

INTERNATIONAL WHEAT AGREEMENT.

No. 21 of 1948.

An Act to approve Acceptance by Australia
of the International Wheat Agreement.

[Assented to 24th June, 1948.]

BE it enacted by the King's Most Excellent Majesty, the Senate,
and the House of Representatives of the Commonwealth of
Australia, as follows:—

1. This Act may be cited as the *International Wheat Agreement* Short title.
Act 1948.
2. This Act shall come into operation on the day on which it Commencement
receives the Royal Assent.
3. In this Act— Definition.
“the International Wheat Agreement” means the agreement
signed at Washington in the United States of America on
behalf of Australia and other countries a copy of which is
set out in the Schedule to this Act.
4. Approval is given to acceptance by Australia of the International Approval of
Wheat Agreement in accordance with Article XX. of that Agreement. acceptance.

Section 2.

THE SCHEDULE.

INTERNATIONAL WHEAT AGREEMENT

PREAMBLE

The Governments on whose behalf this Agreement has been signed,

Recognizing that there is now a serious shortage of wheat, and that later there may be a serious surplus;

Believing that the high prices resulting from the present shortage and the low prices which would result from a future surplus are harmful to their interests, whether they are producers or consumers of wheat; and

Concluding therefore that their interests, and the general interest of all countries in economic expansion, require that they should co-operate to bring order into the international wheat market,

Have agreed as follows:

Article I (Objectives)

The objectives of this Agreement are to assure supplies of wheat to importing countries and to assure markets to exporting countries at equitable and stable prices.

Article II (Rights and Obligations of Importing and Exporting Countries)

1. The quantity of wheat prescribed in Annex I to this Article for each importing country shall be called that country's "guaranteed purchases" and shall represent the quantity of wheat which the International Wheat Council established by Article XI:

- (a) may, in accordance with the provisions of paragraph 2 of Article IV, require that country to purchase at the minimum prices specified in or determined under the provisions of Article VI for shipment during the current crop-year from the exporting countries; or
- (b) may, in accordance with the provisions of paragraph 1 of Article IV, require the exporting countries to sell to that country at the maximum prices specified in or determined under the provisions of Article VI for shipment during the current crop-year.

2. The quantity of wheat prescribed in Annex II to this Article for each exporting country shall be called that country's "guaranteed sales" and shall represent the quantity of wheat which the Council:

- (a) may, in accordance with the provisions of paragraph 1 of Article IV, require that country to sell at the maximum prices specified in or determined under the provisions of Article VI for shipment during the current crop-year to the importing countries; or
- (b) may, in accordance with the provisions of paragraph 2 of Article IV, require the importing countries to purchase from that country at the minimum prices specified in or determined under the provisions of Article VI for shipment during the current crop-year.

3. In the event of any country listed in Annex I to Article II (a) not signing or (b) not formally accepting or (c) withdrawing from or (d) being declared in default of this Agreement, the guaranteed purchases of such country shall be redistributed by the Council to those importing countries which desire to guarantee additional purchases. The redistribution to such countries shall be pro rata to their existing guaranteed purchases, unless the Council should otherwise decide by a simple majority of the exporting and importing countries voting separately. Should the additional purchases which contracting importing countries desire to guarantee be less than the guaranteed purchases of the countries referred to in (a), (b), (c), and (d) above, the Council shall reduce pro rata the figures in Annex II to Article II by the amount necessary to make the total of them equal to the total of the figures in Annex I to Article II.

4. The Council may at any meeting approve an increase in any figure or figures in either Annex if an equal increase is simultaneously made in a figure or figures for the same crop-year or crop-years in the other Annex, provided that the representatives of the exporting and importing countries whose figures may thereby be changed concur.

THE SCHEDULE—continued.
ANNEX I TO ARTICLE II (GUARANTEED PURCHASES)

August-July.	1948-49.	1949-50.	1950-51.	1951-52.	1952-53.	Approximate equivalent in thousands of bushels.
	<i>Thousands of metric tons*</i>					
Afghanistan	20	20	20	20	20	735
Austria	510	510	510	510	510	18,739
Belgium	650	650	650	650	650	23,883
Brazil	525	525	525	525	525	19,290
China	400	400	400	400	400	14,697
Colombia	60	60	60	60	60	2,205
Cuba	225	225	225	225	225	8,267
Czechoslovakia	30	30	30	30	30	1,102
Denmark	40	40	40	40	40	1,470
Dominican Republic	20	20	20	20	20	735
Ecuador	30	30	30	30	30	1,102
Egypt	190	190	190	190	190	6,981
French Union and Saar	975	975	975	975	975	35,324
Greece	510	510	510	510	510	18,739
Guatemala	10	10	10	10	10	367
India	750	750	750	750	750	27,557
Ireland	360	360	360	360	360	13,227
Italy	1,000	1,000	1,000	1,000	1,000	36,743
Lebanon	75	75	75	75	75	2,756
Liberia	1	1	1	1	1	37
Mexico	200	200	200	200	200	7,349
Netherlands	835	835	835	835	835	30,680
New Zealand	150	150	150	150	150	5,511
Norway	205	205	205	205	205	7,532
Peru	110	110	110	110	110	4,042
Philippines	170	170	170	170	170	6,246
Poland	30	30	30	30	30	1,102
Portugal	120	120	120	120	120	4,409
South Africa	175	175	175	175	175	6,430
Sweden	75	75	75	75	75	2,756
Switzerland	200	200	200	200	200	7,349
United Kingdom	4,897	4,897	4,897	4,897	4,897	179,930
Venezuela	60	60	60	60	60	2,205
Total (33 Countries)	13,608	13,608	13,608	13,608	13,608	499,997

* Without prejudice to the preference of any country for imported flour of any extraction rate, all imports of wheat-flour registered by the Council as part of the guaranteed purchases shall, unless the Council should otherwise determine, be computed at 72 metric tons of flour to 100 metric tons of wheat.

