AVOIDANCE OF MARKET DISRUPTION

Proposal by the Chairman

In the light of the discussion at the plenary meeting the Chairman submits the following proposals for the Working Party which is to be established on the question of avoidance of market disruption.

Terms of reference

Desiring (1) to remove restrictions which prevent a further expansion of international trade, and (2) to mitigate the disruptive effects caused by a sharp increase in imports of a narrow range of commodities,

The CONTRACTING PARTIES

DECIDE to establish a Working Party to perform the following functions:

I

1. To consider the problems described in the report of the secretariat on 'Restrictions and other measures relating to the problem of market disruption' (L/1164, 17 May 1960);

2. To suggest multilaterally acceptable solutions, consistent with the principles and objectives of the General Agreement, for those problems which, in the light of this consideration, appear to call for immediate action;

3. To submit their report to the seventeenth session.

II

The Working Party is also authorized to make appropriate arrangements for preparing a report on the various economic, social and commercial factors underlying the problems considered by the Working Party, and in particular the relevance to international trade of differences in the costs of various factors of production and marketing, including labour costs. In preparing its report the Working Party is authorized to call on experts, both governmental and non-governmental, and to seek the co-operation of the International Labour Office. The Working Party should report on its arrangements to the seventeenth session.

1 These terms of reference are the same as those proposed by the United States delegation in document W.16/10 with the insertion of the words underlined.
Composition

Chairman: Mr. J.F. Grandy (Canada)

Members:

Australia
Austria
Belgium
Brazil
Canada
France
Germany
India
Japan
Pakistan
Sweden
United Kingdom
United States of America

The Commission of the European Economic Community is invited to participate in the work of the Working Party