



Treaty Series No. 14 (1939)

# COMMERCIAL AGREEMENT

BETWEEN

HIS MAJESTY'S GOVERNMENT  
IN THE COMMONWEALTH OF AUSTRALIA  
AND THE SWISS FEDERAL COUNCIL

(WITH EXCHANGES OF NOTES)

Canberra, November 4, 1938/

Berne, November 22, 1938

[Ratifications exchanged at Canberra on December 16, 1938]

*Presented by the Secretary of State for Foreign Affairs  
to Parliament by Command of His Majesty*

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COMMERCIAL AGREEMENT BETWEEN HIS MAJESTY'S  
GOVERNMENT IN THE COMMONWEALTH OF AUSTRALIA  
AND THE SWISS FEDERAL COUNCIL (WITH EXCHANGES OF  
NOTES).

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*Canberra, November 4, 1938/*

*Berne, November 22, 1938.*

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[*Ratifications exchanged at Canberra on December 16, 1938.*]

THE Government of the Commonwealth of Australia and the Swiss Federal Council, desiring to facilitate and extend the commercial relations between Australia and Switzerland, have agreed as follows:—

ARTICLE 1.

Articles, the produce or manufacture of Australia, on importation into Switzerland, and articles, the produce or manufacture of Switzerland, on importation into Australia, shall not be subjected to other or higher duties or charges than those paid on like articles, the produce or manufacture of any other foreign country.

ARTICLE 2.

(a) Articles, the produce or manufacture of Switzerland, enumerated in Schedule A to this Agreement, shall, on importation into Australia, be accorded the benefits of the Australian Intermediate Tariff.

(b) Articles, the produce or manufacture of Switzerland, enumerated in Schedule B to this Agreement, shall not, on importation into Australia, be subjected to higher primage duties than those specified in the said Schedule.

(c) The foregoing provisions of this Article shall not be deemed to exempt any articles from liability to Sales Tax, or, except as provided in paragraph (b) of this Article, from payment of primage duties.

ARTICLE 3.

Articles, the produce or manufacture of Australia, enumerated in Schedule C to this Agreement, shall not, on importation into Switzerland, be subjected to higher duties than those specified in the said Schedule.

ARTICLE 4.

With respect to the articles enumerated in Schedule D to this Agreement, the quantities of such articles produced or manufactured

in Australia which shall be permitted to be imported annually into Switzerland shall not be less than those specified in the said Schedule.

ARTICLE 5.

The notes incorporated in the Schedules to this Agreement shall be given force and effect as integral parts of the Agreement.

ARTICLE 6.

In the event that quantitative restrictions are imposed in either Australia or Switzerland on the importation of any goods of interest to the other country, it is agreed that, in the allocation of the quantity of restricted goods which may be authorized for importation, the other country will be granted a share of the total permitted foreign imports of such goods equivalent to the proportion of the total foreign imports of such goods which it enjoyed in a previous representative period prior to the imposition of such quantitative restrictions.

ARTICLE 7.

In all matters concerning the rules, formalities or charges imposed in connexion with any form of quantitative restriction on the importation of any article, the Government of the Commonwealth of Australia and the Swiss Federal Council agree to extend to articles the produce or manufacture of Switzerland and Australia respectively every favour granted to any other foreign country.

ARTICLE 8.

The Government of the Commonwealth of Australia and the Swiss Federal Council reserve the right to withdraw or to modify the concession granted on any article under this Agreement if, as a result of the extension of such concession to third countries, such countries obtain the major benefit of such concession and in consequence thereof an unduly large increase in importations from such countries of such article takes place.

ARTICLE 9.

If either party adopts in respect of any article specifically mentioned in this Agreement any measures which, even though they do not conflict with the terms of this Agreement, are considered by the other party to have the effect of nullifying or impairing any of the advantages of this Agreement, the party which considers its interests adversely affected may, within three months of the adoption of such measures, request the opening of negotiations with a view to effecting a mutually satisfactory adjustment of the matter. If agreement is not reached within two months of the receipt of such request the party

which considers its interests adversely affected may take such action as it thinks proper to re-establish the equilibrium of the present Agreement.

ARTICLE 10.

The provisions of this Agreement shall apply also to the Principality of Liechtenstein so long as it is bound to Switzerland by a customs union treaty.

ARTICLE 11.

Nothing in this Agreement shall entitle Switzerland to claim the benefit of any treatment, preference or privilege which may at any time be in force exclusively between the territories under the sovereignty of His Majesty The King of Great Britain, Ireland, and the British Dominions beyond the Seas, Emperor of India, or under His Majesty's suzerainty, protection or mandate.

