I. Legal and administrative basis of the restrictions

1. The balance-of-payments import restrictions of the Union of South Africa are being applied pursuant to the powers conferred on the Minister of Economic Affairs by Section 24(1) of War Measure No. 146 of 1942 (Proclamation No. 319 of 1942), read with War Measure No. 75 of 1945, (Proclamation No. 226 of 1945).

2. The relevant regulations provide that the Minister may, from time to time by notice in the Government Gazette, prohibit, restrict or regulate imports into or exports from the Union of South Africa.

3. Since the war these regulations have been revalidated from time to time. The present period of revalidation expires on 30 June 1962.

II. The methods used in restricting imports

4. Only one type of import permit, valid for imports from all sources, is issued in respect of all imported goods subject to permit. The issue of an import permit carries with it the assurance that the foreign exchange to effect the importation in question will automatically be made available by the commercial banks against presentation by the importer of the appropriate shipping documents.

5. Since the end of 1959, the import control system distinguishes between the following broad categories of imports:

   (i) goods which may be imported without an import permit (see Annex A);

   (ii) goods which may be imported only under permit, but for which no specific annual quotas are granted to individual importers, and licences are issued to cover importers' full requirements (see Annex B); and

   (iii) goods which may be imported only under permit and the importation of which is governed by specific quotas annually granted to individual importers (see Annex C).

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1 Provisional text, subject to correction or modification by the South African authorities.

2 The lists of products in Annexes A, B and C are as modified by Government Notice No. 1999 of 9 December 1960 and are valid for the import controls in 1961.
III. Treatment of imports from different sources

6. South Africa's import restrictions do not distinguish between sources of supply. Permits are valid for all countries, and the selection of source of supply is left entirely to the importer. Shares in import quotas are not allotted to any particular country, either by unilateral action, special arrangement or negotiation.

IV. Commodities or groups of commodities affected by the various forms of restrictions

(i) Goods which may be imported without permit

7. Details of these goods appear in Annex A to this document. Based on 1959 import figures, it is estimated that imports of goods in this category amount to approximately 25 per cent of the country's total imports.

(ii) Goods subject to import permit without the fixing of annual quotas for individual importers (i.e. goods in respect of which importers' full requirements are licensed)

8. Details of these goods appear in Annex B to this document. Broadly speaking these goods are divided into three groups, namely:

(a) raw materials, industrial plant and machinery as well as certain other goods required for the maintenance of industry;

(b) motor vehicles\(^1\) and motor vehicle components; and

(c) other goods, including certain types of consumer goods.

9. Based on 1959 import figures, it is estimated that imports of the goods appearing in Annex B to this document amount to approximately 68 per cent of the country's total imports.

(iii) Goods subject to import permit for which annual quotas are granted to individual importers

10. Details of these goods appear in Annex C to this document. The articles falling in this category have been considerably reduced by the exclusion therefrom of the articles now grouped under paragraph 4(ii) (c) above, in respect of which the full requirements of importers are being licensed.

\(^1\) Except luxury motor cars with an f.o.b. cost exceeding £800 when new, the import of which is prohibited.
11. Up to the present, no quotas have been fixed for certain books and periodicals, pintables, novelty tables, juke boxes etc., and luxury motor cars of an f.o.b. value in excess of £800 when new.

12. Certain types of office machines are in this category of goods for the purpose of special control relating to the introduction of the decimal system, but the full requirements of importers are licensed in accordance with the demand for the machines handled by them.

13. Imports of the goods described as "general merchandise" in Annex C to this document are subject to annual quotas. Such quotas are granted also to new importers, and the quotas of existing importers have been adjusted with a view to bringing them into line with their current turnovers. An upward adjustment of quotas was made in 1960 in favour of existing importers whose 1959 turnovers exceeded those of previous years.

14. Allocations for this category of imports are granted to importers generally by instalments in the light of the balance-of-payments situation, supply and demand, etc. An initial allocation is usually made in the last quarter of the year for the next calendar year, to be supplemented by supplementary allocations as appropriate. The initial allocation for Group B goods (i.e. goods included in Annex C which are, generally speaking, freely available from local production) for 1961, assumed in November 1960, was at a level of 25 per cent of the assessment basis. Group A consumer goods (i.e. goods which are not available from local production to any appreciable extent) raw materials and other essential goods were given an initial allocation of 50 per cent of the value of the permits issued up to the end of August 1960.

15. Based on 1959 import figures, it is estimated that imports of the goods appearing in Annex C amount to approximately 7 per cent of the country's total imports.

