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## THE EUROPEAN COMMUNITY AND AUSTRALIA

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## THE EUROPEAN COMMUNITY AND AUSTRALIA

### AUSTRALIA: THE HUMAN AND ECONOMIC BACKGROUND

With a total area of 7.7 million sq. km the island continent of Australia approaches the size of the United States and far exceeds that of the European Community (1.5 million sq. km). Having a population of 14.2 million (a little more than that of the Netherlands) Australia is one of the least densely populated countries in the world. Much of the interior is desert and over 70 per cent of the population lives in the major coastal cities. Its pluralist democracy, socio-economic structure and cultural traditions place Australia, notwithstanding its geographic isolation, firmly in the same system as Western Europe, from which its population and values so largely derive.

Australia's economy has grown increasingly diversified. Till the 1950s agricultural products accounted for over 80 per cent of the country's exports. Today, agricultural exports comprise only 45 per cent of the total, with 7 per cent of the labour force being employed on the land. Wool is the foremost agricultural export (accounting for 95 per cent of production), Australia providing nearly one third of the world's wool, with beef in second place. Other major agricultural exports are wheat, dairy products, sugar and fruit. The relative decline in the proportion of agricultural exports has been due above all to the marked increase in mining and processed exports. Australia is the world's main or leading supplier of a range of minerals: iron ore, bauxite, coal as well as other minerals; indeed it is at least self-sufficient in virtually all minerals of economic importance. Possessing some 20 per cent of the western world's known uranium reserves and a net exporter of oil, Australia is expected to become a major exporter of such commodities also in the near future. Instability in other areas of the world reinforces the value of Australia as a source of these raw materials.

The manufacturing sector, employing 22 per cent of the working population, produces some 25 per cent of GNP. Principal industries are iron and steel, aluminium, shipbuilding, motor vehicles, electric equipment, heavy engineering, oil-refining, textiles, food-processing and paper.

### RELATIONS BETWEEN THE EUROPEAN COMMUNITY AND AUSTRALIA

Given its close political, cultural and economic links with the United Kingdom, and more recently with the other countries of the European Community, Australia is a natural political and economic partner for the

Nine. There is increasing recognition on the European side of the potentially great importance of this country as a future source of raw materials, and Australia looks at the Community as a significant supplier of technology and investment for its development. It is clear that the future dialogue between the Community and Australia should extend beyond trade and investment matters and cover the whole of a relationship of major significance for both sides.

#### Political relations

Australia and the Community have conducted their relations both within the multilateral framework of GATT and OECD and other international bodies, and at a bilateral level. Their relations have on occasion proved difficult, but in 1979 passed into a more promising phase when an MTN 'package' was agreed between the two partners, within which the Community and Australia set the conditions for improved access to each other's markets for various products.

Australia accredited a diplomatic Mission to the Community in 1959. Until the United Kingdom's accession to the Community in 1973, Australia's main concern was the effect which this accession would have on its trade with Britain which - despite the steady decline in their bilateral trade during the post-war period - had benefited from the system of Commonwealth tariff preference.

In the years following Britain's entry into the Community, there was a desire on both sides to reach a closer cooperation. Nevertheless there was at the same time a growing preoccupation in Canberra with Australia's mounting trade deficit with the Nine and an alleged lack of equitable access to the Community market for agricultural exports, and - on the Community side - a concern about the high level of protection of Australian industry, especially in the automobile, footwear and textile sectors. The average Australian tariff on manufactured products was then 30 per cent, compared with 9 per cent for the Community. After the first enlargement of the European Community, a series of exchanges took place between the Commission and the Australian authorities. In September 1974, Lord Soames, then the Commission Vice-President for external relations, visited Canberra where he proposed regular high-level consultations between the Commission and the Australian authorities, similar to those already held with the United States, Japan and Canada. A first round of such consultations took place at Brussels in July 1976, and a second at Canberra in March 1977. These will be followed up by Ministerial Consultations, at Canberra on 22-23

