The following communication, dated 31 October 1957, has been received by the Executive Secretary:

"At the Meeting of the Intersessional Committee in April 1957, the New Zealand Representative stated that the Customs Tariff was being currently reviewed for the first time since 1934, but that it was expected that the review would be completed in time for any necessary modifications in Schedule XIII to be negotiated, pursuant to the provisions of the revised Article XXVIII, before the end of the present period of binding of the Schedule.

"As you are no doubt aware, the review is being conducted by the New Zealand Board of Trade, which will report to the Government, making recommendations regarding the new tariff and amendments to the Customs law. The Government will then consider the report and may have occasion to refer it, or portions of it, back to the Board for further review. When a decision is finally taken by the Government the new tariff will be implemented by a procedure of Parliamentary resolution having immediate effect and confirmed, during the same Parliamentary session, by a ratifying Act.

"It has now become evident that owing to the complexity of the task, involving, as it does, a complete reconstruction of the tariff, there is no possibility that a decision can be taken by the Government until well into next year. Because of the pressing need for the earliest possible introduction of this long-outstanding tariff reform, the Government is determined to bring the new tariff into force during the 1958 Parliamentary session. The result will be to leave very little time available after the Government can complete its consideration of the new draft tariff, and before the time by which the legislative programme for the 1958 session of Parliament will require the tariff to be submitted to Parliament.

"Certainly the time will not be sufficient to enable the procedures laid down in Article XXVIII to be followed.

"In the present case, involving a new nomenclature, the complete replacement of Schedule XIII will be required. However, the number of actual modifications will be comparatively small, the bulk of the changes taking the form of mere rectifications to bring the nomenclature of the Schedule into line with that of the new tariff. Because, for the reasons outlined, it will not be practicable for negotiations to be conducted under Article XXVIII prior to the
introduction of the new tariff the New Zealand Government requests that the CONTRACTING PARTIES agree to a procedure along the following lines.

"As soon as the new tariff comes into force copies will be distributed to all contracting parties. At the same time a provisional new Schedule XIII will be distributed with full details of concessions modified or withdrawn and the countries with which they were originally negotiated. There will also be an enumeration of the new concessions which are being offered as compensation for any such modifications or withdrawals and, for the rest, the amendments will consist of rectifications necessitated by the new nomenclature.

"It is hoped that affected contracting parties will find that the new concessions thus offered will provide adequate compensation, but to the extent that they do not, New Zealand would of course be prepared to enter into negotiations pursuant to mutually satisfactory arrangements decided on by the CONTRACTING PARTIES."