ANNEX II TO ARTICLE II (GUARANTEED SALES)

August-July.	1948-49.	1949-50.	1950-51.	1951-52.	1952-53.	Millions of bushels.
	<i>Thousands of metric tons*</i>					
Australia	2,313	2,313	2,313	2,313	2,313	85
Canada	6,260	6,260	6,260	6,260	6,260	230
United States of America†	5,035	5,035	5,035	5,035	5,035	185
Total	13,608	13,608	13,608	13,608	13,608	500

* Including wheat-flour in terms of wheat computed at 72 metric tons of flour to 100 metric tons of wheat, unless otherwise determined by the Council.

† In the event of the provisions of paragraph 1 of Article V being invoked by reason of a short crop it will be recognized that these guaranteed sales do not include the minimum requirements of wheat of any Occupied Area for which the United States of America has, or may assume, supply responsibility, and that the necessity of meeting these requirements will be one of the factors considered in determining the ability of the United States of America to deliver its guaranteed sales under this Agreement.

THE SCHEDULE—*continued.**Article III (Reports to the Council)*

1. The Council shall keep a record of those transactions in wheat which are part of the guaranteed quantities in Annexes I and II to Article II. The difference between the guaranteed quantity of each country and the total of the quantities so recorded with respect to that country by the Council shall be called the "unfilled guaranteed quantity" of that country.

2. The Council shall record as part of the guaranteed quantity of the importing and the exporting country concerned any transaction, or part of a transaction, in wheat between a contracting exporting and a contracting importing country:

- (a) if it is at a price not higher than the maximum nor lower than the minimum specified in or determined under the provisions of Article VI; and
- (b) if it has resulted, or in the opinion of the Council will result, in the shipment from the exporting country during the current crop-year of the wheat contracted for; and
- (c) if the unfilled guaranteed quantities of the exporting and the importing countries concerned are not less than the transaction or part of the transaction referred to.

In reporting their transactions in wheat to the Council under this Article, the importing and exporting countries may be required by the Council to specify the amounts included in the buying and selling prices to cover carrying charges and marketing costs.

3. The Council shall also record as part of the guaranteed quantities of the exporting and importing countries concerned those transactions which are carried out in accordance with the provisions of Article IV.

4. If the exporting and the importing countries concerned in a particular transaction in wheat-flour inform the Council that they are agreed that the price of such wheat-flour is consistent with the provisions of Article VI, the transaction shall be recorded by the Council as part of the guaranteed quantities of those countries if the other conditions laid down in this Article are fulfilled. In the event of the exporting and importing countries concerned being unable to agree that the price of such wheat-flour is consistent with the provisions of Article VI, they shall so inform the Council which shall decide the issue. Should the Council decide that the price of such wheat-flour is consistent with the provisions of Article VI, its wheat-equivalent shall be recorded against the guaranteed sales and the guaranteed purchases of the exporting and importing countries concerned. Should the Council decide that the price of such wheat-flour is inconsistent with the provisions of Article VI, its wheat equivalent shall not be so recorded.

5. In order to safeguard the rights of exporting countries under the guarantees of purchases and the rights of importing countries under the guarantees of sales, the Council shall determine the factors to be taken into account in devising its records, which shall ensure:

- (a) that the registration of transactions is made in the same chronological order as they are reported to the Council; and
- (b) that upon the fulfilment of any exporting country's rights by the registration of the total of the purchases guaranteed to it and upon the fulfilment of any importing country's rights by the registration of the total of the sales guaranteed to it, any further purchases or sales by such countries shall not be entered in the record referred to in paragraph 1 of this Article.

Upon the fulfilment of the rights referred to in (b) above the Secretary of the Council shall immediately notify all contracting exporting and importing countries, so that they may be informed of the position and consider its effect on contemplated transactions.

6. The importing and exporting countries shall report to the Council such information as it may request regarding imports and purchases for import of wheat into their territories and exports and sales for export of wheat from their territories.

7. The Council shall prescribe the records which shall be kept of the transactions reported in accordance with the provisions of paragraph 6 of this Article.

THE SCHEDULE—continued.

8. The Council shall also prescribe the manner in which any wheat purchased by a contracting importing country from a contracting exporting country which is later resold to another contracting importing country may, by agreement of the contracting importing countries concerned, be recorded against the obligations and rights of the contracting importing country to which the wheat is finally resold.

9. The Council shall prescribe the degree of tolerance which shall be permitted exporting and importing countries in fulfilling their obligations:

10. The Council shall circulate to each member country a monthly statement compiled from the records kept in accordance with the provisions of this Article and may, from time to time, publish such information as it deems fit.

11. Each contracting Government shall supply, within the time prescribed by the Council, such other information as the Council may, from time to time, request in connection with the administration of this Agreement.

Article IV (Enforcement of Rights)

1. Any importing country which at any time finds difficulty in purchasing its guaranteed quantity at the maximum price specified in or determined under the provisions of Article VI may request the Council's help in securing the desired supplies. Within three days of the receipt of such a request the Secretary of the Council shall notify those exporting countries which have unfilled guaranteed quantities of the amount of the unfilled guaranteed quantity of the importing country which has requested the Council's help and invite them to offer wheat at the maximum prices specified in or determined under the provisions of Article VI. If within fourteen days of such notification the whole of its guaranteed quantity, or such part thereof as in the opinion of the Council is reasonable at the time the application is made, has not been offered, the Council, having regard to all the circumstances which the exporting and the importing countries may wish to submit for consideration, shall as soon as possible, and in any event within seven days, indicate the quantities of wheat and/or wheat-flour which it is appropriate for each or any of the exporting countries to sell, and the country or countries so indicated shall within thirty days of the Council's decision make the quantities so indicated available at prices consistent with the maximum prices specified in or determined under the provisions of Article VI. In the event of disagreement between the exporting and importing countries concerned on the relation of the price of the wheat-flour in question to the maximum prices of wheat specified in or determined under the provisions of Article VI the matter shall be referred to the Council for decision.

