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.
Replacement parts for agricultural, horticultural, viticultural, and dairying machines and implements.
Replacement parts for tractors.
Replacement parts for earthmoving equipment.
Replacement parts for portable electric hand tools.
Replacement parts for air operated equipment.
Replacement parts for diesel engines.
Replacement parts for engines other than diesel.
Replacement parts for printing machines.
Replacement parts for textile and cordage machines.
Replacement parts for boot and shoe machines.
Replacement parts for motor cycles.
Components for the manufacture of agricultural, horticultural, viticultural and dairying machines and implements.
Components for the manufacture of tractors.
Parts, including engines being original equipment for earthmoving equipment.
Parts for air conditioning and refrigerating machinery.
Deaf aid appliances.
Motorcycle accessories.
Materials for the manufacture of abrasive cloths and papers.
Materials for manufacturing and packaging cigarettes and tobacco.
Tea.
Coffee.
Hog casings (i.e. World Basis).
Fish, excluding canned fish.
Chloroform.
Abrasive cloths.
Abrasive paper.
Abrasive grains (i.e. World Basis).
Corundum and emery.
Adding and computing machines (i.e. World Basis).
Cash registers (i.e. World Basis).
Typewriters.
Ophthalmic instruments.
Scientific instruments.
Surgical instruments.
Ball and roller bearings.
Tungsten carbide tool tips.
Spectacle lenses.
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.
Dry colours.
Whiting and Paris white.
Ultramarine blue powder.

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.

Furnace electrodes including nipples.
Welding rods.
Greases.
Emery, oil and whetstone.
Boric acid.
Bacteriological products.
Staves, casks and shocks.
Last blocks and trees.
Masters, matrix and mothers for the manufacture of gramophone records.
Elastic and corset cloth.
Mexican fibre.
Rosin.
Orlon and other synthetic tops.

Items to be transferred to a World quota basis

Welding rods.
Greases.
Lithographic stones.
Boric acid.

Bentonite.
Empty gelatine capsules.
Abrasive Grains (i.e. Sales Replacement World).
Adding, computing machines and cash registers (i.e. Sales Replacement World).
Statistical tabulating machines.
Pencil sharpeners.
Gas lighters.
Photo copying machines.
White and coloured Portland Cement excluding grey cement.
Bitumen.
Asbestos products.
Industrial diamonds.
Salmon and sardines (Dollar only).
Books and printed matter (Dollar only).
ITEMS FOR WHICH QUOTAS HAVE BEEN INCREASED

- Taximeters.
- Edible vegetable oils excluding peanut oil.
- Sulphur chloride and Carbon Tetrachloride.
- Spring rollers for blinds.
- Litmus paper and filter paper.
- 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 manufacture of filament and fluorescent lamps.
- Speed control transmitters for industrial sewing machines.
- Components for the manufacture of a type used on motor vehicles.
- Hand grinding machines.
- Components for telephone equipment.
- Twist drills.
- Components for the manufacture of equipment of a type used on motor vehicles.
- Masonry drills.
- Components for telephone equipment.
- Rock drilling machines with integral cutting tips.
- Components for the manufacture of motors and record changing devices and pick-ups for incorporation in gramophones, phonographs, etc.
- Rotary and percussive hand rock drills and associated equipment.
- Train lighting and air conditioning equipment.
- Balancing equipment for use with portable hand tools.
- Aluminium strip and aluminium alloy strip for use in the manufacture of venetian blinds.
- Pneumatic portable hand tools excluding spray and grease guns etc.
- Brass sheet and strip.