The Government of the Union of South Africa, has transmitted the attached statement, made by the Minister of Economic Affairs on 23 November 1960, for the information of the contracting parties:

"1961 POLICY STATEMENT BY THE HONOURABLE
THE MINISTER OF ECONOMIC AFFAIRS"

"Following the recent discussion by the Economic Advisory Council of the foreign exchange prospects for the immediate future the Government has decided to exercise a measure of caution with the issuing of import permit allocations for the coming year until such time that more clarity exists regarding foreign exchange earnings and expenditure.

"No major changes in the existing import control policy are contemplated but as permits for the importation of consumer goods as well as raw materials and other goods were so freely issued this year, it has been decided, as was the case in 1959, which also followed on a year of considerable imports, to make initial issues for 1961 on a lower level than for 1960.

"The initial allocation for group B consumer goods, (i.e. goods which are, generally speaking, freely available from local production) will be on a level of 25 per cent of the assessment basis compared with the 40 per cent issued for 1960 while those for group A consumer goods (i.e. goods which are not available from local production to any appreciable extent), raw materials and other essential goods will be on a basis of 50 per cent of the permits issued up to the end of August for this year.

"As is customary, further allocations for group B consumer goods will be considered in the course of next year."
"Importers' reasonable requirements for group A consumer goods, raw materials and capital goods, will be met, having due regard, as at present, to the local availability of these goods.

"As regards motor vehicles, with the exception of luxury motor cars with an f.o.b. cost exceeding £800 when new, the importation of which is prohibited, the issue of permits on the basis of the replacement of retail sales will continue having due regard to stocks on hand."