ARTICLE 12.

The present Agreement, after being approved by the Parliament of the Commonwealth of Australia and by the competent authority on the part of Switzerland, shall be ratified and the instruments of ratification shall be exchanged at Canberra as soon as possible. The Agreement shall come into force fourteen days after the exchange of instruments of ratification or on such earlier date as may be agreed upon and shall remain in force and effect until six months from the day on which either party shall have given notice to the other of its intention to terminate it.

In witness whereof the undersigned, being duly authorized to that effect, have signed in duplicate this Agreement.

Signed at Canberra, this fourth day of November, 1938.

THOMAS W. WHITE.

Signed at Berne, this twenty-second day of November, 1938.

HOTZ.

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SCHEDULE A.

Item of the Australian Customs Tariff.	Description of Articles.
Ex 41 (A)	Cheese having the eye formation characteristic of the Swiss or Emmenthaler type; and cheese of the Gruyere or Emmenthaler processed type in containers not exceeding 10 oz. in weight.
Ex 105 (A) (1) (a)	Cotton piece-goods known as organdie—unbleached, bleached, printed, dyed or coloured, weighing less than one and two-third oz. per square yard and manufactured from yarns the average number of which exceeds count number 80—the value for duty of which exceeds 7½d. per square yard.
105 (E) (2)	Lace for attire; lace flouncings; millinery nets; dress nets; veilings; embroideries in the piece; tucked linens or cottons.
Ex 105 (K) (1)	Piece goods of a class or kind not produced in Australia which would otherwise be dutiable at a higher rate than that payable under this sub-item imported for use in the manufacture of neckties, as prescribed by Departmental By-laws— Wholly of silk.
106 (B)	Trimnings and Ornaments n.e.i. for Hats, Shoes and other attire, not being partly or wholly of gold or silver; Braids n.e.i.; Fringes n.e.i.; Frillings; Ruffings; Pleatings; Ruchings; Galoons n.e.i.; Ribbons n.e.i.; Tinselled Belting n.e.i.; Webbing n.e.i.; Belting for apparel not elsewhere specified and not being cut to lengths for belts.  NOTE.—It has been agreed by the Government of the Commonwealth of Australia that Bows and Jabots for women's attire shall be specifically included in Tariff Item 106 (B) under appropriate descriptions.
Ex 110 (D)	Articles of women's apparel, made from textile fabrics and having embroidered work or lace work thereon or made wholly or in chief part from lace, viz.:— Collars, collars with jabots attached, collar and cuff sets, cuffs, modesty vests for outerwear, and vestees with or without collars attached.
114 (G) (1)	Hoods other than of felt.  For the purposes of this paragraph a hood means any unblocked form of any material (other than felt) woven or plaited throughout from the tip of the crown to the edge of the brim, also any unblocked form made of braid or similar material joined together by hand with a concealed thread.
114 (G) (2)	Hat Forms of braid or similar material sewn with a visible stitch, but not blocked or further processed.
Ex 120 (B) (1)	Handkerchiefs, cotton or linen or cotton and linen, wholly or in part of machine-made lace or embroidered on the multiple needle embroidery machines finished off with machine-made scalloped edge, machine-made hems or other machine-made fancy finishing edges, containing no hand-made lace and not embroidered or tamboured in any part by hand.
318 (A) (4) (a)	Wristlet watches n.e.i. and cases therefor, viz.:—
(1)	Nickel-plated, nickel alloy, chromium-plated, and steel.
(2)	Other.

## SCHEDULE A—(continued).

Item of the Australian Customs Tariff.	Description of Articles.
Ex 318 (A) (4) (b)	Watches and Chronometers n.e.i.
Ex 338 (A)	Trade catalogues, price lists and other printed advertising matter, not designed to advertise the sale of goods by any person, firm or company in Australia, when imported into Australia in single copies addressed to hospitals, medical practitioners or dentists, and not exceeding one copy to each hospital medical practitioner or dentist, not being for distribution.

