

II.

TREATY OF COMMERCE

CONCLUDED BETWEEN AUSTRIA AND GREAT BRITAIN,

16TH DECEMBER 1865.

(This Treaty is in force until the 1st January, 1877.)

ARTICLE I.

During the continuance of the present Treaty the subjects and commerce of Austria shall enjoy within all the dominions and possessions of Her Britannic Majesty, including Her Majesty's colonies and foreign possessions, the same advantages which have been conceded to French subjects and commerce by the Treaty between Her Majesty and the Emperor of the French, signed at Paris on the 23rd of January, 1860, and to the subjects and commerce of the States of the Zollverein by the Treaty between Her Britannic Majesty and His Majesty the King of Prussia, representing the sovereign States and territories united to the Prussian system of customs and contributions, signed at Berlin on the 30th of May, 1865; and further, Austrian subjects and commerce shall be placed in all other respects on the footing of the subjects and commerce of the most favoured nation.

The subjects and commerce of Austria shall enjoy, within the British dominions, the same advantages as French subjects and commerce and those of the Zollverein, and be placed in all other respects on the footing of the most favoured nation.

ARTICLE II.

From and after the 1st of January, 1867, British subjects and commerce shall, within the dominions of His Imperial and Royal Majesty, be placed in every respect upon the footing of the most favoured nation, and share in all the advantages and privileges which are enjoyed by the commerce and subjects of any third Power.

British subjects and commerce shall, within the Austro-Hungarian dominions, be placed in every respect upon the footing of the most favoured nation.

From this rule are excepted:—

- (a.) Such advantages as those which for the sole purpose of facilitating frontier traffic are at present conceded or may hereafter be conceded to the States of the German Zollverein, or to other neighbouring States; and also those reductions of or exemptions from customs duties which are valid only at certain parts of the frontier, or for the inhabitants of particular localities.
- (b.) Such advantages as belong or may hereafter be conceded to the subjects of the German Confederation in virtue of Federal treaties and Federal laws.
- (c.) Such special and ancient privileges as are enjoyed by Turkish subjects, as such, for Turkish commerce in Austria.

Exceptions to the above rule.

ARTICLE III.

The Austrian Customs Tariff (the present system of calculating customs duties by weight being maintained) shall be so regulated that the duty to be levied upon articles, the produce or manufacture of the dominions of Her Britannic Majesty, upon their importation into the Austrian States, shall, from the 1st January, 1867,

Duty to be levied upon articles of British produce and manufacture on importation into Austria shall not exceed, after 1st January, 1867,

25 per cent. of their value, including cost of transport, insurance, &c.

not exceed 25 per cent. of the value, with the addition of the cost of transport, insurance, and commission necessary for the importation into Austria as far as the Austrian Customs frontier, and for this purpose there shall serve as basis the average value of the articles included under one and the same denomination in each position of the future Austrian Tariff.

After 1st January, 1870, the maximum of import duties shall not exceed 20 per cent. ad valorem.

Articles constituting State monopolies (tobacco, salt, and gunpowder) and goods of Classes I. and VII. of Austrian Tariff are excepted.

Commissioners from both Governments shall determine the values and charges on the basis of the average prices in Great Britain in 1865.

Three years after the duties fixed by the Treaty have come into operation each party has the right to claim a revision of the value standard.

Duties of special interest to England coming into operation on the 1st January, 1867 shall form the subject of a supplementary Treaty.

Articles constituting State monopolies and goods of Classes I. and VII. of the Tariff are excepted.

Internal imposts levied in one country on production, preparation, or use of articles shall not affect the productions of the other country in a higher degree than those of native origin.

Reductions of import or export duties, and other privileges granted by either party to a third Power shall be extended to the other immediately.

Subjects of one country shall enjoy in the territories of the other equal treatment with native subjects in regard to trades, &c.

Subjects of one Power shall, in the dominions of the other, enjoy the same protection as native

From and after the 1st January, 1870, the maximum of these duties shall not exceed 20 per cent. of the value, with the additions above defined.

Articles constituting State monopolies—namely, tobacco, salt, and gunpowder,—and further, goods comprised in Classes I. and VII. of the present Austrian Tariff, are excepted from these maxima.

ARTICLE IV.

Commissioners from both Governments shall meet, not later than the month of March, 1866, for the purpose of ascertaining and determining the values and the additional charges, and they shall take as the basis of their calculations the average prices at the principal centres of production and commerce of the United Kingdom for the year 1865.

Three years after the duties fixed by treaty shall have come into operation each of the contracting parties shall have a right to claim a revision of the values.

ARTICLE V.

Such duties of the future Austrian Tariff as will come into operation on the 1st of January, 1867, and to which England attaches a special interest, shall form the subject of a supplementary Convention to be concluded between the two contracting parties.

All articles constituting State monopolies, as also all goods subject to fiscal duties included in Classes I. and VII. of the present Tariff, remain also here excepted.

ARTICLE VI.

Internal imposts which are levied in the territory of one party on the production, preparation, or use of any article, whether on account of the State or on account of municipalities and corporations, shall under no pretext affect the productions of the other party in a higher or more onerous degree than the same productions of native origin.

ARTICLE VII.

The contracting parties agree that every reduction in their Tariffs of import or export duties, and every privilege, favour, or immunity which either contracting party may hereafter grant to the subjects and commerce of a third Power, shall be extended immediately and unconditionally to the other contracting party, with a reserve however of the exceptions enumerated in Article II. *a* and *b*.

ARTICLE VIII.

