

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/665

19 August 1957

Limited Distribution

IMPORT RESTRICTIONS OF THE UNION OF SOUTH AFRICA

Statement by the Minister of Economic Affairs in Regard to further Relaxations of Import Control

29 July 1957

In accordance with the policy to relax import control gradually as the foreign exchange position permits and with a view to the complete abolition of control ultimately I wish to announce the following further concessions to importers:

1. Motor Transport:

Concessions made during the course of this year to importers of motor cars have had, as was expected, the desired effect, and except in a few cases, the local market for new vehicles has been reasonably satisfied.

Any shortages still existing in the group with a selling price at the coast of £800 or less must be ascribed to delivery difficulties experienced overseas and not to a lack of import permits.

In so far as it concerns motor cars with a selling price at the coast of more than £800 import limitations are still a restrictive factor, and it has accordingly been decided to extend the replacement basis also to this group and at the same time to remove the restriction of a maximum f.o.b. cost of £600 so that cars in excess of this f.o.b. cost can henceforth also be imported.

It is not yet possible to allow the importation of second-hand motor cars, except in the case of tourists who will now be permitted to bring back with them a vehicle of their own choice after it has been used by them overseas for a period of two months. The condition that such vehicles may not be sold without permission within a period of two years remains in force.

2. Consumer Goods:

The re-adjustment of allocations made during the course of this year has resulted in the issue of an additional £3½ million for the importation of consumer goods. Many importers have, however, not reaped any benefit from these concessions, and in order to meet them I have decided to increase allocations for consumer goods from the existing 53 1/3 per cent to 60 per cent of the assessment basis in all cases where application is made for this increase.

This further relaxation will involve the issue of an additional amount of £4½ million for consumer goods, and together with the £3½ million mentioned above, will result in an increase of 25 per cent in the quotas for consumer goods for 1957 as compared with 1956.