



Treaty Series No. 66 (1938)

TRADE AGREEMENT

between His Majesty's Government in the
Commonwealth of Australia and
the Japanese Government

Canberra/Sydney, July 1, 1938

*Presented by the Secretary of State for Foreign Affairs
to Parliament by Command of His Majesty*

LONDON

PRINTED AND PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE

To be purchased directly from H.M. STATIONERY OFFICE at the following addresses:
York House, Kingsway, London, W.C.2; 120 George Street, Edinburgh 2;
26 York Street, Manchester 1; 1 St. Andrew's Crescent, Cardiff;
80 Chichester Street, Belfast;
or through any bookseller

1938

Price 1*d.* net

Cmd. 5860

TRADE AGREEMENT BETWEEN HIS MAJESTY'S GOVERNMENT
IN THE COMMONWEALTH OF AUSTRALIA AND THE
JAPANESE GOVERNMENT.

Canberra/Sydney, July 1, 1938.

No. 1.

The Minister for External Affairs to the Consul-General for Japan.

Sir,

Canberra, July 1, 1938.

I HAVE the honour to inform you that the Government of the Commonwealth of Australia has decided to take the following action as on and from the 1st July, 1938, in relation to trade between Australia and Japan :—

1. During the period the 1st July, 1938, to the 30th June, 1939, the Government of the Commonwealth of Australia will permit the importation from Japan into Australia of 51,250,000 square yards of cotton piece-goods and the same quantity of artificial silk piece-goods, including staple fibre piece-goods.

2. With respect to piece-goods of cotton, artificial silk or staple fibre admissible under the items of the Australian Customs Tariff enumerated in this paragraph, the Government of the Commonwealth of Australia will, during the period of one year commencing on the 1st July, 1938, accord Japan the benefits of the Australian Intermediate Tariff and also exempt the piece-goods admissible under those tariff items from the payment of primage duty :—

105 (A) (1) (a),
105 (A) (1) (c),
105 (A) (1) (d),
105 (A) (1) (e),
105 (A) (3),
105 (A) (4),
105 (B),
105 (C),
105 (D) (1),
120 (D) (1), and
130 (B) (1).

3. It shall be understood that the decision to accord the benefits of the Australian Intermediate Tariff on the tariff items enumerated in the preceding paragraph shall not be read as binding the Government of the Commonwealth of Australia to the consolidation of the rates of duty at present specified under the Intermediate Tariff.

4. Notwithstanding the period specified in paragraph 1 any piece-goods of cotton, artificial silk or staple fibre, within the quantities specified in paragraph 1, will be admitted into Australia provided they are exported from Japan on or before the 30th June, 1939, and are imported into Australia by the 30th September, 1939.

5. The decisions expressed in this letter are dependent upon the satisfactory operation of the control system adopted in Japan with respect to the export to Australia of piece-goods of cotton, artificial silk and staple fibre, their orderly marketing in Australia, and their equitable supply to Australian nationals (merchants and manufacturers), and to Japanese nationals. Importation into Australia of Japanese piece-goods of cotton, artificial silk or staple fibre can be effected only when the said piece-goods are accompanied by an Export Control Certificate issued by the Japanese Government or by an organisation duly authorised by the Japanese Government to issue Export Control Certificates.

6. If it should appear at any time that the quantity of Australian sheep's wool to be imported into Japan during the period of one year commencing on the 1st July, 1938, will be less than 266,667 bales, the Government of the Commonwealth of Australia reserves the right, after consultation with the Japanese Government, to review the decision expressed in paragraph 1 of this letter. The said quantity of 266,667 bales shall not include any importations of Australian sheep's wool representing the difference between 600,000 bales and the quantity of Australian sheep's wool imported into Japan between the 1st January, 1937, and the 30th June, 1938.

