

TARIFF PREFERENCES FOR LESS DEVELOPED COUNTRIES

(Statement by Mr J. McEwen Acting Prime Minister and Minister for Trade and Industry.)

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The Government proposed to extend the scope of the Australian system of tariff preferences for selected manufactured and semi-manufactured products of less developed countries Mr J. McEwen Acting Prime Minister and Minister for Trade and Industry, announced today.

Mr McEwen recalled that this system of preferences was first introduced last year after Australia had obtained a waiver under the General Agreement on Tariffs and Trade. It would be necessary to consult that organisation again before the additional preferences were introduced.

The intention of the present proposals was to extend quite substantially the range of manufactured and semi-manufactured products covered by the system of preferences. As a result the aggregate value of preferential quotas would be increased by some 50%. In considering additional products for inclusion in the system particular regard had been paid to suggestions made by less developed countries themselves - all such suggestions had been carefully considered, Mr McEwen said.

Although it was too soon to assess the long term benefits which less developed countries might derive from the Australian preference system, there were already indications that it had stimulated interest in Australia in the products to which preferences applied. The Australian Government has, however, not viewed its initiative in the context of the limited Australian market only. It had hoped that its action might also serve as a lead to other countries.

It would be necessary for legislation to be introduced to give effect to the new preferences. Details of the commodities involved and other administrative particulars would be available when this legislation was introduced.

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