help overcome the trade problems of the less developed countries and as a lead to other developed countries wishing to apply similar methods, the Australian preferential system may also be taken as indicative of the limitations and problems in this approach. Its main features may be summed up as follows from materials made public at the time of requesting the waiver from GATT: [21]

1. Preferential duties, zero in some cases, were to be introduced in favor of the less developed countries, comprehensively defined, on some sixty items.
2. Each such concession was, however, subject to a quota limit, above which regular duties would apply to imports from less developed countries.
3. These quotas added up to a total of £A6,680,000, or about $15,000,000, representing in principle the amount of goods that might enter in a year's time on a preferential basis.
4. More than 40 percent of this total was made up of items which, it would seem, were unlikely to provide the basis for any new export industries in less developed countries, at least in the near future. These included, in particular, newsprint, £A2,000,000; machinemade paper £A500,000; rubber thread, vulcanized, £A100,000; household washing machines, £A150,000; machine tools £A150,000.
5. Other, generally more likely, items thus added up to £A3,780,000, or about $8,500,000 in terms of amounts eligible for preferential treatment, made up chiefly of consumer manufactures.
6. More generally, it was indicated that the list was drawn up so as to omit "products in which less developed countries are already competitive in world markets," and that "the preferential rates should be subject to modification as producers in less developed countries become competitive."
7. On the other hand, it was also indicated that the items specified constituted an "initial list" and that other products might be added from time to time.

Unless the Australian list were to be significantly expanded, it could scarcely be said to open up major new export possibilities for the less developed countries or to provide a challenging example for other developed countries to follow. Indeed, the positive effect of Australia's action was at least partially offset by another step taken at the same time whereby it informed GATT that, in accepting the new part IV on trade and development, it would not consider itself bound by the provisions under which the developed countries undertook "to accord high priority to the reduction and elimination of tariff and nontariff barriers to products of actual or potential export interest to less developed countries" and "to refrain from increasing tariff and nontariff barriers against such products." [22]

The "Brasseur Plan"

Except for the exclusion of Hong Kong from the benefits on certain items, the Australian preferences are available to all less developed countries, broadly defined. In this respect the Australian system appears to be more generous than the "Brasseur plan," with which it has been compared, would be. This plan, named after the Belgian Minister of Foreign Trade and Technical Assistance who made the proposals to GATT in 1963, would entail negotiations with individual less developed countries to determine in each case the products to be covered, the margin and duration of preference, and the quantities eligible to benefit. If the plan were seriously looked upon as applying to most bilateral relationships between developed and less developed countries and to most items of interest in the trade, the amount of negotiation and specification required would be astronomical. Patterson

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[21] From statement and accompanying exhibits submitted by the Rt. Hon. J. McEwen, Deputy Prime Minister and Minister for Trade and Industry, to the Australian House of Representatives on May 19, 1965.
[22] From Mr. McEwen's statement of May 19, 1965.