## SCHEDULE B.

Item of the Australian Customs Tariff.	Description of Articles.	Rate of Primage Duty.
105 (B) (2)	Lace for attire; lace flouncings; millinery nets; dress nets; veilings; embroideries in the piece; tucked linens or cottons ...	5% <i>ad val.</i>
106 (B)	Trimmings and Ornaments n.e.i. for Hats, Shoes and other attire, not being partly or wholly of gold or silver; Braids n.e.i.; Fringes n.e.i.; Frillings; Ruffings; Pleatings; Ruchings; Galoons n.e.i.; Ribbons n.e.i.; Tinselled Belting n.e.i.; Webbing n.e.i.; Belting for apparel not elsewhere specified and not being cut to lengths for belts ...	5% <i>ad val.</i>
<p>NOTE.—It has been agreed by the Government of the Commonwealth of Australia that Bows and Jabots for women's attire shall be specifically included in Tariff Item 106 (B) under appropriate descriptions.</p>		
Ex 110 (D)	Articles of women's apparel, made from textile fabrics and having embroidered work or lace work thereon or made wholly or in chief part from lace, viz.:— Collars, collars with jabots attached, collar and cuff sets, cuffs, modesty vests for outerwear, and vestees with or without collars attached ...	5% <i>ad val.</i>
114 (C) (1)	Hoods other than of felt ...	5% <i>ad val.</i>
<p>For the purposes of this paragraph a hood means any unblocked form of any material (other than felt) woven or plaited throughout from the tip of the crown to the edge of the brim, also any unblocked form made of braid or similar material joined together by hand with a concealed thread.</p>		
114 (C) (2)	Hat Forms of braid or similar material sewn with a visible stitch, but not blocked or further processed ...	5% <i>ad val.</i>

SCHEDULE B—(continued).

Item of the Australian Customs Tariff.	Description of Articles.	Rate of Primage Duty.
318 (A) (4) (a)	Wristlet watches n.e.i. and cases therefor, viz.:—	
	(1) Nickel-plated, nickel alloy, chromium-plated, and steel ... ..	5% <i>ad val.</i>
	(2) Other ... ..	5% <i>ad val.</i>
338 (A)	Trade catalogues, price lists and other printed advertising matter, not designed to advertise the sale of goods by any person, firm or company in Australia, when imported into Australia in single copies addressed to hospitals, medical practitioners or dentists, and not exceeding one copy to each hospital, medical practitioner or dentist, and not being for distribution ... ..	Free.

SCHEDULE C.

Number of the Swiss Tariff.	Description of Articles.	Rate of Duty.
24 a 1	Apples and Pears ... ..	5 fr. per 100 kilog.
	NOTE.—This rate is consolidated as follows:—	
	In respect of Apples—	
	1st April to 15th July.	
	In respect of Pears—	
	1st February to 15th July.	
33	Raisins (including currants) of all kinds, except Malaga raisins as well as Denia raisins in bunches ... ..	10 fr. per 100 kilog.
Ex 101 b	Canned Fruits, viz.:—	
	Apricots, Peaches, Pears, Pineapples ... ..	45 fr. per 100 kilog., so long as this rate is consolidated in accordance with an Agreement with a third country; otherwise 55 fr. per 100 kilog.
455	Wool: Raw, scoured, dyed ... ..	0.15 fr. per 100 kilog.
841	Lead, soft, in bars, pigs, slabs; hard lead, type metal ... ..	0.30 fr. per 100 kilog.
Ex 969	Sandalwood Oil ... ..	10 fr. per 100 kilog.
Ex 1052	Eucalyptus Oil ... ..	10 fr. per 100 kilog.
1078	Starch—raw, subject to proof being furnished that it will be used for industrial purposes ... ..	1 fr. per 100 kilog.

## SCHEDULE D.

Number of the Swiss Tariff.	Description of Articles.	Annual quotas in 100 kilog.
4	Barley ... ..	38,000
24 a 1	Apples and Pears ... ..	15,000
NOTE.—This quota shall be allotted for importation during the following periods:—		
In respect of Apples—		
1st April to 15th July.		
In respect of Pears—		
1st February to 15th July.		
229b	Building and cabinet makers' and veneer wood ... ..	10,000
236		

*Letters from the Minister of State for Trade and Customs to  
Dr. A. Koch, Department of Public Economy, Berne, Switzerland,  
and Replies thereto.*

*Australian Letter No. 1.*

*Minister for Trade and Customs,  
Canberra, A.C.T.,*

*November 4, 1938.*

Sir,

With reference to the discussions which have taken place regarding the quota restrictions in force in Switzerland on apples and pears, and the quota to be allocated to Australia under the terms of Schedule D to the Commercial Agreement between the Commonwealth of Australia and Switzerland, signed this day on behalf of the Commonwealth, it is understood that the Swiss Government are willing to agree to the following supplementary arrangements:—

- (1) Swiss import permits issued for Australian apples and pears in general shall not be transferable in favour of like produce of other countries. The Swiss Government shall allow transfers of import permits for Australian apples and pears in favour of like produce of other countries only with the consent of the Commonwealth Government or their officially designated representatives.
- (2) If, during the period specified for the importation of Australian apples and pears into Switzerland, it appears that Australian exporters are able to sell to Swiss importers quantities in excess of the quota specified in Schedule D, the Swiss Government will favourably consider the grant of supplementary quotas in order to permit such additional quantities of Australian apples and pears to be imported into Switzerland.