7. For the purpose of calculating the quantities of piece-goods imported into Australia in accordance with the decision set out in paragraph 1, the following piece-goods shall be excluded:—

- (a) Calico for bag making admissible under Item 105 (A) (2) of the Australian Customs Tariff.
- (b) Staple fibre piece-goods which, because of their resemblance to woollen piece-goods, are regarded as substitutes for woollen piece-goods and charged with duty on their importation into Australia at the rates applicable to woollen piece-goods.
- (c) Piece-goods exported from Japan before the 1st July, 1938, and imported into Australia not later than the 30th September, 1938, provided such piece-goods are covered by an Export Control Certificate issued before the 1st July, 1938.

I have, &c.

W. M. HUGHES,

Minister for External Affairs.

The Consul-General for Japan to the Minister for External Affairs.

Sir,

Sydney, July 1, 1938.

I HAVE the honour to inform you that the Japanese Government has decided to take the following action as on and from the 1st July, 1938, in relation to trade between Japan and Australia :—

1. During the period of one year from the 1st July, 1938, the Japanese Government will permit the importation into Japan from Australia of such quantity of Australian sheep's wool as will correspond to two-thirds of the total quantity of sheep's wool imported into Japan from all countries during that period, and in the event that the total quantity of sheep's wool imported from all countries exceeds 500,000 bales, the Japanese Government will, with respect to the total quantity in excess of 500,000 bales, permit the importation of such additional quantity of Australian sheep's wool as will correspond to three-fourths of the total quantity in excess of 500,000 bales.

2. Notwithstanding the period specified in paragraph 1, any sheep's wool exported from Australia for which import permission has been accorded during the year ending the 30th June, 1939, but which does not arrive in Japan until after that date, will be admitted into Japan provided such sheep's wool is imported into Japan not later than the 30th September, 1939.

3. If the total quantity of Australian sheep's wool imported into Japan during the period from the 1st January, 1937, to the 30th June, 1938, is less than 600,000 bales, the difference between the actual imports of Australian sheep's wool during that period, and 600,000 bales shall be imported into Japan during the period of one year from the 1st July, 1938, in addition to Australian sheep's wool admissible under paragraph 1, and shall be excluded for the purpose of calculating the quantity of sheep's wool imported into Japan in accordance with the terms of paragraph 1 of this letter.

4. In the event that foreign exchange permits are required by law, the Japanese Government will grant the requisite exchange permits to enable the importation of Australian sheep's wool into Japan to be effected in accordance with the terms of this letter.

5. The Japanese Government will take the necessary measures for the purpose of limiting the quantity of Japanese cotton piece-goods (other than calico for bag making) and Japanese artificial silk and staple fibre piece-goods, which may be exported from Japan for importation into Australia during the period of one year from the 1st July, 1938, to the following quantities :—

	<i>Square yards.</i>
Cotton piece-goods (other than calico for bag making)	51,250,000
Artificial silk piece-goods (including staple fibre piece-goods)	51,250,000

6. The Japanese Government, having regard to the trade in cotton piece-goods and artificial silk and staple fibre piece-goods with Australia in recent years, and the interests of Japanese and Australian nationals (merchants and manufacturers) therein, will take the measures necessary to maintain orderly marketing of cotton piece-goods, artificial silk piece-goods and staple fibre piece-goods in Australia.

7. For the purpose of limiting the export of Japanese piece-goods to Australia in accordance with paragraph 5, the following piece-goods shall be excluded:—

- (a) Calico for bag making admissible under Item 105 (A) (2) of the Australian Customs Tariff.
- (b) Staple fibre piece-goods which, because of their resemblance to woollen piece-goods, are regarded as substitutes for woollen piece-goods and charged with duty on their importation into Australia at the rates applicable to woollen piece-goods.
- (c) Piece-goods exported from Japan before the 1st July, 1938, and imported into Australia not later than the 30th September, 1938, provided such piece-goods are covered by an Export Control Certificate issued before the 1st July, 1938.

I have, &c.

TORAO WAKAMATSU,

Consul-General of Japan.