2. Any exporting country which at any time finds difficulty in selling its guaranteed quantity at the minimum price specified in or determined under the provisions of Article VI may request the Council's help in making the desired sales. Within three days of the receipt of such a request the Secretary of the Council shall notify those importing countries which have unfilled guaranteed quantities of the amount of the unfilled guaranteed quantity of the exporting country which has requested the Council's help and invite them to purchase wheat at the minimum prices specified in or determined under the provisions of Article VI. If within fourteen days of such notification the whole of its guaranteed quantity, or such part thereof as in the opinion of the Council is reasonable at the time the application is made, has not been purchased, the Council, having regard to all the circumstances which the exporting and the importing countries may wish to submit for consideration, shall as soon as possible, and in any event within seven days, indicate the quantities of wheat and/or wheat-flour which it is appropriate for each or any of the importing countries to purchase, and the country or countries so indicated shall within thirty days of the Council's decision purchase for shipment the quantities so indicated at prices consistent with the minimum prices specified in or determined under the provisions of Article VI. In the event of disagreement between the exporting and importing countries concerned on the relation of the price of the wheat-flour in question to the minimum prices of wheat specified in or determined under the provisions of Article VI the matter shall be referred to the Council for decision.

3. Unless otherwise agreed between the countries concerned, contracting exporting and importing countries shall carry out their obligations under this Agreement with respect to guaranteed sales and purchases on the same conditions regarding the currency in which payment is made as prevail generally between the

THE SCHEDULE—continued.

countries concerned at the time the guaranteed purchases and sales are being arranged. Should an exporting and an importing country between which no transactions have hitherto taken place fail to agree on the currency in which payment should be made, the Council shall decide the issue.

Article V (Adjustment of Obligations)

1. Any contracting Government which fears that it may be prevented by circumstances, such as a short crop in the case of an exporting country or such as the necessity to safeguard its balance of payments or monetary reserves in the case of an importing country, from carrying out its obligations and other responsibilities under this Agreement shall report the matter to the Council.

2. Where the above provisions with respect to the balance of payments and monetary reserves are invoked the Council shall seek and take into account, together with all relevant facts, the opinion of the International Monetary Fund as to the existence and the extent of the necessity referred to in paragraph 1 of this Article.

3. The Council shall discuss the circumstances referred to in paragraph 1 above with the country concerned and if the Council finds that such country's representations are well founded it shall so rule, and if no other mutually acceptable remedy can be found the Council shall, in the first instance, if the reporting country is an importing country, invite the other importing countries, and, if the reporting country is an exporting country, invite the other exporting countries, to assume the obligations which cannot be fulfilled. If the difficulty cannot be solved in this way, the Council shall invite the exporting countries, if the reporting country is an importing country, or the importing countries, if the reporting country is an exporting country, to consider whether any one or more of them can assist the reporting country to fulfil its obligations or, failing that, accept a reduction in its or their guaranteed quantities for the current crop-year corresponding to the obligations which cannot be fulfilled.

4. If the reporting country cannot be assisted by the procedure set out in paragraph 3 of this Article and it is apparent to the Council that it will not carry out its obligations, the following procedure shall be adopted. If the reporting country is an exporting country, the Council shall forthwith reduce the total of the guaranteed purchases in Annex I to Article II for the current crop-year to an amount equal to the total of the guaranteed sales which will remain in Annex II to Article II for the current crop-year after account has been taken of the prospective failure of one of the exporting countries to carry out its obligations. If the reporting country is an importing country, the Council shall reduce the total of the guaranteed sales in Annex II to Article II for the current crop-year to an amount equal to the total of the guaranteed purchases which will remain in Annex I to Article II for the current crop-year after account has been taken of the prospective failure of one of the importing countries to carry out its obligations. In adjusting individual quantities in Annex II to Article II for this purpose each figure in the Annex shall be reduced by the same proportion, unless the exporting countries concerned agree otherwise.

5. If the Council finds that the reporting country's representations are well founded, that country shall not be deemed to have committed a breach of this Agreement whether it is relieved of its obligations by the procedure set out in paragraph 3 of this Article or recourse is had to the procedure set out in paragraph 4 of this Article. If the Council finds that the reporting country's representations are not well founded it shall so advise that country and request it to carry out its obligations. Should any contracting Government subsequently allege that the country concerned has not carried out its obligations the Council shall apply the procedure prescribed in paragraph 3 of Article XIII.

6. If, in order to meet a critical need which has arisen or threatens to arise, a contracting Government should appeal to the Council for assistance in obtaining supplies of wheat in addition to its guaranteed quantity, the Council may, by two-thirds of the votes held by the Governments of importing countries and by two-thirds of the votes held by the Governments of exporting countries, reduce the guaranteed import quantities of the other contracting importing countries for the current crop-year, on a pro rata basis, by an amount sufficient to provide the quantity of wheat which the Council determines to be necessary to relieve the emergency created by the critical need, provided that the Council agrees that such emergency cannot be met in any other manner.

THE SCHEDULE—continued.

Article VI (Prices)

1. The basic minimum and maximum prices for the duration of this Agreement shall be :

						Minimum.	Maximum.
						Dollars.	Dollars.
1948-49	..	..	..	..	..	1.50	2.00
1949-50	..	..	..	..	..	1.40	2.00
1950-51	..	..	..	..	..	1.30	2.00
1951-52	..	..	..	..	..	1.20	2.00
1952-53	..	..	..	..	..	1.10	2.00

Canadian currency per bushel at the parity for the Canadian dollar, determined for the purposes of the International Monetary Fund as at February 1, 1948, for No. 1 Manitoba Northern wheat in store Fort William/Port Arthur. The basic minimum and maximum prices, and the equivalents thereof hereafter referred to, shall exclude such carrying charges and marketing costs as may be agreed between the buyer and the seller.