V. Use of State trading or government monopoly in restricting imports

16. Some of the agricultural marketing boards established under the Marketing Act of 1937 have been granted exclusive responsibility for arranging importations, where necessary, of certain commodities falling under their control. These import arrangements do not, however, constitute part of South Africa's balance-of-payments import restrictions.

VI. Measures taken in the last year in relaxing or otherwise modifying the restrictions

17. South Africa's import restrictions were considerably relaxed towards the end of 1959 by the transfer of the goods mentioned in 4(ii)(c) to the group of goods in respect of which importers' full requirements are being licensed. A more elastic procedure was introduced in 1960 for the establishment of import quotas in respect of the commodity group "general merchandise" which not only provides for the allocation of quotas to new importers but also for an adjustment of the quotas of existing importers with a view to bringing them into line with the latter's current turnovers.
18. Following the discussion by the Economic Advisory Council of the foreign exchange prospects for the immediate future, the Government decided in November 1960 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. As permits for the importation of consumer goods as well as raw materials and other goods had been freely issued in 1960, it was decided to make initial issues for 1961 on a lower level than for 1960. As mentioned above, the initial allocation for Group B consumer goods (Annex C) was made 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 (see Annex B, List 3), raw materials and other essential goods were on a basis of 50 per cent of the permits issued up to the end of August for 1960. It was indicated that, as was customary, further allocations for Group B consumer goods would be considered in the course of 1961. Importers' reasonable requirements for Group A consumer goods, raw materials and capital goods, could be met, having due regard to the local availability of these goods.

19. 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 was prohibited), the issue of permits on the basis of the replacement of retail sales would continue having due regard to stocks on hand.

20. Other changes in the licencing schedules for 1961 are:

(a) the transfer of fertilizers from the quota-restriction category (Annex C) to the full-requirements category (Annex B, List 1);
(b) the deletion of jute grain bags and rice from the full-requirements category (Annex B, List 3);
(c) the addition of jute to the quota-restriction category (Annex C);
(d) the deletion of certain minor items and the addition to the quota-restriction list (Annex C) of a comprehensive item covering all other items not mentioned in the other lists.

VII. Effects of restrictions on trade, and general policy in the use of restrictions for balance-of-payments reasons

(New statement to be supplied by the Government of the Union of South Africa.)

List of Annexes

A - Imports free of licensing control
B - Imports subject to import permits without quota limitations
C - Imports subject to import permits and quota restrictions
1. Goods exempt from import permit

(a) Goods in transit through South Africa.

(b) Goods being household or personal effects (excluding motor vehicles) imported by any person who arrives or who has arrived in South Africa for a temporary period or to settle therein if the goods are to be used by the said person in South Africa and are not for re-sale.

(c) Goods being a bona fide gift not exceeding 11 lbs. in weight and £5 in value.

(d) Samples of no commercial value received free of charge.

(e) Goods imported from Basutoland, Swaziland, or the Bechuanaland Protectorate.

(f) Goods imported from the Federation of Rhodesia and Nyasaland if such goods were grown, produced or manufactured in that country.

(g) Goods imported for repair or processing in South Africa, and return provided ownership remains vested in the original exporter to South Africa.

(h) Empty containers which originally contained goods exported from South Africa and returned free of charge to the original exporter in South Africa.

(i) Goods, the property of a South African resident, returning to South Africa after an absence of not less than fourteen days and required for his personal use or the use of his family, provided the total value thereof does not exceed £100 and provided the goods accompany the South African resident on his return.

(j) Printed bona fide advertising matter supplied free of charge.