April 1980, between Mr. Wilhelm Haferkamp, Commission Vice-President of external relations and Australian Ministers. Prime Minister Malcolm Fraser has indeed termed these ministerial consultations a 'significant milestone in the development of Australia's relations with the European Community'. Leading Australian personalities have paid visits to the Commission, notably Mr. Gough Whitlam, Prime Minister (December 1974), Mr. Andrew Peacock, Foreign Minister (October 1976), Mr. Malcolm Fraser, Prime Minister (June 1977), Mr. John Howard, appointed Minister for Special Trade Negotiations with the European Community (September and October 1977) and his successor, Mr. Vic Garland (February and June 1978, and June 1979). On the occasion of his second round of talks with the Commission in 1977, Mr. Howard handed the Commission and the Member States a comprehensive Note on 'Australia's Trade and Economic Relations with the European Communities' containing Australia's proposals for changes in Community policy benefiting Australian agricultural exports. This memorandum stressed that there was a 'growing imbalance in trading opportunities' between Australia and the Community and criticised the application of export refunds to certain Community agricultural exports, providing - according to Canberra - unfair competition in third markets.

Following Prime Minister Fraser's talks with Mr. Roy Jenkins, the President of the Commission in 1977, it was agreed that many outstanding Community-Australian problems should be discussed and resolved within the international framework of the GATT Multilateral Trade Negotiations (MTNs), then under way in Geneva.

In the discussions in June 1978 between Mr. Garland and, on the Commission side Mr. Finn-Olav Gundelach, Vice-President for agriculture, and Mr. Haferkamp, the Commission stressed the advantage which the Community's offers in the agricultural sector of the MTNs could bring. In spite of reservations on the Australian side about the Community's Common Agricultural Policy, bilateral discussions continued in the GATT context. In 1979, when Mr. Gundelach visited Canberra, an understanding was reached on the remaining problems in the MTNs, subject to approval by the EC Council of Ministers and the Australian Government. On 29 May 1979 Prime Minister Fraser personally announced the success of these 'package' talks to the Australian House of Representatives. Both sides, he declared, could now look forward to a relationship less marked by difficulty and confrontation and which could lead to significantly increased trade and cooperation between the two partners. The Commission intends to open a permanent Delegation at Canberra, comparable to the Delegations already functioning at Washington,

Tokyo and Ottawa, with the objective of strengthening links between Australia and the Community as a whole.

For its part, the European Parliament maintains contacts with Australian parliamentarians and led an important debate on the Community's relations with Australia on 16 February 1979, when it discussed the report of Mr. M. Martinelli (1) on "Economic and trade relations between the EEC and Australia". In the Resolution which was adopted (reproduced as Appendix A), the hope is expressed that a system of regular parliamentary contacts will be set up in the near future. In June 1979 an Australian Parliamentary Delegation visited President Jenkins and Vice-Presidents Gundelach and Haferkamp.

### Trade Relations

During the postwar years, the European Community countries have been an important source of imports and market for exports. In the 1950's and 1960's the bulk of European trade was carried out with the United Kingdom, historically Australia's principal trading partner, but the British share has declined rapidly, more recently owing to the phasing out of the Commonwealth Preference and the inclusion of Britain in the mechanisms of the Common Agricultural Policy. Trade with Japan, on the other hand, has increased dramatically in the same period. Today the main export markets (see Appendices B and C) for Australian goods are Japan, which in 1978/79 took 29 per cent of exports (mainly wool, iron-ores and coal), the European Community with 14 per cent (chiefly metallic ores, wool, non-ferrous metals, coal, agricultural commodities), and the United States with 13 per cent of Australia's exports. Australia's main sources of imports are first the European Community, supplying (in 1978/79) 26 per cent (principally machinery, transport equipment, chemicals), then the United States with 23 per cent, and Japan with 18 per cent.

While Australian exports to the Community increased in value in the past decade by 135 per cent the Nine's exports to Australia grew much faster (by 200%). Though Australia enjoys an overall external trade surplus, its trade deficit with the Community stood in 1978/79 at about Aus. \$ 1526 million. (Appendix D).

Whereas the composition of the Community's (essentially industrial) exports to Australia has not changed appreciably in the last decade, the pattern of Australian exports to the Nine has been characterised by a sharp drop in the share of agricultural products and a parallel increase in the proportion

(1) European Parliament document No 546/78

of energy products, while the shares of manufactures and raw materials have remained stable.