2. At Sessions of the Council to be held not later than July, 1950, July, 1951, and July, 1952, respectively, the Council may by a two-thirds majority of the votes held by the exporting and importing countries voting separately determine minimum and maximum prices for the crop-years 1950-51, 1951-52, and 1952-53, respectively, the minimum price so determined not to be lower than the minimum price and the maximum price so determined not to exceed the maximum price for the crop-year in question specified in paragraph 1 of this Article. Minimum and maximum prices so determined shall be effective for the crop-year in question and shall supersede the prices specified for that crop-year in paragraph 1 of this Article. In determining minimum and maximum prices in accordance with the provisions of this paragraph the Council shall examine all the factors and circumstances which it may consider relevant. In the event of the Council not determining minimum and maximum prices for any one of the crop-years 1950-51, 1951-52, and 1952-53, the minimum and maximum prices for such crop-year specified in paragraph 1 of this Article shall remain in force.

3. The equivalent maximum prices for bulk wheat for :

(a) No. 1 Manitoba Northern wheat in store Vancouver shall be the maximum prices for No. 1 Manitoba Northern wheat in store Fort William/Port Arthur specified in paragraph 1 or determined under the provisions of paragraph 2 of this Article ;

(b) f.a.q. wheat f.o.b. Australia shall be whichever is the lower of :

(i) the maximum prices for No. 1 Manitoba Northern wheat in store Fort William/Port Arthur specified in paragraph 1 or determined under the provisions of paragraph 2 of this Article converted into the currency of Australia at the prevailing rate of exchange ;
or

(ii) the prices f.o.b. Australia equivalent to the c.i.f. prices in the country of destination of the maximum prices of No. 1 Manitoba Northern wheat in store Fort William/Port Arthur specified in paragraph 1 or determined under the provisions of paragraph 2 of this Article, computed by using currently prevailing transportation costs and exchange rates, and in those importing countries where a quality differential is recognized by making such allowance for difference in quality as may be mutually agreed by the importing and exporting countries concerned ;

(c) No. 1 Hard Winter wheat f.o.b. Gulf/Atlantic ports of the United States of America shall be the prices equivalent to the c.i.f. prices in the country of destination of the maximum prices of No. 1 Manitoba Northern wheat in store Fort William/Port Arthur specified in paragraph 1 or determined

THE SCHEDULE—*continued.*

under the provisions of paragraph 2 of this Article, computed by using currently prevailing transportation costs and exchange rates and by making such allowance for difference in quality as may be mutually agreed by the importing and exporting countries concerned; and

- (d) No. 1 Soft White/No. 1 Hard Winter wheat f.o.b. Pacific ports of the United States of America shall be the maximum prices for No. 1 Manitoba Northern wheat in store Fort William/Port Arthur specified in paragraph 1 or determined under the provisions of paragraph 2 of this Article converted into the currency of the United States of America at the prevailing rate of exchange, making such allowance for difference in quality as may be mutually agreed by the importing and exporting countries concerned.

4. The equivalent minimum prices for bulk wheat for:

- (a) No. 1 Manitoba Northern wheat in store Vancouver;

(b) f.a.q. wheat f.o.b. Australia;

(c) No. 1 Hard Winter wheat f.o.b. Gulf/Atlantic ports of the United States of America; and

(d) No. 1 Soft White/No. 1 Hard Winter wheat f.o.b. Pacific ports of the United States of America

shall be:

The prices in store Vancouver, f.o.b. Australia, f.o.b. United States of America Gulf/Atlantic ports or f.o.b. United States of America Pacific ports equivalent to the c.i.f. prices in the United Kingdom of Great Britain and Northern Ireland of the minimum prices of No. 1 Manitoba Northern wheat in store Fort William/Port Arthur specified in paragraph 1 or determined under the provisions of paragraph 2 of this Article, computed by using currently prevailing transportation costs and exchange rates, and in those importing countries where a quality differential is recognized by making such allowance for difference in quality as may be mutually agreed by the importing and exporting countries concerned.

5. The Executive Committee, elected in accordance with the provisions of Article XIV, may in consultation with the Standing Technical Advisory Committee on Price Equivalents, established in accordance with the provisions of Article XV, at any date subsequent to August 1, 1948, designate any description of wheat other than those specified in paragraphs 3 and 4 above and determine the minimum and maximum price equivalents thereof, provided that in the case of any other description of wheat, where the price equivalents have not yet been determined, the minimum and maximum prices for the time being shall be derived from the minimum and maximum prices of the description of wheat specified in this Article or subsequently designated by the Executive Committee, in consultation with the Standing Technical Advisory Committee on Price Equivalents, which is most closely comparable to such other description, by the addition of an appropriate premium or by the deduction of an appropriate discount.

6. The Executive Committee if at any time it considers, or if it receives representations from any contracting Government, that the prices established under the provisions of paragraphs 3 and 4 of this Article, or any prices determined under the provisions of paragraph 5 of this Article are no longer, in the light of current transportation or exchange rates or market premiums or discounts, fair equivalents of the prices specified in paragraph 1 or determined under the provisions of paragraph 5 of this Article may, in consultation with the Standing Technical Advisory Committee on Price Equivalents, adjust them accordingly.

7. The Executive Committee, in consultation with the Standing Technical Advisory Committee on Price Equivalents, shall determine the appropriate premium or discount in the event of a dispute arising regarding any description of wheat specified in paragraphs 3 and 4 or established under the provisions of paragraphs 5 and 6 of this Article.

8. All decisions of the Executive Committee under the provisions of paragraphs 5, 6 and 7 of this Article shall be binding on all contracting Governments, provided that any contracting Government which considers that any such decision is disadvantageous to it may ask that a Session of the Council be convened to review that decision.

