

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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SOUTH AFRICAN IMPORT RESTRICTIONS

The Government of the Union of South Africa has transmitted the following statement made by the Minister of Economic Affairs on 17 February 1955 regarding the relaxation of import control.

"It is now possible for me to supplement the statement on Import Control made by my predecessor on 6 October last.

"It is not necessary to add anything to Mr. Louw's statement regarding the requirements of secondary industry, but merely to confirm that it is the intention to continue to make available such machinery as is required for modernisation replacement and labour saving in order to assist factories in meeting competition from all sources. It is also the intention to make available during the year through the various normal channels the full requirements of genuine raw materials required for industrial processing so that no bona fide manufacturer need fear that he will not be able to maintain production up to the level of the demand for his products.

"My predecessor took certain steps to relieve the shortage of motor vehicles and I have decided to set aside approximately an additional £4 $\frac{3}{4}$ million for the importation of C.K.D. components for the assembling of vehicles. The total quotas for this purpose will therefore be about 56 per cent higher than in 1953 and about 40 per cent higher than last year, and this allocation should go a long way towards relieving the present shortage of motor vehicles. Provision will also be made to relieve such shortages of spare parts as still exist. Details will be communicated to importers concerned by the Director of Imports and Exports.

"Although no serious overall shortage exists in the supply of agricultural machinery and implements, I have decided to increase quotas by 30 per cent above those of last year in order to enable farmers to have a greater choice of popular models at the expense of the less popular models.

"As far as consumer goods are concerned, I have decided to grant a second round or 'agterskot' of 20 per cent of the value of the 1948 importations which will bring the total for the year to 53 1/3 per cent of the 1948 importations. The total quotas for last year were 45 per cent of 1948 importations, so that the money allocated for this purpose has been increased by about 18½ per cent over last year.

"The 'Priorities List' under which importers of consumer goods can obtain increased quotas for the goods appearing thereon will be continued. This concession is a substantial one and resulted in additional quotas last year of nearly £4 million; in view of the larger general allocation this year, it can be anticipated that this sum of £4 million will be exceeded this year.

"So far as the 'Restricted List' is concerned, I have decided that conversions for goods on this list will be at a rate of £1 for £2 compared with the present rate of £1 for £3. This will however apply only to the second round or 'agterskot' consumer goods quotas, and conversions will not be allowed in the case of juke boxes, pin tables, coin operated machines, 'pulp' magazines and certain types of comics."