This document reproduces the text of a memorandum issued by the United States Government on 17 February 1964 announcing the provisions of two agreements relating to trade in meat, concluded by the United States Government with the Governments of Australia and New Zealand respectively.

This memorandum has been transmitted to the secretariat by the United States delegation for the information of the Group on Meat.

The Governments of Australia and New Zealand have agreed to limit meat exports to the United States, the Departments of State and Agriculture announced today.

Australia and New Zealand are the principal suppliers to the United States of beef and veal. The agreements announced today were concluded because United States' imports of these products have increased markedly in the past few years. Beef cattle prices are low and declined importantly in 1963. Low domestic prices were mostly caused by heavy domestic production of fed beef. However, analyses by the United States Department of Agriculture show that imports also were a contributing factor.

The agreement with Australia covers beef, veal and mutton in all forms other than canned, cured and cooked meats and live animals. The one with New Zealand covers only beef and veal. Australia is the only substantial foreign supplier of mutton to the United States market. Mutton is partially interchangeable in use with manufacturing beef, the kind of beef which constitutes the bulk of American imports.
Australia has agreed to limit its exports in 1964 to 242,000 long tons (542 million pounds), in 1965 to 251,000 long tons (562 million pounds) and in 1966 to 260,000 long tons (582 million pounds) product weight of the meats covered in its agreement.

New Zealand has agreed to limit its exports in 1964 to 103,000 long tons (231 million pounds), in 1965 to 107,000 long tons (239 million pounds) and in 1966 to 111,000 long tons (248 million pounds) product weight of the meats covered in its agreement.

The quantities for 1964 reflect the average level of United States imports from each country in 1962 and 1963. The quantities specified for 1965 and 1966 are calculated at an annual growth rate of 3.7 per cent based on the agreed limits for 1964 exports. This growth rate corresponds to the expected rate of increase in the total United States market for these meats. The agreements provide for triennial review of this growth factor and adjustment as appropriate for each succeeding period.

The agreements provide for preservation of the present pattern of trade in meat products between the United States and Australia and New Zealand. Both exporting countries have agreed that the proportion of primal cuts, such as steaks or roasts, should not exceed approximately the current levels.

The agreements represent an important contribution to the stability of the meat industries of the three countries. United States domestic producers and Australian and New Zealand suppliers will be able to share equitably in the growth in the United States market.

The United States has received assurances from both Australia and New Zealand that in implementing the agreements they will not discriminate against United States owned meat industry interests in their countries.

Both agreements are of indefinite duration, but they may be terminated by either party upon at least six months' notice prior to the end of any calendar year.

The three Governments agreed on the desirability of expanding world trade in meat and meat products. To that end they reaffirm their intention to continue efforts under the General Agreement on Tariffs and Trade (GATT) to negotiate broader international arrangements to expand access of meat exporting countries to all major world markets. The agreements with Australia and New Zealand could be incorporated into such a broader arrangement.
TEXT OF UNITED STATES NOTE TO AUSTRALIA

Excellency:

I have the honour to refer to your note of 17 February 1964, concerning trade in beef, veal, and mutton between Australia and the United States which reads as follows:

"I have the honour to refer to recent discussions in Washington between representatives of the Government of Australia and the Government of the United States with regard to exports of Australian beef, veal, and mutton to the United States. As a result of these discussions, I have further the honour to propose that the following Agreement shall become effective between our Governments:

The Governments of Australia and the United States have agreed to the following measures in the interest of promoting the orderly development of trade in beef, veal, and mutton between Australia and the United States. In assuming the following obligations, the Governments of Australia and the United States are seeking as well to preserve approximately the present pattern of trade in beef, veal, and mutton between the two countries.

1. Accordingly, the Australian Government shall limit exports from Australia to the United States of beef, veal, and mutton (in all forms except canned, cured and cooked meat and live animals), in accordance with the following:

(a) Exports shall be limited to a total of 242,000 long tons in calendar year 1964, 251,000 long tons in calendar year 1965, and 260,000 long tons in calendar year 1966, all in terms of product weight.

(b) In each succeeding calendar year there shall be an increase, corresponding to the estimated rate of increase in the total United States market for these meats. This increase in the total United States market is presently estimated to be 3.7 per cent annually.

(c) The purpose of the annual increases established in paragraphs (a) and (b) is to secure to Australia a fair and reasonable share in the growth of the United States market. There shall be a triennial review and, as appropriate, an adjustment of this estimated rate of increase in consumption to apply to the succeeding three-year period. The first such review shall take place no later than 1 October 1966."
(d) Australia shall maintain approximately the present relationship between beef and mutton exports to the United States.