THE SCHEDULE—*continued.*

9. In order to encourage and expedite the conclusion of transactions in wheat between exporting and importing countries at prices mutually acceptable in the light of all current circumstances, the contracting Governments, while reserving to themselves complete liberty of action in the determination and administration of their internal agricultural and price policies, undertake not to operate those policies in such a way as to impede the free movement of prices between the maximum price and the minimum price in respect of transactions in wheat into which the contracting Governments are prepared to enter. Should any contracting Government consider that it is suffering hardship as the result of action contrary to this undertaking by another contracting Government, it may draw the attention of the Council to the matter and the Council shall inquire into and make a report on the complaint.

Article VII (Additional Purchases or Sales)

Should the assistance of the Council be requested by (a) any contracting importing country desiring to make purchases in addition to its guaranteed purchases or (b) any contracting exporting country desiring to make sales in addition to its guaranteed sales, the Council may, having regard to all the circumstances of the case, use its good offices in assisting such country to make such additional purchases from contracting exporting countries or such additional sales to contracting importing countries.

Article VIII (Sales for Nutritional Programs)

Any exporting country may export wheat at special prices in such quantities and for such periods and under such conditions as may be approved by the Council, but the Council shall not give its approval unless it is satisfied that the full commercial demand of the importing countries will be met throughout the period in question at not more than the current minimum price specified in or determined under the provisions of Article VI. Such exports of wheat shall be utilized in nutritional programs approved by the Food and Agriculture Organization. The rights and obligations of the contracting Governments under the other provisions of this Agreement shall not be modified by virtue of such exports at special prices.

Article IX (Stocks)

1. The exporting countries shall ensure that stocks of old wheat held at the end of their respective crop-years (excluding price stabilization reserves) are not less than the quantities specified in the Annex to this Article; provided that such stocks may be permitted to fall below the minimum so specified if the Council decides that this is necessary in order to provide the quantity of wheat needed to meet either the domestic requirements of the exporting countries or the import requirements of the importing countries.

2. The contracting exporting countries and those contracting importing countries which are not recognized by the Council as predominantly importers of flour shall operate price stabilization reserves up to ten per cent. of their respective guaranteed quantities for each crop-year specified in the Annexes to Article II, subject to the following conditions:

- (a) the total of the price stabilization reserves operated by the exporting countries shall so far as possible be equal to the total of the price stabilization reserves operated by the importing countries, unless the Council, in order to meet special circumstances of any particular exporting or importing country, should otherwise decide;
- (b) price stabilization reserves shall be accumulated first by the contracting exporting countries;
- (c) contracting importing countries shall be required to fill their price stabilization reserves only upon the request of those contracting exporting countries which have filled their price stabilization reserves; when so required any contracting importing country shall purchase at free-market prices from those contracting exporting countries which have filled their price stabilization reserves an amount of wheat, in addition to its guaranteed purchases, not greater than one-tenth of the guaranteed quantity prescribed for that country in Annex I to Article II;
- (d) subject to the provisions of (b) and (c) above, contracting exporting and contracting importing countries shall accumulate price stabilization reserves as soon and so long as free-market prices are below the lowest basic minimum price prescribed in paragraph 1 of Article VI; and
- (e) contracting exporting and contracting importing countries shall sell or utilize their price stabilization reserves as soon and so long as free-market prices are above the basic maximum price prescribed in paragraph 1 of Article VI.

THE SCHEDULE—continued.

ANNEX TO ARTICLE IX

Country.	Millions of Bushels.
Australia	25*
Canada	70*
United States of America	170†

* Excluding farm stocks.

† Including farm stocks.

Article X (Territorial Application)

The rights and obligations under this Agreement shall apply to:

The Kingdom of Afghanistan.

The Commonwealth of Australia, Papua, the Mandated Territory of New Guinea, Nauru, and Ocean Island.

The Republic of Austria.

The Kingdom of Belgium.

The Republic of the United States of Brazil.

Canada, including the Customs territory thereof.

The Republic of China.

The Republic of Columbia.

The Republic of Cuba.

The Czechoslovak Republic.

Denmark, including Greenland.

The Dominican Republic.

The Republic of Ecuador.

The Kingdom of Egypt.

France, territories under France's responsibility (French Equatorial Africa—conventional Basin of the Congo and other territories, French West Africa, Cameroun under French Mandate, French Somali Coast and Dependencies, French Establishments in India, French Establishments of Oceania, French Establishments of the Condominium of the New Hebrides, Guadeloupe and Dependencies, French Guiana, Indo-China, Madagascar and Dependencies, Morocco—French Zone, Martinique, New Caledonia and Dependencies, Reunion, Saint-Pierre and Miquelon, Togo under French Mandate, and Tunisia) and Saar.

Greece.

Guatemala.

India.

Ireland: Customs territory administered by the Government of Ireland.

The Customs territory of the Italian Republic.

The Republic of Lebanon.

Liberia.

Mexico.

The Kingdom of the Netherlands.

New Zealand, its Island Territories, and Western Samoa.

The Kingdom of Norway.

The Republic of Peru.

Poland.

The Republic of the Philippines.

Continental Portugal and its Overseas Territories.

Sweden.

Switzerland, and the Principality of Liechtenstein.

The Union of South Africa and the Mandated Territory of South West Africa.

The United Kingdom of Great Britain and Northern Ireland, Ceylon, Newfoundland, Southern Rhodesia, Aden, Bahamas, Barbados, Basutoland, Protectorate of Bechuanaland, Bermuda, British Guiana, British Honduras, Protectorate of British Solomon Islands, British Somaliland, Brunei, Cayman Islands, Cyprus, Falkland Islands and South Georgia, Fiji, Gambia, Gibraltar, Gilbert and Ellice Islands Colony, Gold Coast, Hong Kong, Jamaica, Kenya Colony, Leeward Islands, Federation of Malaya, Malta, Mauritius, British Establishments of the Condominium of the New Hebrides, Nigeria, North Borneo,

THE SCHEDULE—continued.

