The Australian delegation is prepared to accept the decision to establish the new Group in the terms you have proposed. It will be Australia's understanding that the Group's deliberations will always be subject to the overriding authority of the Tokyo Declaration. It is also our interpretation that in the absence of any specific provisions to the contrary, the Group's deliberations are to cover all trade without exclusion of any particular category of product and that it can take into account related work being undertaken in other TNC Groups and Sub-Groups.

You have made a suggestion as to some possible guidelines for the Group's initial work programme. We note your statement that if accepted this suggestion would not be binding on delegations.

In order to avoid any misunderstanding it should be made quite clear that Australia has a basic reservation on any work under Point 5 of your proposed programme and on participation in any such work that might be carried out by the Group. We have pointed out in informal consultations and it remains our firm view that the terms of reference of existing Groups and Sub-Groups give them competence to consider the various aspects of export restrictions.