2. Other goods which may be imported without permit

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex 13</td>
<td>Raw coffee</td>
</tr>
<tr>
<td>45</td>
<td>Tea</td>
</tr>
<tr>
<td>71</td>
<td>Laces, lace curtaining, lace flouncing and lace embroidery in the piece, or in the form of insertions or medallions.</td>
</tr>
<tr>
<td>Item No.</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>Ex 72)</td>
<td>Waterproof interlining and rubberized piece-goods.</td>
</tr>
<tr>
<td>Ex 73)</td>
<td>Tracing cloth.</td>
</tr>
<tr>
<td>Ex 87)</td>
<td>Caps, rivets and eyelets; eyelets, eyes and hooks.</td>
</tr>
<tr>
<td>Ex 113)</td>
<td>Waistbanding in the piece.</td>
</tr>
<tr>
<td>Ex 259)</td>
<td>Elastic, tape, braid, webbing and ribbon, bindings, cloth labels and tabs with woven inscriptions. Belt backing, textile trimmings and motifs, fringing, edging and insertion, elastic trouser bands and bindings, cap peaks and shapes of peaks, of rubber, fibre, patent leather and/or plastic and cap and hat sweatbands and chevrettes of leather and/or imitation leathers; adjustable shoulder straps for women's underwear; suspender and and grips, slides and buckles; plain single piece shirt studs other than metal, ordinarily used in the clothing industry; needles (all kinds); buckles (other than ornamental) and metal fasteners therefor; buckles slides, including shoulder straps slides and links; buttons; metal fasteners for buttons; button and buckle moulds; dies and cutters; hooks, hooks and eyes; hooks and bars and waist hooks; eyeletted tape; hook and eye tape; pressed button tape; loops and loopings for the overall and clothing industry; pins; pyjama girdles; dressing gown girdles and cord; snap fasteners; safety pins; pads and shields; sprat heads; thimbles; trouser clips and slides; whalebone and other supports, including those of celluloid and plastic.</td>
</tr>
<tr>
<td>Ex 73)</td>
<td>Buttonhole gimp.</td>
</tr>
<tr>
<td>Ex 335)</td>
<td>Elastic fabrics, not woven or knitted.</td>
</tr>
<tr>
<td>Ex 77)</td>
<td>Welts and/or knitted ribbing.</td>
</tr>
<tr>
<td>Item No.</td>
<td>Description</td>
</tr>
<tr>
<td>----------</td>
<td>-------------</td>
</tr>
<tr>
<td>Ex 73</td>
<td>Separable slide fasteners and parts; adjustable slide fasteners.</td>
</tr>
<tr>
<td>Ex 76</td>
<td>Raw cotton including linters.</td>
</tr>
<tr>
<td>Ex 76</td>
<td>Woven or knitted piece-goods, including elastic fabrics and embroidered piece-goods, excluding circular knitted piece-goods.</td>
</tr>
<tr>
<td>Ex 77</td>
<td>Yarns, threads and twists.</td>
</tr>
<tr>
<td>Ex 78</td>
<td>Woven or knitted piece-goods, including elastic fabrics and embroidered piece-goods, excluding circular knitted piece-goods.</td>
</tr>
<tr>
<td>Ex 79</td>
<td>Yarns, threads and twists.</td>
</tr>
<tr>
<td>Ex 80</td>
<td>Yarns, threads and twists.</td>
</tr>
<tr>
<td>Ex 77</td>
<td>Wool fibre, raw wool and wool tops and dyed wool tops.</td>
</tr>
<tr>
<td>Ex 78</td>
<td>Man-made staple fibres.</td>
</tr>
<tr>
<td>Ex 79</td>
<td>Jute piece-goods (excluding bagging or sacking, hessian and tarpaulin).</td>
</tr>
<tr>
<td>Ex 118</td>
<td>Spare parts and needles for industrial sewing and knitting machines.</td>
</tr>
<tr>
<td>Ex 140</td>
<td>Sewing machines, not being industrial machinery, of a free-on-board cost not exceeding £2.10s. each; needles and spare parts for all domestic sewing machines.</td>
</tr>
<tr>
<td>189</td>
<td>Anti-friction and lubricating grease.</td>
</tr>
<tr>
<td>195</td>
<td>Motor spirit.</td>
</tr>
<tr>
<td>335</td>
<td>Additives for motor spirit.</td>
</tr>
<tr>
<td>199</td>
<td>Oils, lubricating.</td>
</tr>
<tr>
<td>Ex 200</td>
<td>Paraffin, crude oil, transformer oils and fuel oils.</td>
</tr>
<tr>
<td>Ex 281</td>
<td>Atlases, charts, globes and maps.</td>
</tr>
<tr>
<td>259</td>
<td>Typewriter erasers.</td>
</tr>
<tr>
<td>264</td>
<td>Typewriter erasers.</td>
</tr>
</tbody>
</table>
Ex 284 Books, printed, and printed music, newspapers and periodicals, n.e.e. but excluding the following:

Foreign unauthorized prints of any British or Union copyright works the importation of which is prohibited; advertising matter elsewhere enumerated; magazines and periodical publications of a class or kind embracing science-fiction, fantastic stories, screen, detective, sex, western, love and true or confession stories and similar publications; publications, commonly known as "comics"; publications which present the narrative mainly in pictorial form; and back numbers of magazines and periodical publications of whatsoever nature, shipped on a date more than two months from date of issue.