Protectorate of Northern Rhodesia, Protectorate of Nyasaland, St. Helena, Ascension, Tristan da Cunha, Sarawak, Seychelles, Sierra Leone, Singapore Colony, Protectorate of Somaliland, Swaziland, Mandated Territory of Tanganyika, Tonga, Trinidad and Tobago, Turks and Caicos Islands, Protectorate of Uganda, Windward Islands, Protectorate of Zanzibar, Sheikdom of Bahrein, Sheikdom of Kuwait, Sheikdom of Muscat, and Sheikdom of the Trucial Coast, and, while under British Military administration, Cyrenaica, Tripolitania, and Eritrea.

United States of America, including the Customs territory thereof.
Venezuela.

Article XI (The Council)

1. An International Wheat Council is hereby established. Each contracting Government shall be a member of the Council and may appoint one Delegate and one Alternate, who may be accompanied by such Advisers as it deems necessary. The Food and Agriculture Organization and the International Trade Organization may each nominate to the Council one non-voting representative. The Interim Co-ordinating Committee for International Commodity Arrangements, established by the Economic and Social Council of the United Nations, may during its existence nominate to the Council one non-voting representative.

2. The Government of any country which the Council recognizes as an irregular exporter or an irregular importer may become a non-voting member of the Council provided that it accepts the obligations prescribed in paragraph 6 of Article III and agrees to pay the membership fee determined by the Council. The Government of any such country may become a voting member of the Council under the provisions of Article XXI.

3. Each contracting Government undertakes to accept as binding all decisions of the Council under the provisions of this Agreement.

4. The Council shall elect each year, in conformity with its rules of procedure, a Chairman and a Vice-Chairman. The Chairman shall have no vote.

5. The Council shall appoint a Secretary and such staff as it considers necessary and shall determine their remuneration and duties. In selecting them and in fixing the terms and conditions of their employment, the Council shall have regard to the practice of the specialized agencies of the United Nations.

6. The Council shall meet at least once during each half of each crop-year and at such other times as the Chairman may determine.

7. The Chairman shall convene a Session of the Council if so requested by (a) the Executive Committee; or (b) the Delegates of five contracting Governments; or (c) the Delegate or Delegates of any Government or Governments holding ten per cent of the total votes; or (d) the Delegate of any country presenting a request in accordance with the provisions of paragraph 8 of Article VI.

8. The presence of Delegates with a simple majority of the votes held by the exporting countries and a simple majority of the votes held by the importing countries shall be necessary to constitute a quorum at any meeting.

9. The Council shall have legal capacity in the territory of each contracting Government to contract and to acquire and dispose of property, in so far as is necessary in discharging its functions under this Agreement.

10. The Council shall select in July, 1948, its temporary seat. The Council shall select, so soon as it deems the time propitious, its permanent seat after consultation with the appropriate organs and agencies of the United Nations. In selecting the temporary and permanent seats of the Council each Delegate shall have one vote.

11. The Council shall establish its rules of procedure.

Article XII (Voting in the Council)

1. The Delegates of the importing countries shall hold 1,000 votes, which shall be distributed between them in the proportions which the guaranteed purchases of the countries have to the total of the guaranteed purchases. The Delegates of the exporting countries shall also hold 1,000 votes, which shall be distributed between them in the proportions which the guaranteed sales of the countries have to the total of the guaranteed sales. Each Delegate shall have at least one vote and there shall be no fractional votes.

THE SCHEDULE—continued.

2. When a country accedes to this Agreement under the provisions of Article XXI, or the guaranteed purchases or sales of any country are increased in accordance with the provisions of paragraph 4 of Article II, the Council shall redistribute the votes in accordance with the provisions of paragraph 1 of this Article.

3. In the event of the withdrawal of a country under the provisions of Article XXII, or the suspension under the provisions of paragraph 5 of Article XVI of the voting rights of a country, the Council shall redistribute the votes in accordance with the provisions of paragraph 1 of this Article.

4. Except where otherwise specified in this Agreement, decisions of the Council shall be by a simple majority of the votes cast.

Article XIII (The Powers and Functions of the Council)

1. The Council shall perform the duties assigned to it under this Agreement and shall have such powers in addition to those expressly conferred on it thereunder as may be necessary to achieve its effective operation and to realize its objectives.

2. The Council shall not, except by unanimity of the votes cast, delegate the exercise of any of its powers or functions. The Council may at any time revoke such delegation by a simple majority vote.

3. Any dispute arising out of the interpretation of this Agreement, or regarding an alleged breach of its provisions, shall be referred to the Council. The Council may appoint a committee to ascertain and report on the facts of such dispute. The Council shall, on the evidence before it, including the findings of any committee so appointed, give a ruling on the dispute but no contracting Government shall be found to have committed a breach of this Agreement except by a simple majority of the votes held by the exporting countries and a simple majority of the votes held by the importing countries.

4. The Council, after consultation with the Secretary of the Wheat Advisory Committee established under the Final Act of the Conference of Wheat Exporting and Importing Countries held in August 1933 and with the International Wheat Council established under the Memorandum of Agreement approved in June 1942 and amended in June 1946, may take over all assets and liabilities of those bodies.

5. The Council shall publish an annual report.

Article XIV (The Executive Committee)

The Council shall, in accordance with its rules of procedure, elect annually an Executive Committee which shall be responsible to and work under the general direction of the Council. The representatives of exporting and importing countries, respectively, on the Committee shall have the same number of votes.

Article XV (The Standing Technical Advisory Committee on Price Equivalents)

The Council shall establish a Standing Technical Advisory Committee on Price Equivalents consisting of representatives of the Governments of Australia, Canada, the United States of America, the United Kingdom of Great Britain and Northern Ireland and representatives of at least two other importing countries. The Committee shall advise the Council or the Executive Committee on the matters set out in paragraphs 5, 6, and 7 of Article VI and on such other questions as the Council or the Executive Committee may refer to it. The Chairman of the Committee shall be appointed by the Council.

