AUSTRALIA GRANTED WAIVER TO INTRODUCE PREFERENTIAL DUTIES ON IMPORTS FROM LESS-DEVELOPED COUNTRIES

In May 1965 Australia applied for a waiver from the most-favoured-nation rule to allow Australia to introduce preferential rates of duty on imports of specified manufactured and semi-manufactured products produced in less-developed countries. The request was referred to a working party. The report of the working party, together with a draft waiver, was considered by the Contracting Parties at their meeting on 28 March 1966. The Contracting Parties, by a substantial majority, decided to grant the waiver.

Under the terms of the waiver the new preferential duties will apply to all less-developed countries which need such assistance in respect of the products concerned, in order to compete in the Australian market. Safeguards are incorporated against serious detriment to Australian industries and also against disruption of the trade of existing suppliers to the Australian market. Accordingly, imports from less-developed countries at the new preferential rates will be subject to tariff quotas. The waiver provides for notification by Australia of any intention to vary any details of the scheme and for consultation with interested contracting parties before the change is actually introduced. The Contracting Parties will review annually the operation of the waiver.