#### Agricultural trade

In the course of the 1970's, particularly following the United Kingdom's accession to the Community in 1973, there was a fall in Australian agricultural exports. Between 1971 and 1976 exports of beef, sheepmeat, cereals, sugar and fresh fruit - constituting the greater part of Australia's agricultural trade with the Nine - fell by 80 per cent. Exports of the same products to the rest of the world increased in that period by 25 per cent. Special safeguard measures were applied by the Nine between 1974 and 1977 to reduce drastically beef imports from third countries, including Australia, and a drop in imports of sugar from Australia was partly caused by the Nine's commitment to accept sugar from the African, Caribbean and Pacific States under the Lomé Convention. As a result of Vice-President Gundelach's visit to Canberra in 1979, agreement on a number of outstanding issues was reached within the framework of the MTNs. Under the Accord, Australian beef, buffalo meat (exported in particular to the Federal Republic of Germany) and cheese are given improved access to the Community market by way of enlarged overall quotas, fixed shares of quotas and other measures. The Community will henceforth open an annual tariff quota of 5,000 tonnes for high quality cuts of Australian beef and 2,250 tonnes of frozen buffalo meat. The Community's recent concession regarding cheese, negotiated under the MTNs, gives Australia an annual quota comprising 2,500 tonnes of cheddar cheese and 500 tonnes of processing cheese. This concession will enable Australia to resume a trade which has been virtually at a standstill since 1973.

#### Manufactures

Under the GATT 'package' concluded bilaterally between the Community and Australia in 1979, Australian tariffs on goods constituting US \$ 295 million worth of Community imports in 1977 were cut by 25 per cent, in return for improved access to the Community market on a number of Australian agricultural products. The most important Australian concessions to the Community concerned manufactured goods, notably in the chemicals, pharmaceutical and machinery sectors.

### Minerals and energy

Already a major exporter to the Community of a wide range of minerals and energy products, Australia's raw material wealth and its security of supplies are likely in coming decades to prove factors of complementarity in trade with the European Community, which in turn can offer Australia its technology, manufactures and investment capacity.

Australia is expected in the mid 1980's to become the world's largest exporter as well as a major exporter of uranium.

Today only a modest but increasing part of Australian coal exports is sent to the Community, 6.9 million tonnes in 1978/79, out of a total of 38.9 million tonnes, whereas 25.6 million tonnes were exported to Japan.

Australia wishes to increase further its coal exports to the Community.

The Community concluded an arrangement with Australia in 1978, and subsequently extended, relating to Australian steel exports. The arrangement, which is one of a series on steel supplies, is based on traditional trade patterns. (In the case of Australia the tonnage ceiling was fixed at 450,000 tonnes per annum).

Present production of uranium is relatively low (approximately 500 tonnes in 1979, out of a total annual production in the Western world of 76,000 tonnes). In 1979 the Australian authorities approved the major Roxby Downs project in South Australia, which will substantially increase output of both uranium and copper. Uranium exports to the Community (and to other third countries) will be subject to the prior conclusion of safeguards arrangements. An agreement between Euratom and Australia is now under negotiation.

### Community Investment in Australia

Developments in the mineral, oil, gas and manufacturing industries, coupled with the Government's current investment policies, make Australia particularly interesting to investors from the countries of the European Community. Foreign investment in Australia has traditionally flowed from sources in the United States, Britain and increasingly, from Japan (see Appendix G). However other European Community countries, notably the Federal Republic of Germany, have also made substantial investments in the mining, manufacturing and service sectors (see Appendix G). The flow of overseas capital into Australia grew from Aus. \$ 87 million in 1975/76 to Aus. \$ 2,851 million in 1978/79, and major investment projects in the next few years are estimated at Aus. \$ 30 thousand million.

The Government today actively encourages the participation of foreign capital in Australia's economy. This policy, administered by the foreign Investment Review Board, seeks to strike a balance between the potential benefits of long-term investments in Australia by foreign ownership and control of Australian industries and resources. Restrictions to foreign investment apply only to certain "strategic" areas such as banking, the media, civil aviation and real estate. In consequence, foreign participation in mining (other than uranium) agriculture, fishing and forestry stands in general at 50 per cent, and it is notable that for mineral exploration it is not mandatory for foreign interests to seek Australian participation although a significant level of Australian equity is encouraged. Where uranium is concerned, the general policy is to seek a 75 per cent Australian equity; however, in the development of the important Roxby Downs copper-uranium-gold deposit it has been agreed to accord a 49 per cent share to foreign equity.