Article XVI (Finance)

1. The expenses of Delegations to the Council, of the members of the Executive Committee, and of the members of the Standing Technical Advisory Committee on Price Equivalents shall be met by their respective Governments. All other expenses necessary for the administration of this Agreement, including those of the Secretariat, shall be met by annual contributions from the contracting Governments. The contribution of each Government for each crop-year shall be proportionate to the number of votes held by its Delegate when the budget for that crop-year is settled.

2. At its first Session, the Council shall approve its budget for the crop-year ending July 31, 1949 and assess the contribution to be paid by each contracting Government.

THE SCHEDULE—continued.

3. The Council shall at its first Session during the second half of each crop-year approve its budget for the following crop-year and assess the contribution to be paid by each contracting Government for that crop-year.

4. The initial contribution of any Government acceding to this Agreement after the first Session of the Council shall be assessed proportionately to the number of votes held by its Delegate and to the number of full months between its accession and the beginning of the first crop-year for which it is assessed under the provisions of paragraph 3 of this Article, but the assessments already made upon other Governments shall not be altered for the current crop-year.

5. Each contracting Government shall pay to the Secretary of the Council its full contribution within six months of its assessment. Any contracting Government failing to pay its contribution within one year of its assessment shall forfeit its voting rights until its contribution is paid, but shall not be deprived of its other rights nor relieved of its obligations under this Agreement. The Council shall redistribute, under the provisions of Article XII, the votes of any country which has forfeited its voting rights.

6. The Council shall publish an audited statement of all its receipts and expenditures during each crop-year.

7. Each contracting Government shall give consideration to granting to the funds of the Council and to the salaries paid by the Council to its staff, treatment in its territory no less favorable than that granted by it to the funds of, and salaries paid by, other intergovernmental bodies of comparable status.

8. In the event of the termination of this Agreement, the Council shall provide for the settlement of its liabilities and the disposal of its assets.

Article XVII (Relation to Other Agreements)

So long as this Agreement remains in force, it shall prevail over any provisions inconsistent therewith which may be contained in any other agreement previously concluded between any of the contracting Governments, provided that should any two contracting Governments be parties to an agreement, entered into prior to March 1, 1947, for the purchase and sale of wheat, the Governments concerned shall supply full particulars of transactions under such agreement so that the quantities, irrespective of prices involved, shall be recorded in the register of transactions maintained by the Council in accordance with the provisions of Article III and so count toward the fulfillment of obligations of importing countries and obligations of exporting countries.

Article XVIII (Cooperation with Intergovernmental Organizations)

1. The Council shall make whatever arrangements are required to ensure cooperation with the appropriate organs of the United Nations and its specialized agencies.

2. If the Council finds that any terms of this Agreement are materially inconsistent with such requirements as the United Nations through its appropriate organs and specialized agencies may establish regarding intergovernmental commodity agreements, such inconsistency shall be deemed to be a circumstance affecting adversely the operation of this Agreement and the procedure prescribed in paragraphs 3, 4, and 5 of Article XXII shall be applied.

Article XIX (Definitions)

For the purposes of this Agreement :

1. "Bushel" means sixty pounds avoirdupois.
2. "Carrying charges" means the costs incurred for storage, interest, and insurance in holding wheat.
3. "C.i.f." means cost, insurance, and freight.
4. "Crop-year" means the period from August 1 to July 31, except that in Article IX it means in respect of Australia the period from December 1 to November 30, and in respect of the United States of America the period from July 1 to June 30.

THE SCHEDULE—*continued.*

5. "Exporting country" means, as the context may require, either a Government which has accepted this Agreement as the Government of an exporting country or that country itself.
6. "F.a.q." means fair average quality.
7. "F.o.b." means free on board.
8. "Free-market prices" means the prices at which transactions other than those relating to guaranteed purchases or sales take place between contracting exporting and contracting importing countries.
9. "Importing country" means, as the context may require, either a Government which has accepted this Agreement as the Government of an importing country or that country itself.
10. "International Trade Organization" means the specialized agency contemplated by the United Nations Conference on Trade and Employment or any interim body which that Conference may form to act on its behalf pending the definitive establishment of the International Trade Organization.
11. "Marketing costs" means all usual charges incurred in procurement, marketing, chartering, and forwarding.
12. "Old wheat" means wheat harvested more than two months prior to the beginning of the current crop-year of the exporting country concerned.
13. "Stocks" means in Australia, Canada, and the United States of America the total of the stocks of old wheat held at the end of their respective crop-years in all elevators, warehouses, and mills and in transit or at railroad sidings; such "stocks" also include in the case of the United States of America stocks held on farms and in the case of Canada stocks of wheat of Canadian origin held in bond in the United States of America.
14. "Wheat", except in Articles VI and IX, includes wheat-flour. Seventy-two metric tons of wheat-flour shall be deemed to be equivalent to one hundred metric tons of wheat in all calculations relating to guaranteed purchases or sales, unless otherwise determined by the Council.

Article XX (Signature, Acceptance, and Entry Into Force)

1. This Agreement shall be open for signature in Washington and shall remain open for signature until April 1, 1948 by the Governments of the countries listed in Annexes I and II to Article II. The original of this Agreement shall be deposited with the Government of the United States of America, which shall transmit certified copies of it to each signatory and acceding Government.

2. This Agreement shall be subject to formal acceptance by the signatory Governments. Instruments of acceptance shall be deposited with the Government of the United States of America by July 1, 1948; provided, however, that an additional period shall be allowed by the Council for the deposit of instruments of acceptance on behalf of those importing countries which are prevented by a recess of their respective legislatures from accepting this Agreement by July 1, 1948. Instruments of acceptance shall become effective on the date of their deposit. The Government of the United States of America shall notify the Governments listed in Annexes I and II to Article II of the Governments which have signed this Agreement and of the Governments which have deposited instruments of acceptance.