I shall be glad if you will confirm that the Swiss Government agree that the above-mentioned supplementary arrangements shall hold so long as the Agreement remains in force.

Yours faithfully,  
THOMAS W. WHITE.

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*Swiss Letter No. 1.*

Sir,

*Berne, November 22, 1938.*

I desire to acknowledge the receipt of your letter of the 4th November, 1938, addressed to me in the following terms:—

“With reference to the discussions which have taken place regarding the quota restrictions in force in Switzerland on apples and pears, and the quota to be allocated to Australia under the terms of Schedule D to the Commercial Agreement between the Commonwealth of Australia and Switzerland, signed this day on behalf of the Commonwealth, it is understood that the Swiss Government are willing to agree to the following supplementary arrangements:—

- “ (1) Swiss import permits issued for Australian apples and pears in general shall not be transferable in favour of like produce of other countries. The Swiss Government shall allow transfers of import permits for Australian apples and pears in favour of like produce of other countries only with the consent of the Commonwealth Government or their officially designated representatives.
- “ (2) If, during the period specified for the importation of Australian apples and pears into Switzerland, it appears that Australian exporters are able to sell to Swiss importers quantities in excess of the quota specified in Schedule D, the Swiss Government will favourably consider the grant of supplementary quotas in order to permit such additional quantities of Australian apples and pears to be imported into Switzerland.

“I shall be glad if you will confirm that the Swiss Government agree that the above-mentioned supplementary arrangements shall hold so long as the Agreement remains in force.”

In accordance with the desire expressed in the last paragraph of your letter, I am pleased to inform you that the Swiss Government agree that the supplementary arrangements expressed in your letter under reply shall hold so long as the Agreement remains in force.

Yours faithfully,  
DR. A. KOCH.

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*Australian Letter No. 2.*

*Minister for Trade and Customs,  
Canberra, A.C.T.,*

Sir,

*November 4, 1938.*

With reference to the Commercial Agreement between the Commonwealth of Australia and Switzerland, signed this day on behalf of the Commonwealth, I have the honour to inform you that the Commonwealth Government take note of the requests for the reduction of duties on the tariff items set out hereunder submitted on behalf of the Swiss Government during the negotiations:—

- Tariff Item 114 (g) (1) ... Hoods other than of felt.  
 Tariff Item 114 (g) (2) ... Hat forms of braid or similar material  
 sewn with a visible stitch, but not  
 blocked or further processed.  
 Tariff Item 318 (A) (4) (a) Wristlet watches n.e.i. and cases there-  
 for, viz.:—  
 (1) Nickel-plated, nickel alloy,  
 chromium-plated, and steel.  
 (2) Other.

I have the honour to place on record and confirm the undertaking given on behalf of the Commonwealth Government to refer these items to the Australian Tariff Board for public enquiry and report (if not already so referred) with a view to determining a new Intermediate Tariff rate.

Yours faithfully,  
 THOMAS W. WHITE.

---

*Swiss Letter No. 2.*

Sir,

*Berne, November 22, 1938.*

I desire to acknowledge the receipt of your letter of the 4th November, 1938, in the following terms:—

“With reference to the Commercial Agreement between the Commonwealth of Australia and Switzerland, signed this day on behalf of the Commonwealth, I have the honour to inform you that the Commonwealth Government take note of the requests for the reduction of duties on the tariff items set out hereunder submitted on behalf of the Swiss Government during the negotiations:—

- “Tariff Item 114 (g) (1) ... Hoods other than of felt.  
 “Tariff Item 114 (g) (2) ... Hat forms of braid or similar material  
 sewn with a visible stitch, but not  
 blocked or further processed.  
 “Tariff Item 318 (A) (4) (a) Wristlet watches n.e.i. and cases there-  
 for, viz.:—  
 (1) Nickel-plated, nickel alloy,  
 chromium-plated, and steel.  
 (2) Other.

"I have the honour to place on record and confirm the undertaking given on behalf of the Commonwealth Government to refer these items to the Australian Tariff Board for public enquiry and report (if not already so referred) with a view to determining a new Intermediate Tariff rate."

In acknowledging the receipt of this letter I desire to inform you that it has the agreement of the Swiss Government.

Yours faithfully,  
DR. A. KOCH.