APPENDIX A

Extract from EUROPEAN PARLIAMENT document PE 57-258  
"Minutes of proceedings of the sitting of 16 February 1979"

RESOLUTION

on economic and trade relations between the EEC and Australia

The European Parliament,

- having regard to the memorandum submitted by the Australian Government;
- having regard to the report of the Committee on External Economic Relations (Doc. 546/78),

1. Points out that, in its particular part of the world, Australia is a natural partner for the Community because of the close political, cultural and economic ties which have always existed between Australia and the United Kingdom and all the countries of the European Community;
2. Draws attention to the fact that, even more than in the past, the Community will have to turn to Australia for supplies of raw materials, and that Australia's natural links with Europe will make it possible for Europe to rely on an uninterrupted supply of these raw materials;
3. Believes that the Community, in the light of the close traditional bonds linking the two sides, should consider Australian requests with the greatest sympathy and, wherever possible, seek solutions which go towards meeting the requirements of the Australian economy;
4. Is of the opinion that the Community and Australia, in view of the nature of the trade problems which have arisen between the two sides, should seek appropriate solutions in the framework of the multinational trade talks in Geneva, but that this should not rule out Community efforts to improve its trade relations with Australia on a bilateral basis;
5. Believes that the Community should, in bilateral contacts, point up the opportunities there are for Australian exports of non-agricultural products; an increase in such exports could help Australia to reduce its trade deficit with the EEC;

6. Is of the opinion that the Community must view sympathetically the demand for greater access to the Community market while paying due regard to the interests of Community procedures;
7. Urges that the Community, in considering Australian requests for access to Community markets for agricultural products competing with produce from certain Community regions, also take account of the needs of the Community's farming areas following enlargement of the Community; the Community should undertake a careful study and assessment of the likely future consequences of Australian exports to the Community should the latter agree, in whole or in part, to the Australian requests;
8. Hopes that Australia will duly recognize the Community's efforts to make up for the reduction in its imports of certain agricultural products over the past few years by opening its own markets for Australian steel exports during a particularly difficult period and tripling its imports of Australian coal in the period 1973-1977, despite the large supplies of Community coal; examples bear witness to the Community's awareness of the problems facing the Australian economy and to its desire to take positive action to help restore the trade balance between the two sides in the interest of both parties;
9. Invites Australia to review its industrial policies, bearing in mind the European Community's export possibilities;
10. Draws attention to the new wave of industrial protectionism in Australia;
11. Points out the opportunities available for Community investments in Australia and the country's desire to avail itself of Community technological expertise;
12. Considers that there is scope for extending relations between the Community and Australia in other sectors besides trade;
13. Welcomes the interparliamentary contacts established so far and hopes that a system of regular parliamentary contacts will be set up in the near future;
14. Instructs its President to forward this resolution and the report of its committee to the Council and Commission and to the Australian Parliament.

Direction of Australian Exports - Values and Percentages

by Selected Trading Partners (\$ A mio - fob)

	1971/72		1972/73		1973/74		1974/75		1975/76		1976/77		1977/78		1978/79 (p)	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
European Community (9)	921	18.8	1263	20.3	1129	16.3	1336	15.3	1431	14.8	1916	16.4	1722	14.0	2005	14.1
Japan	1360	27.8	1932	31.1	2158	31.2	2456	28.1	2192	33.1	3959	34.0	3896	31.8	4111	28.9
U.S.A.	615	12.6	759	12.2	750	10.8	832	9.5	968	10.0	1009	8.7	1289	10.5	1782	12.5
A.S.E.A.N.	330	6.7	390	6.3	503	7.3	727	8.3	660	6.8	772	6.6	857	7.0	1089	7.7
New Zealand	277	5.7	326	5.2	449	6.5	529	6.1	455	4.7	580	5.0	585	4.8	750	5.3
Canada	139	2.8	165	2.7	174	2.5	289	3.3	244	2.5	280	2.4	280	2.3	272	1.9
Sub-total	3642	74.4	4835	77.8	5163	74.7	6169	70.7	6950	72.1	8516	73.1	8629	70.3	10009	70.3
Total exports	4893	100	62141	100	6914	100	8726	100	9640	100	11652	100	12270	100	14233	100

(p) Preliminary and subject to revision.

