

GENERAL AGREEMENT ON TARIFFS AND TRADE

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AUSTRALIAN IMPORT RESTRICTIONS

Statement by the Minister for Trade, The Rt. Hon. J. McEwen, on
31 July 1957, on Changes in Import Licensing

The following Press statement, dated 31 July 1957, has been received from the Government of Australia, and is circulated for the information of contracting parties:

Mr. McEwen, Minister for Trade, today made an important announcement concerning changes in import licensing to operate from the beginning of the new licensing period commencing 1 August.

Mr. McEwen said that 56 commodities would be licensed on the basis of sales replacement as from 1 August.

This change Mr. McEwen said represented an important development of import administrative policy. It constituted a broad step towards gradual liberalisation of import controls, based on experiments already successfully made. The method used provided important safeguards against the taking out of speculative licences and the importation of quantities of some goods far in excess of current needs. The taking out of speculative licences and the importation of excessive stocks did occur in the easy licensing period in 1954. Such action if repeated in the present period of gradual liberalisation could force the re-imposition of tighter controls in the future in spite of a more satisfactory balance-of-payments position.

The broad principle of sales replacement which would apply at this time to the specific 56 commodities, Mr. McEwen said was that licences would be issued to each importer in accordance with his ability to sell. Mr. McEwen pointed out that his Department was already moving toward sales replacement in licensing requirements for the motor vehicle industry, and had already adopted this principle for the tobacco and tractor industries.

Mr. McEwen said it was not possible to fully implement this method of licensing immediately. It would be some little time before established importers and new importers could demonstrate their ability to sell in the competitive situation which would exist when import of the goods concerned had reached a level which would meet all current demands.

New importers desiring to begin trading in any of the 56 commodities referred to should make application to the Import Licensing Branch in Sydney before 31 August. Licensing instructions setting out the information required from new importers are available at Customs offices throughout Australia. These instructions also show how the system operated in relation to established importers.

Mr. McEwen referred also to some other changes in import licensing which will operate as from 1 August. They were the streamlining of licensing of petroleum products, an increase in the current rate of licensing of some category "A" goods and the extension of the principle of licensing on a world basis to more commodities.

Necessary procedures governing the import of petroleum products will be streamlined as from 1 August. Because of their importance to the economy petrol and some associated products are already being licensed at a level to meet the full Australian demand.

It was not proposed to introduce any general quota changes from August, but action would be taken to deal with some important commodities for which the supply was considerably less than real needs. In most cases special licences for these commodities have had to be issued during the current licensing period, and the increase in the quota level merely consolidates in quota form the existing licensing level.

Mr. McEwen said that the extension of the principle of licensing on a world basis to 16 more commodities would enable importers of these goods to obtain their supplies from the most competitive source. It represented a small but nevertheless significant relaxation in dollar restrictions.

Mr. McEwen said that every effort was being made to simplify the procedure for obtaining licences. Wherever possible licences for commodities which have in the past been subject to administrative control would be issued by the Collectors of Customs without importers being required to approach the Import Licensing Branch in Sydney.

Referring to the foreign exchange cost of the liberalisation measures Mr. McEwen said that while some relatively small increase in foreign exchange expenditures might be expected as a result of the new measures, no major relaxations were considered justified at the present time. Any comprehensive review of imports must await the development of the new export season. As announced in April the Government would make this review at the end of November. The changes he had now instituted said Mr. McEwen, were in the nature of more flexible import administration designed to allow a more normal pattern of trade to develop.

