References in paragraph 2 of document L/257 to recent changes in the system of import licensing in Australia could give rise to misunderstanding about the nature and effect of these changes.

Details of the changes were announced by the Acting Minister for Trade and Customs in Canberra on 30 September, 1954, and the text was circulated to contracting parties as L/244. The statement made it clear that no intensification of import restrictions was intended or involved.

Goods in the B Category, the restrictions on which have been relaxed progressively over the past two years, are to remain on a licensing basis of 60% of imports in the base year 1950/51 - the same level as before the Acting Minister's announcement.

During the licensing year 1954/55 (1 April, 1954 to 31 March, 1955) goods which were licensed on a no quota restriction basis from 1 April, 1954, will be licensed on the basis of 100% of imports in the base year (except for certain materials which will continue on a N.Q.R. basis). Those goods include practically all goods which were in A Category before 1 April, 1954. Since goods formerly in the A Category were licensed before 1 April on the basis of 90% of the base year, importers will be able to obtain in the current licensing year licences to a value rather more than 10% greater than their previous quotas. It is calculated that on the new basis imports in 1954/55 of the goods concerned will be approximately £300 m. as compared with £250 m. in 1953/54.