GENERAL AGREEMENT ON TARIFFS AND TRADE
Third Session of the Contracting Parties

INTENSIFICATION OF UNITED KINGDOM IMPORT RESTRICTIONS

The Contracting Parties to-day considered a letter from Mr. R.J. Shackle, Leader of the U.K. Delegation, regarding the intensification of U.K. import restrictions. The letter stated "As the contracting parties will be individually aware, but will no doubt wish to note in their joint capacity, there have recently been certain developments in the balance-of-payments position of the United Kingdom as a result of which we are under the necessity of revising our import programme. In this connection we have taken note of the provisions of paragraph 4 b of Article XII of the General Agreement, under which the Contracting Parties may in due course wish to invite the United Kingdom to enter into consultations. In this regard I would point out that we have so far only taken action of a short-term and interim character, and that we shall not be in a position for some time yet to provide particulars of the revised import programme of the United Kingdom which will in due course be worked out, as a basis on which such consultation if desired, could proceed. We shall, of course, be glad to provide these particulars when the programme has been worked out."

The letter also referred to two recent public statements concerning the U.K. balance of payments situation, made by the Chancellor of the Exchequer, Sir Stafford Cripps in the House of Commons on the 6th and 14th July 1949.

Commenting on the letter Mr. Shackle referred to the forthcoming important conversations in Washington. Pending the outcome of these discussions he could not go further as to the exact date when consultations might be requested. No time, he said would be lost.

Mr. Woodbury Willoughby, United States, said that the U.S. attached great importance to the U.K. notification to the Contracting Parties. He welcomed the U.K. letter and suggested that the timing of the notice of the consultation should be left to the Chairman of the Contracting Parties.

It was agreed that the Contracting Parties should take note of the letter of the U.K. delegation and should adopt the procedure suggested by the United States delegate.