CONSULTATIONS UNDER ARTICLE XIV:1(g)

Communication from the International Monetary Fund on the Result of its Consultation with Australia

"I have the honour to inform you, as relevant for the CONTRACTING PARTIES in connexion with their consultation with Australia under Article XIV:1(g) of the GATT, that the Government of Australia has consulted the Fund under Article XIV, Section 4, of the Fund Agreement concerning the further retention of its transitional arrangements. The results of this 1954 consultation were as follows:

"The Government of Australia has consulted the Fund under Article XIV, Section 4 of the Fund Agreement concerning the further retention of its transitional arrangements.

"The financial year of 1953/54 in Australia was one of stability and general recovery from the crisis of 1951/52 and the state of near balance achieved by mid-1953 improved further in 1953/54 under monetary and fiscal policies designed to prevent the resurgence of inflationary pressures. Australian international reserves continued to rise during the past year, although at a slower rate than in 1952/53 but have been declining in recent months.

"The Fund notes that, during the year, the Australian Government has responded to improvements in Australia's position by relaxing restrictions. However, in view of the likelihood of decreased export earnings in 1954/55, precautionary measures have recently been taken to bring certain imports under closer control. The Fund welcomes the statement of the Australian Government that it is anxious to remove restrictions and discrimination as soon as possible.

"In concluding the 1954 consultations, the Fund has no other comments to make on the transitional arrangements maintained by Australia."