3. Articles X to XXII inclusive of this Agreement shall come into force on July 1, 1948, and Articles I to IX inclusive shall come into force on August 1, 1948, between the Governments which have deposited their instruments of acceptance by July 1, 1948, provided that any such Government may, at the opening of the first Session of the International Wheat Council, established by Article XI of this Agreement, which Session shall be convened in Washington early in July 1948 by the Government of the United States of America, effect its withdrawal by notification to the Government of the United States of America if in the opinion of any such Government the guaranteed purchases or guaranteed sales of the countries whose Governments have formally accepted this Agreement are insufficient to ensure its successful operation. With respect to Governments which deposit their instruments of acceptance after July 1, 1948, the Agreement shall enter into force on the date of such deposit, provided that in no case shall Articles I to IX inclusive be deemed to have entered into force before August 1, 1948, as a result of such deposit.

THE SCHEDULE—*continued.**Article XXI (Accession)*

Subject to unanimity of the votes cast, any Government may accede to this Agreement upon such conditions as the Council may lay down. Such accession shall be effected by the notification thereof by the Government concerned to the Government of the United States of America, which Government shall notify the signatory and acceding Governments of each such accession and of the date of the receipt thereof.

Article XXII (Duration, Amendment, Withdrawal, and Termination)

1. This Agreement shall remain in force until July 31, 1953.
2. The Council shall, not later than July 31, 1952, communicate to the contracting Governments its recommendations regarding the renewal of this Agreement.
3. If at any time circumstances arise which, in the opinion of the Council, affect or threaten to affect adversely the operation of this Agreement, the Council may by a simple majority of the votes held by the Governments of the exporting countries and by a simple majority of the votes held by the Governments of the importing countries recommend an amendment of this Agreement to the contracting Governments.
4. The Council may fix a time limit within which each contracting Government shall notify the Council whether or not it accepts the amendment. The amendment shall become effective upon its acceptance by (a) importing countries which hold a simple majority of the votes of the importing countries, including the Government of the United Kingdom of Great Britain and Northern Ireland, and (b) the Governments of Australia, Canada, and the United States of America.
5. Any contracting Government which has not notified the Council of its acceptance of the amendment by the date on which it becomes effective may, after giving such notice as the Council may require in each case, withdraw from this Agreement at the end of the current crop-year, but shall not thereby be released from any obligations under this Agreement not discharged by the end of that crop-year.
6. Any contracting Government which considers its national security endangered by the outbreak of hostilities may withdraw from this Agreement upon the expiry of thirty days' written notice to the Council. In the event of such a withdrawal, the Council may recommend an amendment of this Agreement in accordance with the provisions of paragraph 3 of this Article.

IN WITNESS WHEREOF the undersigned duly authorized representatives of the respective Governments have signed this Agreement on the dates appearing opposite their signatures.

Opened for signature in Washington, on March 6, 1948, in the English and French languages, each of which shall be authentic.

EN FOI DE QUOI, les soussignés, représentants dûment autorisés de leurs Gouvernements respectifs, ont signé le présent Accord aux dates figurant en regard de leurs signatures.

Ouvert à la signature à Washington, le 6 mars 1948, en langue française et en langue anglaise, l'une et l'autre faisant foi.

FOR AFGHANISTAN :
 POUR L'AFGHANISTAN :
 FOR AUSTRALIA :
 POUR L'AUSTRALIE :
 FOR AUSTRIA :
 POUR L'AUTRICHE :
 FOR BELGIUM :
 POUR LA BELGIQUE :
 FOR BRAZIL :
 POUR LE BRESIL :
 FOR CANADA :
 POUR LE CANADA :
 FOR CHINA :
 POUR LA CHINE :
 FOR COLUMBIA :
 POUR LA COLOMBIE :

THE SCHEDULE —continued.

FOR CUBA :
POUR CUBA :
FOR CZECHOSLOVAKIA :
POUR LA TCHECOSLOVAQUIE :
FOR DENMARK :
POUR LE DANEMARK :
FOR THE DOMINICAN REPUBLIC :
POUR LA REPUBLIQUE DOMINICAINE :
FOR ECUADOR :
POUR L'EQUATEUR :
FOR EGYPT :
POUR L'EGYPTE :
FOR THE FRENCH UNION AND SAAR :
POUR L'UNION FRANCAISE ET LA SARRE :
FOR GREECE :
POUR LA GRECE :
FOR GUATEMALA :
POUR LE GUATEMALA :
FOR INDIA :
POUR L'INDE :
FOR IRELAND :
POUR L'IRLANDE :
FOR ITALY :
POUR L'ITALIE :
FOR LEBANON :
POUR LE LIBAN :
FOR LIBERIA :
POUR LE LIBERIA :
FOR MEXICO :
POUR LE MEXIQUE :
FOR THE NETHERLANDS :
POUR LES PAYS-BAS :
FOR NEW ZEALAND :
POUR LA NOUVELLE-ZELANDE :
FOR NORWAY :
POUR LA NORVEGE :
FOR PERU :
POUR LE PEROU :
FOR THE REPUBLIC OF THE PHILIPPINES :
POUR LA REPUBLIQUE DES PHILIPPINES :
FOR POLAND :
POUR LA POLOGNE :
FOR PORTUGAL :
POUR LE PORTUGAL :
FOR SWEDEN :
POUR LA SUEDE :
FOR SWITZERLAND :
POUR LA SUISSE :
FOR THE UNION OF SOUTH AFRICA :
POUR L'UNION SUD-AFRICAINE :
FOR THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND :
POUR LE ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD :
FOR THE UNITED STATES OF AMERICA :
POUR LES ETATS-UNIS D'AMERIQUE :
FOR VENEZUELA :
POUR LE VENEZUELA :