The subjects of one of the contracting parties shall enjoy in the dominions and possessions of the other equality of treatment with native subjects in regard to charges on loading and unloading, to warehousing, and to the transit trade, as also in regard to bounties, facilities, and drawbacks.

ARTICLE IX.

The subjects of one of the two high contracting parties shall, in the dominions of the other, enjoy the same protection as native subjects in regard to the rights of

property in trade-marks and other distinctive marks, as well as in patterns and designs for manufactures.

ARTICLE X.

The high contracting parties reserve to themselves to determine hereafter, by a special convention, the means of reciprocally protecting copyright in works of literature and the fine arts within their respective dominions.

subjects in regard to rights of property, trade-marks, patterns, and designs for manufactures.

The contracting Powers reserve the settlement of reciprocally protecting copyright in literary works, &c. for a special convention.

ARTICLE XI.

The present Treaty shall remain in force for the space of 10 years, to date from the 1st of January, 1867, and in case neither of the high contracting powers shall have notified to the other, 12 months before the expiration of the said period of 10 years, its intention of putting an end to its operation, the Treaty shall continue in force for another year, and so on from year to year, until the expiration of a year, counting from the day on which one or other of the high contracting parties shall have announced its intention to put an end to it.

The present Treaty shall remain in force for a period of 10 years from 1st January, 1867, or longer if no notice on either side is given to withdraw from it.

The high contracting parties reserve to themselves the right to introduce by common consent into this Treaty any modification which is not opposed to its spirit and principles, and the utility of which shall have been shown by experience.

The contracting Powers respectively reserve their right to introduce modifications into this Treaty if useful.

FINAL PROTOCOL.

Upon proceeding to the signature of the Treaty of Commerce concluded this day between Austria and Great Britain, the Plenipotentiaries of the two Powers made the following declaration:—

I.

The Plenipotentiaries of His Majesty the Emperor of Austria declared that, in virtue of Article XIII. of the Treaty of Customs' and Contributions' Union of the 23rd of December, 1863, between Austria and Lichtenstein, the Treaty of Commerce concluded this day would apply equally to the Principality of Lichtenstein, and the British Plenipotentiary accepted this declaration.

The above Treaty is to apply also to the Principality of Lichtenstein.

II.

In order to avoid any future doubt as to the intention of Article III., the Plenipotentiaries of the two Powers have agreed to the following explanation:—

In the construction of a tariff of specific duties by weight within fixed ad valorem rates, it is necessary to determine what shall be the unit of value to which each specific duty shall be applied.

In adopting the basis of value established by Article III., it is understood that it is not intended to depart from the general principle of the Article, viz., the application of certain maximum *ad valorem* rates of duty to all articles of British produce and manufacture, but to guard against the necessity of making separate provision for every variety of each article, thereby creating minute and inconvenient subdivisions in the Tariff.

By the basis of value established by Art. III. of the Treaty is understood a non-departure from the general principle of a "maximum" ad valorem duty on all articles of British produce and manufacture.

With this view it becomes necessary to group together qualities and descriptions of the same article or of similar articles, which, from their approximation in value and general resemblance in character, it is found possible to include under one and the same denomination in one position of the Tariff.

But it is understood that in fixing the denominations in each position of the future Austrian Tariff, they shall be so arranged that the duty affixed to any one position shall not exceed the "maximum" rates fixed by Article III. of the Treaty upon the average value of any kind of goods of commercial importance included

Articles shall be so arranged in the Austrian Tariff that the duty shall in no case exceed the "maximum" rates fixed by Art. III. of the Treaty.

under any one denomination in such position, unless by common consent it is considered expedient or necessary.

III.

Should prices of any description of goods have been essentially disturbed during the year 1865, the Commissioners will endeavour to find a basis of fair average value for future years.

In the matter of textile manufactures, either Power may claim a revision of the valuation after the 1st January, 1868.

With reference to Article IV., the Plenipotentiaries likewise agreed that if it shall be found that the prices of any description of goods have been essentially disturbed by exceptional causes during the twelve months of the year 1865, the Commissioners of the two Governments shall endeavour to find such a basis of value for such goods as shall be considered a fair average value for future years.

In the matter of textile manufactures (the prices of which have been seriously deranged during the late war in the United States of America), it is agreed that if the average prices of the year 1865 be taken as a basis of value, either contracting party may claim a revision of such valuation after the 1st January, 1868.

IV.

Her Britannic Majesty engages to recommend to Parliament the abolition of import duties into Great Britain on wood and timber, and also the reduction of duties on wine in bottle.

The British Plenipotentiary then declared that—

Her Britannic Majesty engages to recommend to Parliament the abolition of the duties payable on the importation of wood and timber into the United Kingdom, and also the reduction of the duties payable on wine in bottle to the amount of those payable on wine in wood, upon importation into the United Kingdom.

V.

The duty payable upon the export of rags from Austria shall be reduced to 2 florins per zoll-centner from 1st July, 1866.

The Austrian Plenipotentiaries in their part declared that—

The duty upon the export of rags from the States and Possessions of His Imperial and Royal Majesty shall, from and after the 1st July, 1866, be reduced to 2 florins the zoll-centner; and

The duty upon importation of salt herrings into Austria shall be reduced to 50 kreutzers per zoll-centner from 1st February, 1866.

The duty upon the importation of salt herrings into the States and Possessions of His Imperial and Royal Majesty shall, from the 1st February, 1866, be reduced to 50 kreutzers the zoll-centner gross weight.