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*Australian Letter No. 3.*

*Minister for Trade and Customs,  
Canberra, A.C.T.,*

Sir,

*November 4, 1938.*

With reference to the Commercial Agreement between the Commonwealth of Australia and Switzerland, signed this day on behalf of the Commonwealth, I have the honour to inform you that the tariff concession on organdie as specified in Schedule A (ex Tariff Item 105 (A) (1) (a)) on importation into Australia from Switzerland is granted subject to the condition that a certificate be furnished by a Swiss Chamber of Commerce with respect to each consignment that the fabric is organdie in the sense of the relevant Item of the Australian Customs Tariff.

I have the honour also to inform you that the tariff concession on cotton or linen handkerchiefs as specified in Schedule A (ex Tariff Item 120 (B) (1)) on importation into Australia is granted subject to the condition that a certificate be furnished by a Swiss Chamber of Commerce with respect to each consignment that the handkerchiefs comply with the description in, or have been manufactured by the processes described in, the relevant Item of the Australian Customs Tariff.

Yours faithfully,  
THOMAS W. WHITE.

---

*Swiss Letter No. 3.*

Sir,

*Berne, November 22, 1938.*

I desire to acknowledge the receipt of your letter of the 4th November, 1938, addressed to me in the following terms:—

"With reference to the Commercial Agreement between the Commonwealth of Australia and Switzerland, signed this day on behalf of the Commonwealth, I have the honour to inform you that the tariff concession on organdie as specified in Schedule A

(ex Tariff Item 105 (A) (1) (a)) on importation into Australia from Switzerland is granted subject to the condition that a certificate be furnished by a Swiss Chamber of Commerce with respect to each consignment that the fabric is organdie in the sense of the relevant Item of the Australian Customs Tariff.

“I have the honour also to inform you that the tariff concession on cotton or linen handkerchiefs as specified in Schedule A (ex Tariff Item 120 (B) (1)) on importation into Australia is granted subject to the condition that a certificate be furnished by a Swiss Chamber of Commerce with respect to each consignment that the handkerchiefs comply with the description in, or have been manufactured by the processes described in, the relevant Item of the Australian Customs Tariff.”

In acknowledging the receipt of this communication I desire to inform you that it has the agreement of the Swiss Government.

Yours faithfully,  
DR. A. KOCH.

---

*Australian Letter No. 4.*

*Minister for Trade and Customs,  
Canberra, A.C.T.,*

*November 4, 1938.*

Sir,

With reference to the Commercial Agreement between the Commonwealth of Australia and Switzerland, signed this day on behalf of the Commonwealth, I have the honour to inform you that the Commonwealth Government agree to the classification under Australian Tariff Item 415A (2) of the preparations Finish NSW and Finish NS used in the textile industry. These preparations will be covered by the following description:—

“Chemical compounds or mixtures in aqueous emulsion or paste form used in the textile industry to prevent slipping of the threads or yarns in the process of weaving, under security.”

The Commonwealth Government also agree to the classification under Australian Tariff Item 285 (B) of the medicinal preparations Bellergal, Calciumbronat and Gynergen.

These classifications are agreed to for a period of one year from the date of the entry into force of the Agreement. Thereafter they shall be subject to revision should the Commonwealth Government consider that the admission into Australia of the above-mentioned preparations under such classifications is likely to be detrimental to any Australian industry.

Yours faithfully,  
THOMAS W. WHITE.

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*Swiss Letter No. 4.*

Sir,

*Berne, November 22, 1988.*

I desire to acknowledge the receipt of your letter of the 4th November, 1988, addressed to me in the following terms:—

“ With reference to the Commercial Agreement between the Commonwealth of Australia and Switzerland, signed this day on behalf of the Commonwealth, I have the honour to inform you that the Commonwealth Government agree to the classification under Australian Tariff Item 415A (2) of the preparations Finish NSW and Finish NS used in the textile industry. These preparations will be covered by the following description:—

“ ‘ Chemical compounds or mixtures in aqueous emulsion or paste form used in the textile industry to prevent slipping of the threads or yarns in the process of weaving, under security.’

“ The Commonwealth Government also agree to the classification under Australian Tariff Item 285 (B) of the medicinal preparations Bellerгал, Calciumbronat and Gynergen.

“ These classifications are agreed to for a period of one year from the date of the entry into force of the Agreement. Thereafter they shall be subject to revision should the Commonwealth Government consider that the admission into Australia of the above-mentioned preparations under such classifications is likely to be detrimental to any Australian industry.”

In acknowledging the receipt of this communication I desire to inform you that it has the agreement of the Swiss Government.

Yours faithfully,

Dr. A. KOCH.

