investment regulations. Tariffs are of two kinds: preferential and general. The preferential rate, which was applied to certain imports from the U.K. until July 1, 1981, is still in effect on imports from Papua New Guinea, most but not all goods from Canada and New Zealand, and a long list of articles from Hong Kong and former British colonies and protectorates. Preferential treatment is granted also to selected imports from LDC's. The general rate of duty applies to all other countries. Under section 10, schedule two of the customs tariff, Customs authorities may waive the normal duty if local manufacturers cannot satisfy full demand or supply equivalent goods. Most such admissions are in machinery and the ruling will no doubt be widely applied to suppliers for project development.

Most tariff rates were cut 25 per cent in July 1973, and another cut of six-to-10 per cent was made on one-third of protected items in February 1977. The present government is committed to further tariff reductions over the next 15 years in line with its policy of reducing inflation and promoting structural adjustment. In January 1980, tariff levels ranged from 0 to 95 per cent, most rates being concentrated in the 15-40 per cent range. Between 1968-69 and 1976-77, the average nominal rate of tariff for manufacturing fell from 24 per cent to 15 per cent and the average effective rate of protection declined from 35 per cent to 27 per cent.

Selected commodities are now subject to a system of quotas. They include clothing, appliances, textiles, steel, electronics and automobiles. Used earthmoving, excavating and material-handling equipment; footwear and footwear materials; assembled passenger motor vehicles less than five years old; fixed resistors; certain domestic freezers; and used four-wheel-drive vehicles are subject to import licensing controls. Other non-tariff barriers include "support" values for chemicals, dumping duties, quarantine regulations, commerce regulations (trademarks, copyright, marks of origin and packaging and industrial standards) as well as voluntary restraints. In the recent Multilateral Trade Negotiations, Australia did not accede to the International Agreement on Technical Barriers to Trade or to the International Agreement on Government Procurement.

There are generally few controls on Australian exports. Limitations on the sale of uranium, oil and minerals do exist and the government can prohibit export of those products, although that power is rarely exercised. Export incentives include the Export Market Development Grants scheme, which encourages exporters and potential exporters to seek out and develop new markets; and the Exports Expansion Grants scheme, which seeks improved export performance. Other facilities, such as export insurance and export credit, are granted by the government's Export Finance and Insurance Corporation.