

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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AUSTRALIAN IMPORT RESTRICTIONS

Statements of 18 and 19 February 1954

The Australian Government has transmitted for the information of the contracting parties the following statements by the Prime Minister and the Minister for Trade and Customs:

Press release on the statement by the Prime Minister on 18 February 1954

"The Government has approved a further relaxation of the restrictions on imports from non-dollar countries to take effect from April 1.

"Details will be announced by the Minister for Customs, Senator O'Sullivan, but, broadly, the relaxations will be as follows:-

1. A large extension of the list of essential items which may be licensed without restriction, provided only that the goods can be imported within 12 months. This will leave only a small proportion of essential goods subject to quotas or other quantitative restrictions.
2. An increase in the quota for goods classified under category B from 50 per cent to 60 per cent of the base year.

"The relaxations will allow a rise in imports of more than £25,000,000 f.o.b. a year.

"The Government has reviewed the balance of payments and the state of our international reserves. It has come to the conclusion that our external financial position justifies this continuation of the policy which has been followed over the past year of progressively relaxing import restrictions.

"Exports in the seven months to January mounted to almost £500m., which was £25m. greater than in the same period of last year.

"Although wool prices are currently lower than they were earlier this season and, notwithstanding the weaker tendency in the wheat market, it is unlikely that exports this financial year will fall far short of the very satisfactory total reached in 1952/53.

"From the internal standpoint, the further easing of import restrictions will help to ensure against the recurrence of shortages, especially of essential goods and materials. With a steady trend towards expansion of industry, it is important that supplies of equipment and materials should increase commensurately.

"These further relaxations will also assist the trade of countries overseas which are good customers of ours. Some of these countries in Europe and elsewhere buy a great deal more from Australia than we normally buy from them.

"Unless, by increasing our purchases of their goods, we help to put them in a position to buy from us, our exports of wool and other important products must inevitably suffer. France, Italy and Japan, in particular, are in this category and will benefit accordingly. But, Australia buys from Japan less than from either France or Italy and Japanese goods are still subject to more restrictive treatment than goods from any other non-dollar country. In 1952/53, Australia sold goods worth £84 million to Japan and our imports from Japan amounted to only £4.7 million."

Press release on the statement by the Minister for Trade and Customs on
19 February 1954

"The Minister for Trade and Customs, Senator Neil O'Sullivan, today released details of the relaxation of the restrictions on imports from countries other than the dollar area and Japan which was announced by the Prime Minister. These relaxations will operate from April 1, 1954.

"The Minister stated that the principal aspects of this relaxation were:-

1. The transfer of a large list of goods to a "no quota restriction" basis;
2. The deletion of Category "A" classification from the licensing schedule following the transfer of the bulk of the goods formerly classified under this Category to a "no quota restriction" basis and the remaining few to an "Administrative" basis;
3. An increase in the level of the licensing treatment of Category "B" goods from 50% of the value of base year imports to 60% of the value of base year imports.

"Senator O'Sullivan explained that the goods now transferred to a "no quota restriction" basis would be licensed without restriction upon application to Collectors of Customs, provided importers could show that the goods were available for importation within one year. With regard to the increase in quotas for Category "B" goods, he pointed out that this represented an increase of 20% in the present level of licensing of these goods.

"In the attached schedule¹ are set out under broad headings the types of goods which have been transferred to "no quota restriction" and to administrative control.

"The Minister also mentioned that because of the continued easing of licensing restrictions that had taken place since January 1, 1953, and the volume of Category "B" goods for which licences would be available as from April 1, 1954, there should be little need for special licensing consideration for individual commodities. Accordingly, in the future, the Department of Trade and Customs would adopt a much more stringent approach to applications for special quotas or special licences."

¹ A copy of the schedule is available in the office of the secretariat.