ITEMS TO BE LICENSED ON A SALES REPLACEMENT BASIS

Replacement parts for agricultural, horticultural, viticultural, and dairying machines and implements.	Tea.
Replacement parts for tractors.	Coffee.
Replacement parts for earthmoving equipment.	Hog casings (i.e. World Basis).
Replacement parts for portable electric hand tools.	Fish, excluding canned fish.
Replacement parts for air operated equipment.	Chloroform.
Replacement parts for diesel engines.	Abrasive cloths.
Replacement parts for engines other than diesel.	Abrasive paper.
Replacement parts for printing machines.	Abrasive grains (i.e. World Basis).
Replacement parts for textile and cordage machines.	Corundum and emery.
Replacement parts for boot and shoe machines.	Adding and computing machines (i.e. World Basis).
Replacement parts for motor cycles.	Cash registers (i.e. World Basis).
Components for the manufacture of agricultural, horticultural, viticultural and dairying machines and implements.	Typewriters.
Components for the manufacture of tractors.	Ophthalmic instruments.
Parts, including engines being original equipment for earthmoving equipment.	Scientific instruments.
Parts for air conditioning and refrigerating machinery.	Surgical instruments.
Deaf aid appliances.	Ball and roller bearings.
Motorcycle accessories.	Tungsten carbide tool tips.
Materials for the manufacture of abrasive cloths and papers.	Spectacle lenses.
Materials for manufacturing and packaging cigarettes and tobacco.	Synthetic oils.
	Vitreous enamels.
	Bronzing and metal powders.
	Titanium dioxide.
	Ferrous alloys (i.e. World Basis).
	Nitrate of Soda.
	Rock phosphate.
	Manures.
	Raw cotton (i.e. World Basis).
	Natural fibres other than jute or flax.
	Dyes, dry or in paste form, for manufacturing purposes.

Other Dyes.	Acrylic sheet.
Dry colours.	Granulated cork.
Whiting and paris white.	Cork rings, cork bungs, etc.
Ultramarine blue powder.	Pulp for paper manufacture (i.e. World Basis).

NEW ITEMS TO BE LICENSED ON A WORLD BASIS

Chemicals and other raw materials for use in the manufacture of sensitised material and processing chemicals for X-ray and photographic industries.	Bentonite.
Furnace electrodes including nipples.	Empty gelatine capsules.
Welding rods.	Abrasive Grains (i.e. Sales Replacement World).
Greases.	Adding, computing machines and cash registers (i.e. Sales Replacement World).
Emery, oil and whetstone.	Statistical tabulating machines.
Boric acid.	Pencil sharpeners.
Bacteriological products.	Gas lighters.
Staves, casks and shocks.	Photo copying machines.
Last blocks and tress.	White and coloured Portland Cement excluding grey cement.
Masters, matrix and mothers for the manufacture of gramophone records.	Bitumen.
Elastic and corset cloth.	Asbestos products.
Mexican fibre.	Industrial diamonds.
Rosin.	Salmon and sardines (Dollar only).
Orlon and other synthetic tops.	Books and printed matter (Dollar only).

Items to be transferred to a World quota basis

Welding rods.	Matrices.
Greases.	Paper shaving and waste paper.
Lithographic stones.	Mexican fibre.
Boric acid.	Rosin.
	Bentonite.

ITEMS FOR WHICH QUOTAS HAVE BEEN INCREASED

Taximeters.	Spring rollers for blinds.
Edible vegetable oils excluding peanut oil.	Litmus paper and filter paper.
Sulphur chloride and Carbon Tetrachloride	Brake and transmission linings.
	Tiles.

ITEMS TRANSFERRED FROM ADMINISTRATIVE TO QUOTA CONTROL

Parts and materials for the manufacture of batteries.	Leaf and foil.
Parts and materials for the manufacture of filament and fluorescent lamps.	Sewing machines of types ordinarily used for industrial purposes.
Components and materials for the production of equipment of a type used on motor vehicles.	Speed control transmitters for industrial sewing machines.
Components for telephone equipment.	Hand grinding machines.
Components for the manufacture of motors and record changing devices and pick-ups for incorporation in gramophones, phonographs, etc.	Twist drills.
Train lighting and air conditioning equipment.	Masonry drills.
Aluminium strip and aluminium alloy strip for use in the manufacture of venetian blinds.	Woodworking machine chisel bits, augurs, mortice chains, links and guide bars.
Brass sheet and strip.	Rock drilling machines with integral cutting tips.
	Rotary and percussive hand rock drills and associated equipment.
	Balancing equipment for use with portable hand tools.
	Pneumatic portable hand tools excluding spray and grease guns etc.