(e) Australia shall use its best endeavours to limit its exports to the United States of better quality primal cuts of beef and veal, such as steaks and roasts, approximately to the percentage these cuts currently constitute of total annual exports of beef and veal from Australia to the United States.

2. Australia undertakes to limit its exports to the United States upon the understanding that Australia will not be adversely affected by such limitations in relation to the position of other substantial suppliers in the United States market and so long as Australia's access to the United States market for beef, veal, and mutton is not limited by an increase in the duties on these products.

3. The United States Government shall continue to permit access each year into the United States for beef, veal, and mutton exported from Australia, up to the maximum quantity determined for that year in accordance with the provisions of paragraphs 1(a) and 1(b) of this Agreement.

4. The Governments shall continue to take an active and leading role in negotiating in the GATT, in harmony with the objectives agreed at the ministerial meeting of the GATT in May 1965, arrangements leading to expanding access in meat importing countries.

5. Should such a wider international arrangement be reached, it could subsume this Agreement.

6. The Governments agreed to consult, at the request of either Government, on any questions arising on the implementation of this Agreement.

7. Either Government may terminate this Agreement, effective at the end of a calendar year, by written notice given at least 180 days prior to the end of that calendar year.

If these proposals are acceptable to your Government, this note and your note of acceptance shall form an Agreement between our Governments.

I have the honour to confirm on behalf of the Government of the United States that the Agreement outlined in your note is acceptable to the United States Government and will govern trade in beef, veal, and mutton between Australia and the United States.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:
TEXT OF UNITED STATES NOTE TO NEW ZEALAND

Excellency:

I have the honour to refer to your note of 17 February 1964, concerning trade in beef and veal between New Zealand and the United States which reads as follows:

"I have the honour to refer to recent discussions in Washington between representatives of the Government of New Zealand the the Government of the United States with regard to the desire of the Government of the United States to arrive at an understanding concerning the level of future exports of beef and veal from New Zealand to the United States. As a result of these discussions, I have the honour to propose that the following Agreement shall become effective between our Governments:

The Governments of New Zealand and the United States have agreed to the following measures in the interest of promoting the orderly development of trade in beef and veal between New Zealand and the United States. In assuming the following obligations, the Governments of New Zealand and the United States have agreed on the desirability of preserving approximately the present pattern of trade in these products between the two countries.

1. Accordingly, the New Zealand Government agrees to limit exports from New Zealand to the United States of beef and veal (in all forms except canned, cured and cooked meat and live cattle), in accordance with the following:

(a) Exports shall be limited to a total of 103,000 long tons in calendar year 1964, 107,000 long tons in calendar year 1965, and 111,000 long tons in calendar year 1966, all in terms of product weight.

(b) In each succeeding calendar year there shall be an increase, corresponding to the estimated rate of increase in the total United States market for these meats. This increase in the total United States market is presently estimated to be 3.7 per cent annually.

(c) The purpose of the annual increases established in paragraphs 1(a) and 1(b) is to secure to New Zealand a fair and reasonable share in the growth of the United States market. There shall be a triennial review and, as appropriate, an adjustment of this estimated rate of increase in consumption to apply to the succeeding three-year period. The first such review shall take place no later than 1 October 1966.
(d) The New Zealand Government shall use its best endeavours to limit exports from New Zealand to the United States of better quality primal cuts of beef and veal, such as steaks and roasts, approximately to the percentage these cuts currently constitute of total annual exports of beef and veal from New Zealand to the United States.

2. The New Zealand Government shall limit exports from New Zealand to the United States upon the understanding that New Zealand will not be adversely affected by such limitations in relation to the position of other substantial suppliers in the United States market and so long as New Zealand's access to the United States market for beef and veal is not limited by an increase in the duties on these products.

3. The United States Government shall continue to permit access each year into the United States for beef and veal exported from New Zealand, up to the maximum quantity determined for that year in accordance with the provisions of paragraphs 1(a) and 1(b) of this Agreement.

4. The Governments shall continue to take an active and leading role in negotiating in the GATT, in harmony with the objectives agreed at the ministerial meeting of the GATT in May 1963, arrangements leading to expanding access in meat importing countries.

5. Should such a wider international arrangement be reached, it could subsume this Agreement.

6. The Governments agree to consult, at the request of either Government, on any questions arising on the implementation of this Agreement.

7. Either Government may terminate this Agreement, effective at the end of a calendar year, by written notice given at least 180 days prior to the end of that calendar year.

If these proposals are acceptable to your Government this note and your note of acceptance shall form an Agreement between our Governments."

I have the honour to confirm on behalf of the Government of the United States that the Agreement proposed in your note is acceptable to the United States Government and will govern trade in beef and veal between New Zealand and the United States.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State: