoid a collapse in egg prices on the domestic market as a result of the price fall in neighbouring countries, a temporary export subsidy on eggs was granted, amounting to 0.07 to 0.23 francs per egg, during the period 27 February - 27 July 1957. From 30 July 1957 this subsidy was abolished.

IV. SUBSIDIES TO THE FILM INDUSTRY

(1) Nature and Extent of the Subsidy

(a) Background and Authority. A new Royal Decree, dated 25 July 1957 concerning and granted to the Belgian film industry, is applicable to films which went into production after the Decree entered into force on 29 July 1957.
Films which had already been commenced on that date will remain subject to the provisions of the Royal Decree of 14 November 1952 until 31 December 1957. After that date, the provisions of the Decree of 25 July 1957 will be applicable to them. The Royal Decree of 14 November 1952 was rescinded as from 31 December 1957.

The premium already instituted by the former Decree may be granted under the new system, not only in respect of the recognized Belgian films, but also in respect of films made under co-production arrangements between Belgium and foreign countries or between Belgian producers and foreign producers.

(b) Incidence. The premium is paid to the producers for the making of films and is calculated on the basis of the entertainments tax paid at the time of showing of film programmes.

(c) Amount of the Subsidy. The total amount of the subsidy provided for under the 1957 budget is Frs. 13 million.

(2) Effect of Subsidy

The grant of this premium to the Belgian film industry has no direct or indirect effect on foreign trade in films.

V. SUBSIDIES TO THE COAL INDUSTRY

No change has occurred in this regard.

VI. SUBSIDIES TO FLOUR-MILLS

(1) Nature and Extent of the Subsidy

(a) Background and Authority. The application of a subsidy proved indispensable, to avoid an increase in the present price of bread (Frs. 7.50 per kg.).

The price of home-grown wheat (Frs. 100, per 100 kgs.) is higher than that of imported wheat of the same quality and the quantity to be incorporated is very large (2-700,000 tons).

These subsidies are paid on the authority of the budgetary Act establishing the budget of the Ministry of Economic Affairs for 1957.

(b) Incidence. This subsidy is paid at the milling stage for each 100 kgs. of home-grown wheat delivered for milling. It is variable and is fixed every fortnight in proportion to the prices quoted for home-grown wheat on the five largest stock exchanges of the country.
(d) Estimated Amount per Unit. From 9 September 1957 to 13 October 1957, the subsidy granted per 100 kgs. of home-grown wheat varied from Frs. 17.70 to Frs. 34.85. It increases according to the monthly increase in the leading price of home-grown wheat.

(2) Effect of Subsidy

The protection given to home-grown wheat will result in an increase in the quantity incorporated from 345,000 tons in 1952 to 700,000 tons in 1957-58.

VII. Subsidies to the Wool-Combing Industry

(1) Nature and Extent of the Subsidy

In the 1957 budget an item of Frs. 30 million is provided for reimbursing the office of Economic Recovery for the advances made by it to finance partially imports of raw wool for combing in Belgium.

This measure has been taken to compensate the competition resulting from the export subsidy on tops which is granted by a third country.

During the first half of 1957, the refund on the cost of financing raw wool destined to be combed in Belgium was made at the contractual rate of Frs. 1.30 per kilogramme of tops and noils produced by Belgian combers; the refund rate has been reduced to Frs. 0.95 for the second half of the year. This refund is granted to the owner of the wool.

(2) Effect of Subsidy

This subsidy has no effect on the quantities imported and exported.

BELGIAN CONGO AND RUANDA-URUNDI

VIII. Subsidies to the Wood Industry

A subsidy of Frs. 9,360,000 is paid by the Government of the Belgian Congo and Ruanda-Urundi on exports of sawn wood of the second and third grades.

DENMARK

Notification of 8 November 1957

No further information has to be added to that submitted on 12 July 1955 (L/351/Add.1).
JAPAN

Notification of 8 November 1957

No substantial modification has been made to the subsidies in force since the previous notification (L/480/Add.4).

PAKISTAN

Notification of 4 December 1957

Pakistan has no subsidies to report under Article XVI of the General Agreement.

SWEDEN

Notification of 22 November 1957

There have been no changes in Swedish export subsidies since the last notification on 21 August 1956 (L/480/Add.4).

TURKEY

Notification of 22 October 1957

No new measures falling within the scope of Article XVI have been taken since the notification of 17 September 1956 (L/480/Add.6).

