Introduction

1. The Management Committee to the Protocol held its twenty-fourth meeting on 26 March 1979.

Adoption of the agenda

2. The Committee adopted the following agenda:
   1. Adoption of the agenda
   2. Adoption of the minutes of the twenty-third meeting (MCMF/23)
   3. Information required by the Committee under Article IV or other Articles of the Protocol
   4. Review of the market situation. Possible modification of the minimum price (possible advance application of a new minimum price)
   5. Other business.

Adoption of the minutes of the twenty-third meeting

3. The Committee adopted the minutes in MCMF/23.

Information required by the Committee under Article IV or other Articles of the Protocol

4. The Committee expressed the hope that members which had not yet supplied data for the fourth quarter of 1978 would do so promptly.

Review of the market situation. Possible modification of the minimum price (possible advance application of a new minimum price)

5. The representative of New Zealand said that the international over-supply situation for butter had confused somewhat prices of anhydrous milk fat. Sales of anhydrous milk fat had been effected at prices both below and slightly above
the New Zealand's Dairy Board price of US$1,275 per metric ton. He suggested that the Committee should agree now to an increase in the minimum price to US$110 per 100 kgs. He added that the concerns of the delegation of Canada with the International Dairy Arrangement were with a possible reservation on the Protocol Regarding Certain Milk Powders. It appeared to his delegation that Canada had not a similar concern with regard to milk fat.

6. The representative of Canada said that his delegation wished to obtain the views of the Canadian authorities on the question of the increase in the minimum price of milk fat. He would undertake to communicate to the secretariat the views of his authorities as soon as possible.

7. The representative of Australia said that his delegation could support the proposal of the representative of New Zealand to increase the minimum price to US$110 per 100 kgs.

8. The representative of the EEC informed the Committee that public stocks of butter at present stood at 272,694 tons and private stocks at 49,640 tons. Community operators were at present exporting milk fat at the price of US$150 per 100 kgs. f.o.b. His delegation could accept an increase to US$110 per 100 kgs. in the minimum price for milk fat. If, however, the minimum price of skimmed milk powder was maintained at US$35 per 100 kgs. and that for milk fat was raised to US$110 per 100 kgs., some distortions might possibly result over a certain period, particularly in regard to the price of whole milk powder.

9. The representative of New Zealand recalled that the Committee was discussing the level of minimum prices which could not be considered as being market prices. The latter were considerably higher than the minimum prices.

10. It was pointed out that, under Article III:3 of the Protocol, any modification of the minimum price could be decided upon only at the time when the question of an extension of the Protocol was being considered in terms of Article VIII:2. Nevertheless, when an emergency situation was deemed to exist, such a modification could be decided upon at any time. Having regard to the state of the negotiations in the Sub-Group on Dairy Products, the Committee considered that an emergency situation existed and that a modification of the minimum price could be decided upon at the current meeting.

11. Subject to obtaining the views of the delegation of Canada, the Management Committee decided, under paragraph 3 of Article III of the Protocol that the level of the minimum price specified in that Article be modified to US$110 per 100 kgs. with effect from noon of 1 April 1979.
12. Subject to obtaining the views of the delegation of Canada, the Committee agreed that this decision would be set forth in a procès-verbal signed by the Director-General of the CONTRACTING PARTIES to the GATT, certifying the entry into force of the new minimum price.

13. Subsequently, the representative of Canada communicated to the secretariat that, at this time, his authorities could not agree to any increase in the minimum price of milk fat under the existing Protocol.

Other business

Date of next meeting

14. The Committee agreed to hold its next regular meeting on 25 June 1979, subject to confirmation by the secretariat.
ANNEX/ANNEXE

List of Representatives/Liste des Représentants

Acting Chairman: Mr. J.-M. Lucq

- AUSTRALIA
  - Mr. I. Anderson

- BELGIUM
  - M. H. Hooyberghs

- CANADA
  - Mr. M. Gifford
  - Mr. D. Roberts

- DENMARK
  - Mr. H. Bender-Pedersen

- COMMUNAUTES EUROPEENNES COMMISSION
  - M. A. Barsuglia

- FRANCE
  - M. Leflon

- IRELAND
  - Mr. P. Hennessy

- ITALIE
  - Mr. R. Trioli

- JAPAN
  - Mr. H. Shirai

- NETHERLANDS
  - Mr. R. Hoogesteger - Mr. J. Logger

- NEW ZEALAND
  - Mr. A.H. McPhail

- SWITZERLAND
  - Mr. R. Beuret

- UNITED KINGDOM
  - Mr. R. Lowson

OBSERVERS/OBSERVATEURS

- AUSTRIA
  - Mr. V. Segalla

- SPAIN
  - Mr. M.A. Díaz-Mier
  - Mr. J. Jiménez Rosado