

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/W/298/Add.4
6 November 1979

Limited Distribution

Committee on Trade and Development
Thirty-Ninth Session
8-9 November 1979

ACTION BY GOVERNMENTS RELEVANT TO THE PROVISIONS OF PART IV

Addendum

The following communication dated 29 October 1979 has been received from the delegation of Australia in connexion with the implementation of Part IV.

1. Recent trends in Australian imports from developing countries

Imports from developing countries rose from \$2,114 million in 1976/77 to \$2,510 million in 1977/78. Approximately 72 per cent of imports from developing countries, valued at \$A 1,818 million fell within tariff classifications which were eligible for duty-free entry under the Australian System of Tariff Preferences for developing countries (ASTP), at most-favoured-nation rates, or under the Australian handicraft concession. A further \$266 million (11 per cent) was dutiable at preferential rates under the ASTP. Only \$427 million (17 per cent) was excluded from the ASTP and dutiable at MFN rates. Import clearances, from all sources under the Australian handicraft concession have increased sharply from \$22.3 million in 1976/77 to \$38.6 million in 1977/78.

2. Australian System of Tariff Preferences for developing countries

Following the Australian Government's consideration of various reports by the Industries Assistance Commission the following beneficiaries have been excluded from the GSP in respect of products on the grounds that such imports were causing injury or threatening to cause injury, to an Australian industry

- Hong Kong in respect of certain nuts, bolts and screws
- Yugoslavia in respect of certain electric motors
- Taiwan in respect of medals and badges, travel goods, umbrella frames and covers and certain nuts, bolts and screws.

3. Market advisory services to developing countries by Australia

A Market Advisory Section within the Australian Department of Trade and Resources provides assistance to exporters in developing countries through product and market analysis, the provision of market contacts and advice on promotional opportunities and techniques in Australia, and the planning and operation of training programmes in Australia in marketing and promotional techniques for officials and businessmen from developing countries.

One of the major activities of the Section has been to undertake research and prepare market studies on both a continuing basis and in response to specific requests. Some 200 separate product enquiries from exporters and export promotion organizations in developing countries were processed during 1978 and assistance has been provided during the same period to a total of thirty-seven businessmen and trade missions from developing countries.

The Section is also responsible for the training of officials and businessmen from developing countries through export development courses, trainee trade commissioner courses, attachment to the Department and Workshops on various aspects of export promotion.

To maintain contact with the Australian commercial sector and to provide direct practical assistance, two experienced Australian Trade Commissioners have been appointed, one in Sydney and one in Melbourne; their activities are directed by the Market Advisory Section located in Canberra.

The publication "Guide to the Market - Australia" has been produced to assist businessmen in developing countries in understanding the commercial requirements of the Australian market. It has been distributed to ministries and export promotion organizations in developing countries.

Complimentary copies of the publication "Index of Australian Importers" published by Peter Isaacson Publications have been forwarded to Trade Commissioner Posts for distribution in developing countries. Copies have also been provided to the embassies of developing countries in Australia.

Arrangements are presently being made by the Department to organize the second ASEAN Trade Fair to be held in Melbourne during the period 4-9 August 1980. The Fair which is being financed by the Australian Government is designed to appeal to a wide trade audience. Approximately thirty-five exhibitors from each of the five ASEAN countries will participate.

An Export Development Course for Government officials was held from 19 February to 30 March 1979 with fourteen participants from nine developing countries attending.

A seminar on the Australian System of Tariff Preferences for developing countries and the Australian handicraft concession was held in Manila on 22-23 August 1979 for business and Government officials.