UNION OF SOUTH AFRICA

Notification of 9 October 1957

This notification amplifies and brings up to date the notification dated 5 September 1956 (L/480/Add.5).

A. STATE-SUBSIDIES

I. BAGS

(1) Nature and Extent of the Subsidy

(a) and (b) Background and Authority and Incidence. The position as outlined in the previous notification remains unchanged.
(c) Amount of Subsidy. Subsidy payments have been, or are estimated to be, as follows:

<table>
<thead>
<tr>
<th>Financial Year Ending 31 March</th>
<th>Amount of Subsidy £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1956</td>
<td>2,199</td>
</tr>
<tr>
<td>1957 (estimated)</td>
<td>1,205</td>
</tr>
<tr>
<td>1958 (estimated)</td>
<td>1,310</td>
</tr>
</tbody>
</table>

(d) Estimated Amount per Unit. For the financial year 1956-57, the subsidy per bag amounted to 11d., while for 1957-58 it is estimated at 10d.

(2) Effect of the Subsidy

The position as outlined in the previous notification remains unchanged.

II. FERTILIZERS

(1) Nature and Extent of the Subsidy

(a) and (b) Background and Authority, and Incidence. The position as outlined in the previous notification remains unchanged.

(c) Amount of Subsidy. Rebates and subsidy payments have been, or are estimated to be, as follows:

<table>
<thead>
<tr>
<th>Financial Year Ending 31 March</th>
<th>Amount of Rebate on Railage and Transport £'000</th>
<th>Amount of Subsidy £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1956</td>
<td>963</td>
<td>934</td>
</tr>
<tr>
<td>1957 (estimated)</td>
<td>1,100</td>
<td>850</td>
</tr>
<tr>
<td>1958 (estimated)</td>
<td>1,150</td>
<td>950</td>
</tr>
</tbody>
</table>

(d) Estimated Amount per Unit. The position as outlined in the previous notification remains unchanged.

(2) Effect of the Subsidy

The position as outlined in the previous notification remains unchanged.

III. FOODSTUFFS

(1) Nature and Extent of the Subsidy

(a) Background and Authority. The position as outlined in the previous notification remains unchanged, except that, firstly, enriched bread should be added to the subsidized foodstuffs previously enumerated and, secondly, 37½ per cent (not 50 per cent as was the case previously) of the inland rail and/or motor bus charges on maize and its primary products is now rebated.
(b) Incidence. The position as outlined in the previous notification remains unchanged.

(c) Amount of Subsidy. Subsidy payments have been, or are estimated to be, as follows:

<table>
<thead>
<tr>
<th></th>
<th>Wheatmeal bread</th>
<th>Maize</th>
<th>Butter</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>1955-56</td>
<td>7,190</td>
<td>5,031</td>
<td>1,284</td>
<td>13,505</td>
</tr>
<tr>
<td>1956-57(estimated)</td>
<td>7,671</td>
<td>5,901(a)</td>
<td>1,250</td>
<td>14,822</td>
</tr>
<tr>
<td>1957-58(estimated)</td>
<td>7,201</td>
<td>5,524(b)</td>
<td>1,250</td>
<td>13,975</td>
</tr>
</tbody>
</table>

(a) Including £1,500,000 subsidy in respect of transport charges.
(b) Including £1,124,000 subsidy in respect of transport charges.

(d) Estimated Amount per Unit. The rates of subsidy for the current season are as follows:

- Butter: 3½d. per lb.
- Maize: 4s.2d. per 200 lb.
- Wheat in the grain: 7d. per 200 lb.
- Breadmeal: 13s.7d. per 200 lb.
- Sifted Meal: 27s.9d. per 200 lb.
- Unsifted Meal: 24s.7d. per 200 lb.
- Enriched Bread: ½d. per 2 lb. loaf.

(2) Effect of the Subsidies

The position as outlined in the previous notification remains unchanged.

B. PRICE STABILIZATION MEASURES:

(1) Nature and Extent of Stabilization Measures

(a) Background and Authority. The position as outlined in the previous notification remains unchanged, except that losses have recently been incurred on eggs, in addition to the other commodities mentioned.

