

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

L/1014/Add.14/Corr.1
22 February 1961

Limited Distribution

Original: French.

STATE-TRADING ENTERPRISES

Notifications Received Pursuant to Article XVII:4(a) of GATT in Reply
to the New Questionnaire Contained in Document L/1014

AUSTRIA

Corrigendum

First page, second line of footnote 1

Delete the word "grain" and add to the end of footnote 1 the following sentence:

"As regards grain, the Austrian Government clarified the situation by Law 85/1960 as a result of which grain has been placed under State monopoly. The situation of this monopoly is examined in Annex C."

Pages 8 to 10

Delete in Annex B the parts dealing with grain headed: "Bread and Feed grains", "Feed grains" and "Subsidies on domestic production".

Page 11

Add Annex C - Grain Monopoly - which is attached hereto.

Annex C

Grain Monopoly

I. Enumeration of State-trading enterprises

Apart from the three monopolies already mentioned, the Grain Equalization Board is to be considered as a State-trading enterprise as from the establishment of State trading by the second amendment to the law on market regulation, Federal Bulletin No. 85/1960.

II. Reason and purpose for introducing State trading in grain

Pursuant to the law mentioned in item I the following grains have been the object of State trading since April 1960:

<u>Tariff No.</u>	<u>Product</u>
10.01	Wheat and meslin (mixed wheat and rye)
10.02	Rye
10.03	Barley
10.04	Oats
10.05	Maize
10.07	Buckwheat, millet, sorghum, canary seed; other cereals
11.01	Cereal flours
11.02	Cereal groats and cereal meal; other worked cereal grains (for example, rolled, flaked, polished, pearled or kibbled, but not further prepared); germ of cereals, whole, rolled, flaked or ground
23.02	Bran and other residues derived from the sifting, milling or working of cereals
23.07	Forage insofar as it contains cereal products

Before State trading was introduced for grain the Grain Equalization Board had already, to a large extent, been exercising influence over the treatment of and the trade in restricted kinds of grain in the course of their importation, distribution, milling and so forth.

As a result of large-scale, completely uncontrolled imports of unrestricted kinds of grain (rye, barley, maize), the governmental stocks of grain could not be marketed and suffered a considerable loss of quality and also caused additional expense for the State as a result of their prolonged stocking. The importation of rye has had harmful effects on the marketing of domestic rye. Similar difficulties were caused by unrestricted importation of barley and meslin.

III. Description of the functions of the State-trading enterprise

In order to avoid other serious imbalances in the market for bread and feed grains and to guarantee the Grain Equalization Board the necessary extensive control over all kinds of grain (with the exception of rice) and their most important products, the Austrian Government felt itself compelled to bring

these products under State trading when imported. The amendment to the law on market regulation implements this decision particularly its provision that importers must offer for sale to the Equalization Board any such products coming from abroad; the Board, is, however, not committed to accept such offers.

In view of the very short time which has elapsed since the introduction of State trading it has not yet been possible to form any definite conclusions about the effect of these legislative measures. According to recent information they have not brought about any great changes since the supply system hitherto applied - imports are admitted on the basis of purely commercial considerations - has been maintained.

We are transmitting for information purposes a copy of the second amendment to the law on market regulation.

IV. Statistical information

The attached statistics on foreign trade in grain cover only the most important kinds of grain as separate data for certain kinds are not available.

No. of Tariff	Products	Imports		Exports		National Production
		1000 tons	Aus.Sch. millions	1000 tons	Aus.Sch. millions	
10.01	Wheat and rye- mixed wheat					
	1957/58	176.4	359.8	0.2	0.5	574.0
	1958/59	202.4	394.2	-	0.2	548.7
	1959/60	261.3	515.9	0.1	0.3	588.6
11.01	Wheat flour					
	1957/58	-	-	-	-	-
	1958/59	4.0	5.4	-	-	-
	1959/60	7.3	10.9	-	-	-
10.02	Rye					
	1957/58	65.8	107.7	-	-	400.0
	1958/59	34.5	60.2	-	-	397.0
	1959/60	71.1	118.7	4.9	6.1	416.8
11.02	Rye flour					
	1957/58	-	-	-	-	-
	1958/59	-	-	-	-	-
	1959/60	-	-	-	-	-
10.03	Barley					
	1957/58	35.1	58.1	-	0.1	392.0
	1958/59	160.2	278.7	-	-	335.5
	1959/60	142.5	268.3	-	-	405.4
10.04	Oats					
	1957/58	6.6	9.7	-	-	340.0
	1958/59	5.7	9.6	-	-	333.0
	1959/60	11.0	20.7	-	-	311.5
10.05	Maize					
	1957/58	418.3	723.0	1.4	5.6	149.0
	1958/59	278.3	449.8	1.8	7.3	155.0
	1959/60	414.7	662.5	1.8	7.0	145.6
10.07	Other cereals					
	1957/58	9.0	26.0	-	-	31.0
	1958/59	7.4	11.0	-	-	33.0
	1959/60	11.6	17.2	-	-	41.0

