



PRIME MINISTER

FOR MEDIA

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REPORT BY COMMONWEALTH EXPERT GROUP ON PROTECTIONISM

The Commonwealth Secretariat in London has released a Report entitled "Protectionism: Threat to International Order. The Impact on Developing Countries" prepared by a Commonwealth group of independent high-level experts.

The Group of Experts was established as a result of an Australian proposal at the Commonwealth Heads of Government Meeting in Melbourne in October 1981 for a study of the impact of protectionism on developing countries.

The Report examines the effects of protection on developing countries, including the impact of tariff and non-tariff barriers on industrial and, importantly, agricultural products. It concludes that a major element in a sustainable international trading system is a fair and equitable place for developing countries. It makes clear that the present rules and procedures under the GATT have been least effective in combatting the growth of agricultural protection and non-tariff measures.

The Report reflects the anxiety expressed by Commonwealth Heads of Government in the Melbourne Communique about the trend towards increased protectionism in international trade and their common resolve to advance the dialogue between developed and developing countries. It offers an opportunity for Commonwealth consensus and leadership in discussions of these issues.

Release of the Report is timely. Commonwealth Heads of Government from the Asia-Pacific region will be meeting in Suva in October and will have the opportunity to consider the Report's findings, only a month or so before the GATT Ministerial Meeting scheduled for the end of the November.

An important contribution made the Report is the comprehensive way it has drawn together a wide range of complex and important issues.

It will, therefore also be of interest to the wider international community in its discussions and negotiations on trade policy and reform which are so fundamental to a revival in the growth of world trade and recovery of the world economy.

The Report includes many recommendations on specific measures particularly directed towards the forthcoming GATT Ministerial and the work program to which it should give rise for the decade ahead. While the details of the recommendations will be carefully studied by the Australian Government, the broad thrust of the Report's conclusions correspond to the Government's views on trade matters.

Although directed specifically at developing country trade, the Report's conclusions offer further support for the Australian initiative on protection which is on the table for consideration at the GATT Ministerial meeting. Indeed, in relation to agricultural trade the Report recommends a step-by-step approach to multilateral trade liberalisation along similar lines to the broader Australian proposal.

The Group of Experts was chaired by Sir Alexander Cairncross, a former Head of the Government Economic Service in the UK. The eleven members included Professor Richard Snape of Monash University.

I extend my appreciation to the Group for their work and in particular to Professor Snape for his valuable participation.

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