(b) Incidence. The Losses on the export of tobacco were recovered from funds derived from a special levy on all tobacco grown in South Africa. It should be added that South Africa is on balance an importer of tobacco but that the Tobacco Board has for a number of years endeavoured to establish an export market for certain types of leaf tobacco in order to have an outlet when local crops are in excess of domestic consumption. It is, however, extremely
difficult to persuade overseas manufacturers to use a particular type of leaf, and in order to facilitate exports the best price offered by such manufacturers is accepted and the difference between that price and the domestic price is paid as a bounty.

The losses on maize exports are defrayed from the Maize Board's stabilization fund. In the first instance this fund was built up from earlier profits on maize exports, but since 1954-55, the State, and from 1955-56 also the producer, makes direct contributions towards this fund (by means of a special levy). The producers' contribution to this fund was as follows: 3d. on every bag (200 lbs.) of maize sold for 1955-56 marketing season, 6d. for 1956-57 and 1/3 per bag for 1957-58 season. For the 1956-57 season provision was also made in the local selling prices for a contribution of 6d. per bag to be paid into the stabilization fund. For the 1957-58 season, however, this contribution of 6d. per bag applied only on white maize sold.

The State's contribution has been as follows: 6d. per bag (200 lbs.) for 1954-55 on all maize sold for consumption; 4½d. per bag for 1955-56 and 1956-57. The State's contributions amounted to £509,154 during 1954-55, £417,000 during 1955-56 and £420,000 during 1956-57.

During the past ten years South Africa in some years imported oats. During the 1954-55 and 1955-56 seasons, however, there were exportable surpluses, and losses were incurred on the export thereof which were covered from a price stabilization fund which is being maintained by levies specially imposed on producers on oats delivered to the Wheat Board.

The levy during 1954-55 was 1/6 per bag (150 lbs.) for class A grade 1, 2/- per bag for class A grade 2 and class B grades 1 and 2, and 6d. per bag for the lower grades. During the 1955-56 season, this levy was increased to 5/- per bag for class A, 3/9 for class B grades 1 and 2, 1/- per bag for lower grades. For the 1956-57 season these levies have remained unchanged. For the latter year however there were no exports.

The Dried Fruit Board acts, through firms handling dried fruit, as the sole buyer of prunes, currents, raisins and all types of sultanas, but does not control the sale of other kinds of dried fruits.
In respect of the varieties controlled by the Board, producers are paid an advance price on delivery. A levy is imposed to maintain a price stabilization fund from which export losses are met. For the present season (1957) this levy amounts to 12 per cent on the Board's nett selling price in the case of raisins, 1d. per lb. on stalk, muscadel and loose raisins and 8 to 10 per cent in the case of the various other varieties controlled by the Board.

During 1955 the Board suffered considerable losses on the export of raisins. Subsequently, however, as a result of improved overseas prices and smaller local crops, no further losses have occurred.

A loss on surplus eggs exported in the 1956-57 season was covered from a levy fund built up from levies deducted from the producer's price on delivery of eggs to the agents of the Egg Control Board. During the 1956-57 season the contribution to the fund varied from 1d. to 2d. per dozen eggs.

(c) Amount of Export Losses. The following losses were covered in the manner described for the five products concerned:

<table>
<thead>
<tr>
<th></th>
<th>Tobacco</th>
<th>Maize</th>
<th>Oats</th>
<th>Dried Fruit</th>
<th>Eggs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1954-55</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td></td>
<td>73</td>
<td>-</td>
<td>143</td>
<td>45</td>
<td>-</td>
</tr>
<tr>
<td>1955-56</td>
<td>73</td>
<td>2,059</td>
<td>26</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>(estimated)</td>
<td>40</td>
<td>650</td>
<td>-</td>
<td>-</td>
<td>479(a)</td>
</tr>
</tbody>
</table>

(a) Includes frozen whole egg pulp.

(d) Estimated Amount per Unit. The losses per unit covered in 1956-57 in the manner described are as follows:

- Tobacco: 1s. per lb.
- Maize: 1s. 2d. per bag of 200 lbs.
- Eggs: 27s. 4d. per case of 30 dozen.

(2) Effect of the Stabilization Measures

The position as regards tobacco, maize, oats, and dried fruit, is as outlined in the previous notification.
In the case of eggs, the position is as follows. The contribution to the levy fund in effect lowered the price paid to the producer. The covering of the export loss from levy funds had no effect on South Africa's foreign trade.

C. **DIFFERENTIAL RAILWAY RATES**

The position as outlined in the previous notification remains unchanged.