Ex 291 Duplicating machine ink.

Ex 295 Tracing paper.

Ex 296 Printed whalebone and other collar supports including those of cardboard, celluloid and plastic, and collar packing pieces of celluloid, plastic, cardboard and/or reinforced cardboard.

Ex 296 Printed envelopes in which paper dressmaking patterns are imported.

Ex 296 Printed cloth labels and tabs; dressmaking pattern catalogues.

Ex 296 Stencil sheets for duplicating.

Ex 118 Paper dressmaking patterns, with printed instructions; knitting leaflets; technical leaflets; paper transfers for hosiery manufacture; printed pattern paper for clothing industry.

Ex 297 Pen nibs, pen holders, drawing pins, wooden pencils' refill leads and woodcased crayons.

Ex 146 Drawing and mathematical sets; set squares; protractors, school rulers; set squares, compasses, dividers, and protractors of cheap school type.

Ex 335 Plain paper patterns for dressmaking; tailor's chalk; plastic sheeting in rolls other than foam plastic; jute paddings.
GOODS SUBJECT TO IMPORT PERMIT WITHOUT THE
FIXING OF ANNUAL QUOTAS TO INDIVIDUAL IMPORTS,
(I.E. GOODS OF WHICH IMPORTERS' FULL REQUIRE-
MENTS ARE BEING LICENSED).

1. Raw materials, industrial plant and machinery, etc.

   Agricultural machinery, apparatus, appliances and implements
   Aeroplanes, gliders and other aircraft
   Artists' materials
   Bitumen and asphalt
   Butchers' equipment and supplies, viz.:

      (i) Bacon slicers
           Meat saws
           Mincing machines
           Butchers' blocks and other items of
           butchers' machinery

      (ii) Sausage casings

   Dairy utensils and machinery
   Disinfectants
   Drugs (finished), medicinal preparations and
   medicines other than ethical preparations
   Drugs (finished), medicinal preparations and medicines,
   ethical preparations only
   Earthmoving plant and equipment and roadmaking plant
   and equipment
   Fencing materials
   Farm lighting plants
   Fire-fighting equipment
   Hearing aids
   Industrial plant and equipment
   Insecticides
   Fertilizers
   Liquor, viz:

      (i) Spirituous liquor
      (ii) Ale, beer, cider, perry, stout
      (iii) Wines

   Life-saving equipment, viz.:

      Life-belts, life-buoys, and other life-saving
      (including mine rescue) apparatus, gas masks
      and anti-gas clothing

   Lifts and hoists
Meters, viz.:

Water meters, electricity meters, air meters and gas meters.

Medical, surgical and dental requirements, viz.:

(i) Surgeons' and medical instruments, appliances and accessories; chiropodists' materials and instruments.

(ii) Dressings, bandages (rubber bandages, rubber sheeting, elastic stockings).

(iii) Artificial limbs and appliances, artificial eyes.

(iv) Dental instruments and materials, including artificial teeth.

(v) Electro-medical appliances.

(vi) X-ray equipment, accessories and X-ray film.

(vii) Soothers, teething necklaces, safety sponges, feeding bottles and tooth, nail, shaving and throat brushes, invalid chairs.

Optical goods, viz.:

(i) Spectacles, eyeglasses, optical appliances and sunglasses.

(ii) Binoculars, field glasses, opera glasses, telescopes.

Petrol pumps
Raw materials, consumable stores and maintenance spares for industry
Scientific and laboratory apparatus, instruments and equipment
Steel safes and strong-room doors
Stapling machines and wiring machines
Survey instruments and equipment

Tractors, viz.:

(i) Agricultural tractors
(ii) Attachments for agricultural tractors
(iii) Industrial tractors
(iv) Attachments for industrial tractors
Trawl nets and other commercial fishing nets
Tower bells
Tools not being agricultural implements or machine tools
Weighing machines, scales and balances (not being laboratory instruments)
Veterinary instruments, appliances and remedies
Maintenance spares, consumable stores and accessories for all the above-mentioned goods
Spares and accessories for motor vehicles, motor cycles, motor scooters and mopeds
Spares and accessories for pedal cycles
Consumable stores and accessories for office machines

2. Motor vehicles and motor vehicle components

(i) CKD material for the local assembly of motor cars
(ii) CKD material for the local assembly of commercial vehicles and trucks
(iii) Motor cars, built up, whether new or used of a f.o.b. cost not exceeding £800 when new
(iv) New and unused commercial vehicles and trucks
(v) New and unused motor cycles, motor scooters, mopeds and auxiliary engines