4. Tariffs

Since March 1979, the Australian Government has announced the following decisions, most of which involve reductions in levels of protection, after consideration of reports from the Industries Assistance Commission:

- (1) On 1 April 1979, the Government announced that a temporary additional duty of 15 per cent on radial passenger car tyres and all truck and bus tyres was to remain until 31 December 1979, after which duties will be phased down from 35 per cent on 1 January 1980 to 25 per cent on 1 January 1982. For most other tyre products, current rates of duty would remain but minimum rates would apply to bicycle, motorcycle and solid tyres.
- (2) From 3 April 1979, duties on animal and vegetable oils and fats range from free to 25 per cent; imports of the items of major interest to developing countries (e.g. coconut and palm oil) remain duty free.
- (3) On 11 April 1979, duties on nuts, bolts and screws were reduced to 25 per cent. Iron and steel screw hooks and screw rings, certain cotters and cotter pins were made duty free. The temporary duty on wood screws was discontinued.
- (4) On 8 May 1979, the Government announced that the duty on injection moulding machines would be reduced from 55 per cent to 15 per cent.
- (5) From 9 May 1979, import licensing restrictions on fixed resistors were removed.
- (6) From 5 June 1979, tariff quotas on industrial vices were removed; duties were increased from 19 per cent to 20 per cent.
- (7) On 5 June 1979, the Government announced that a duty of 25 per cent would apply to interrelated products of the acetyls complex and for oxo-alcohols, phthalic anhydride and plasticizers.
- (8) On 5 July 1979, the Government announced that tariff quotas on endless chain hand-operated pulley tackle and hoists would be discontinued and the current duties on these goods would be phased down to 25 per cent over three years.
- (9) On 11 July 1979, the Government announced the extension by one year of the current three-year programme of assistance to the textiles, clothing and footwear industries. The programme is now due to expire in mid-1981.

- (10) From 12 July 1979, duties on most travel goods, briefcases etc., were reduced to 30 per cent; duties on the remaining travel goods are to be reduced to 30 per cent by 1 July 1980.
- (11) On 9 August 1979, the Government announced that fencing insulators would be dutiable at 37½ per cent general and 30 per cent preferential with a temporary duty of 30 per cent applying to imports from New Zealand and developing countries until 30 June 1980.
- (12) On 21 August 1979, the Government announced that duties on most miscellaneous industrial machinery would remain at minimum rates. Most remaining items would be subject to 15 per cent duty and a small number of items currently liable for duties ranging from 17-25 per cent would be reduced to 15 per cent over five years.
- (13) From 21 August 1979, most chemical products under reference would be dutiable at minimum rates; gelatin and charges for fire extinguishers would be dutiable at 20 per cent and 25 per cent respectively whilst the duty on cyclamates would be reduced from 50 per cent to 20 per cent over five years.
- (14) From 21 August 1979, duties on chocolate and sugar confectionery, and biscuits would be 20 per cent and all other confectionery production would be dutiable at minimum rates.
- (15) On 7 September 1979, the Government announced that temporary additional duties on gearboxes, gears and shaft couplings be maintained pending receipt and consideration of the IAC report on the long-term assistance needs of the industry.
- (16) From 13 September 1979, duties on spanners and wrenches were reduced to 25 per cent.
- (17) From 13 September 1979, ceramic floor and wall tiles with a surface area of less than 5,000 sq. mm became dutiable at minimum rates and tiles with a surface area of 5,000 sq. mm or more and a thickness greater than 12 mm will be dutiable at 15 per cent. Other tiles would be phased down from 30 per cent to 15 per cent over six years.
- (18) On 26 September 1979, the Government announced its decision to remove the British preference on some 500 tariff items of interest to developing countries, thereby removing an anomaly which permitted imports of these products from Britain and Ireland to be accorded a tariff preference over similar imports from developing countries. This decision is to be implemented on 12 November 1979.

5. Import restrictions

On 21 May 1979, the Australian Government announced additional import quota allocations for footwear and foundation garments for the period 1 July 1979 to 31 December 1979. The levels remained the same as for the previous period.

On 5 July 1979, the Government announced details of additional import quota allocations for textiles and apparel items for the period 1 September 1979 to 29 February 1980. The levels announced reflected the view that activity levels were stable and that these conditions would continue. Full interchangeability between woven wool and wool blend fabrics and woven worsted wool and wool blend fabrics will apply. Previously interchangeability up to a maximum of 15 per cent was permitted.