23 APR 1988

MR. MCEWEN TO LEAD AUSTRALIAN DELEGARION TO SUGAR CONFERENCE

Statement by the Rt. Hon. John McEwen Deputy Prime Minister and Minister for Trade and Industry

The Deputy Prime Minister and Minister for Trade and Industry, Mr. McEwen, left Sydney to-day to lead the Australian delegation to the International Sugar Conference which will commence in Geneva on 17th April.

Before his departure Mr. McEwen said that the conference had been convened by the Secretary-General of U.N.C.T.A.D., Dr. Prebisch, with the purpose of negotiating a new International Sugar Agreement aimed at improving the conditions of trade for sugar.

Australia was the world's second largest exporter of sugar and had a vital interest in the outcome of the conference.

Mr. McEwen said that for many years the free market for sugar had been regulated by successive International Sugar Agreements. However, in 1961, following the breach in relations between the United States and Cuba, the regulatory provisions of the then current I.S.A. were suspended. Cuba is the world's largest sugar exporter and before 1961 was the major supplier to the U.S. market.

Sugar prices had risen sharply following the dislocation of production in Cuba after 1961, but in recent years prices had declined to near disaster levels creating considerable financial distress for the sugar industries in most exporting countries, including Australia.

Mr. McEwen recalled that an earlier negotiating conference was held in 1965. At that time it had proved impossible to reach agreement and undoubtedly this had been an important factor contributing to the depressed prices which had ruled in the world free market ever since.

Since 1965 a great deal of time and effort had been expended by Australia and the other major sugar importing and exporting countries in developing a basis for a new international sugar agreement. Mr. McEwen said that some fourteen such meetings had been held under the auspices of U.N.C.T.A.D. and the International Sugar Council and it was encouraging that Dr. Prebisch felt sufficiently confident to call a new conference.

However, Mr. McEwen said a number of important and difficult issues had still to be resolved.

Mr. McEwen said that the programme of expansion which the Australian industry had embarked upon in 1963 had been completed and exports totalling nearly 2m. tons were now expected from the 1968 crop. In these circumstances the greater predictability in the export prospects for sugar which would result from an effective sugar agreement was of tremendous importance to Australia.

Mr. McEwen said that he was very pleased that Mr. J.C.A. Pizzey, Premier of Queensland, would also attend the conference as Deputy Leader of the delegation. The sugar industry was of vital importance to Queensland and Mr. Pizzey's attendance would be of great value.

Mr. McEwen explained that if he was unable to stay until the end of the conference, his place as leader of the delegation would be taken by the Minister for Primary Industry, Mr. J.D. Anthony.

The Australian delegation would also include the following senior Commonwealth and Queensland officials and advisers representing all sections of the industry:-

D.H. McKay - Deputy Secretary, Department of Trade and Industry

Sir Alan Summerville - Agent-General for Queensland in London

R.S. Livingston - First Assistant Secretary, Department of Trade and Industry

O. Wolfensberger - Chairman, The Sugar Board

E.T.S. Pearce - General Secretary, Australian Sugar Producers' Association

A.B. Henderson - General Secretary, Australian Cane Growers' Council

P.T. Wheen - Assistant General Manager, Colonial Sugar Refining Coy.

A.J. Campbell - Director, Export Development, Colonial Sugar Refining Company.