3. Other goods, including certain types of consumer goods

Animals, living.
Books, viz.:

(i) Directories, guide books, year books, chemists' prescription books, catalogues, price lists and trade publications

(ii) Pocket diaries and refills

Clocks and watches, excluding gold and silver cased.
Clothing, viz.:

(i) Secondhand overcoats
(ii) Handkerchiefs and handkerchiefs in the piece
(iii) Infants' knitted outerwear not exceeding 20 inches chest measurements, infants' nightwear not exceeding 27 inches in length, infants' petticoats not exceeding 18 inches in length, bibs and feeders

Crockery and glassware, viz.:

(i) Household crockery (excluding ornaments) provided no single item exceeds a f.o.b. cost of 3s.
(ii) Household glassware (excluding ornaments) provided no single item exceeds a f.o.b. cost of 3s.
Domestic equipment, viz.:

(i) Vacuum cleaners and vacuum cleaner/floor polisher combinations
(ii) Hedge shears, pruners and secateurs
(iii) Oil lamps and lanterns, L/P lamps and lanterns, L/P gas heaters, paraffin and petrol irons, metal torches (excluding batteries)
(iv) Food mincers, food mixers, vacuum flasks
(v) Cutlery, spoons and forks (including blanks), scissors (excluding gold or silver or gold- or silver-plated), steel carving sets, strainers, sieves, egg beaters, egg whisks, bacon slicers, graters, tin openers, skimmers, patty pans, icing sets, cake makers, padlocks
(vi) Air conditioners

Floor covering, viz.:

(i) Carpets and rugs excluding carpets in the piece
(ii) Linoleum and floorcloth (excluding linoleum with a felt base)

Foodstuffs, viz.:

(i) Kippered herrings and salted herrings
(ii) Mustard powder

Firearms, including airguns, gaspistols and humane killers and ammunition.

Film, viz.:

(i) Cinematograph films
(ii) Photographic films

Hairdressing equipment, viz.:

(i) Razors and shavers
(ii) Razor blades
(iii) Hair clippers
(iv) Hair dryers
(v) Shaving brushes
(vi) Barbers' rubber combs

Horticultural requirements, viz.:

(i) Flower seeds, bulbs and tubers
(ii) Vegetable seeds and pasture seeds
Hotel kitchen equipment, viz.:

(i) Dishwashing equipment
(ii) Glasswashing equipment
(iii) Vegetable peelers
(iv) Food slicers
(v) Food mixers
(vi) Expresso coffee machines

Knitting machines (industrial and domestic).

Lawnmowers, viz.:

Power driven lawnmowers

Musical instruments, viz.:

(i) Organs and harmoniums
(ii) Pianos
(iii) Gramophones
(iv) Piano accordians and harmonicas

Office equipment, viz.:

(i) Duplicating machines, addressing machines, dictating machines, reproduction machines, steel filing cabinets, typewriters, hand stapling machines and other similar office machines.

(ii) Fountain pens, ballpoint pens and refills therefor.

(iii) Self-propelling pencils, ballpoint pencils and refills therefor.

(iv) Computers, coin-counting machines and sorting machines.

Oil baize and oil cloth.

Outboard motors.

Paper, viz.:

(i) Wallpaper
(ii) Greaseproof paper and wax paper

Photographic apparatus and material, viz.:

(i) Cameras and camera accessories
(ii) Chemicals and photographic paper
(iii) Projectors, including slide projectors

Sewing machines (industrial and domestic)

Smokers' pipes
Annex C.

Goods subject to import permit for which annual quotas are granted to individual importers

Jute
Bananas
Juke boxes, pin-tables, novelty tables and amusement machines

Books and periodicals, viz.:

Foreign unauthorized prints of any British or Union copyright works the importation of which is prohibited; advertising matter not elsewhere enumerated; magazines, and periodical publications of a class or kind embracing science-fiction, fantastic stories, screen, detective, sex, western, love and true or confession stories and similar publications; publications commonly known as "comics"; publications which present the narrative mainly in pictorial form, and back numbers of magazines and periodical publications of whatever nature, shipped on a date more than two months from the date of issue.

Motor cars, built up, whether new or used, of a f.o.b. cost exceeding £500 when new.

General merchandise.

Cash registers.

Calculating machines and tabulators.

All other items not mentioned in annexes A and B above.