STATEMENT BY THE REPRESENTATIVE OF AUSTRIA AT THE MEETINGS OF 2 MAY AND 26 JUNE 1973

The following information has been received from the Austrian mission for circulation to the members of the Working Party.

The comments below have been made by the representative of Austria at the meetings of the Working Party on Trade in Textiles on 2 May and 26 June 1973, in response to certain points made by the Brazilian delegate concerning Austria in his statement at the meeting of 2 May 1973 which was reproduced in document TEX/W/13.

It is correct to state that in 1961, the year referred to by the Brazilian delegate, import restrictions were being applied in Austria. They had not, however, been introduced in a hurry.

They were introduced after the war in 1945 when economic conditions in Austria were worse than at any time in its history. Raw materials, semi-finished products, fuel, consumer goods and food were in an extremely short supply. Foreign exchange could only be allocated for imports of goods most urgently needed, and, therefore, the application of a system of restrictions on imports, exports and transit was unavoidable.

In 1960, the improvement in the Austrian balance of payments, primarily due to increased earnings from tourism, enabled Austria to discontinue the invocation of Article XII of GATT, and to progressively liberalize imports with due consideration to the interests of developing countries.

As regards cotton textiles, which in 1961 were not yet liberalized, the task consisted in expanding access to the Austrian market by establishing quotas with an appropriate rate of yearly increase. The Austrian delegate to the Cotton Textiles Committee, in 1961, stated his Government's readiness to enter into negotiations with the exporting countries with a view to fixing such import quotas. Henceforth, agreements on import quotas for cotton textiles were reached as a result of bilateral negotiations, and the growth rate agreed upon and established for Austria in Annex A of the Long-Term Arrangement, 95 per cent, was the highest of the growth rates for importing countries still maintaining import restrictions.
In doing so, Austria has followed closely the letter and spirit of the Long-Term Arrangement; the Austrian authorities provided growing opportunities for exports of these products originating in developing countries.

There are no import restrictions, export restraints or bilateral agreements (other than those notified under the Long-Term Arrangement) affecting trade in textiles vis-à-vis those countries to which Austria is required to grant liberalization in accordance with the provisions of GATT. Imports of textiles of all fibres from Brazil are fully liberalized.

In the light of the comments given above the Austrian authorities hold the view that the statement by the Brazilian delegate as referred to above does not reflect Austrian foreign trade policy in the field of quantitative import restrictions as it really is.