Source: Australian Department of Trade and Resources, Central Statistical Section (Australia: Pattern of Trade 1978-79)

Australian Imports - Value and Percentages by  
Selected Trading Partners (\$ A mio - fob)

	1971/72		1972/73		1973/74		1974/75		1975/76		1976/77		1977/78		1978/79 (p)	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
European Community (9)	1399	34.9	1334	32.4	1699	27.9	2389	29.6	2228	27.0	2584	24.8	2814	25.2	3526	25.6
Japan	629	15.7	739	17.9	1085	17.8	1418	17.5	1610	19.5	2150	20.7	2112	18.9	2430	17.7
U.S.A.	873	21.8	860	20.9	1348	22.2	1668	20.6	1656	20.1	2161	20.8	2312	20.8	3226	23.4
A.S.E.A.N.	97	2.4	107	2.6	195	3.2	245	3.0	317	3.8	431	4.1	557	5.0	642	4.7
New Zealand	112	2.8	130	3.2	168	2.8	184	2.3	251	3.0	320	3.1	360	3.2	425	3.1
Canada	138	3.4	134	3.3	192	3.2	217	2.7	204	2.5	292	2.8	276	2.5	384	2.8
Sub-total	3248	81.0	3304	80.2	4687	77.0	6121	75.8	6266	76.0	7938	76.2	8431	75.5	10633	77.3
Total imports	4008	100	4121	100	6085	100	8080	100	8241	100	10411	100	11167	100	13757	100

(p) Preliminary and subject to revision.

Source: Australian Department of Trade and Resources, Central Statistical Section (Australia: Pattern of Trade 1978-79)

TRADE OF THE COMMUNITY WITH AUSTRALIA

Unit = million US \$

Brackets show per cent change over previous period

Source: Eurostat

(FOB)	1973	1974	1975	1976	1977	1978	1979 (9 months)
<u>Exports to Australia</u>							
F.R. Germany	448.0	762.8 (+73)	607.7 (-20)	708.8 (+17)	915.4 (+29)	1039.3 (+13)	790.6
UK	991.7	1403.4 (+18)	1395.2 (-1)	1238.7 (-11)	1325.0 (+7)	1636.0 (+23)	1318.9
France	91.8	157.9 (+75)	154.1 (-2)	154.9 (+0,5)	180.8 (+13)	230.4 (+27)	211.8
Italy	153.4	257.7 (+69)	207.6 (-19)	260.1 (+25)	268.1 (+3)	309.7 (+16)	298.3
Belgium/Lux.	63.9	97.9 (+53)	78.8 (-20)	94.7 (+20)	106.9 (+13)	108.1 (+1)	84.1
Netherlands	85.0	142.5 (+68)	137.9 (-3)	164.6 (+19)	174.9 (+6)	181.8 (+4)	155.3
Denmark	27.5	44.6 (+65)	37.0 (-17)	38.9 (+5)	34.5 (-11)	50.8 (+48)	61.0
Ireland	14.7	27.1 (+84)	21.8 (-20)	32.2 (+48)	40.5 (+26)	42.0 (+4)	31.2
EC Total	1876.0	2893.9 (+3)	2640.1 (-9)	2692.9 (+2)	3046.1 (+13)	3598.2 (+18)	2951.2
(CIF)							
<u>Imports from Australia</u>							
F.R. Germany	285.8	409.6 (+43)	524.7 (+28)	611.8 (+17)	580.1 (-6)	589.0 (+2)	508.7
UK	840.1	730.2 (-13)	606.5 (-17)	712.2 (+17)	605.9 (-15)	648.4 (+7)	660.1
France	347.1	372.9 (+7)	322.7 (-13)	459.8 (+42)	466.1 (+1)	447.5 (-4)	422.6
Italy	229.0	242.5 (-6)	263.8 (+9)	392.7 (+49)	415.1 (+6)	410.6 (-1)	371.8
Belgium/Lux.	102.8	141.7 (+38)	150.6 (+6)	209.5 (+39)	190.0 (-9)	143.0 (-25)	150.2
Netherlands	43.8	64.6 (+47)	103.2 (+60)	120.9 (+17)	116.8 (-3)	137.7 (+18)	118.0
Denmark	12.7	10.9 (-14)	13.2 (+21)	10.7 (-19)	13.9 (+30)	20.2 (+48)	21.2
Ireland	10.8	8.4 (-22)	5.4 (-36)	6.5 (+20)	4.9 (-25)	4.3 (-12)	4.2
EC Total	1872.1	1980.8 (+6)	1990.1 (+0,3)	2524.1 (+27)	2393.6 (-5)	2400.6 (0)	2256.8
<u>Balance</u>							
F.R. Germany	+162.2	+353.2	+83.0	+97.0	+335.3	+450.3	+281.9
UK	+151.6	+673.2	+788.7	+526.5	+719.1	+987.6	+658.8
France	-255.3	-215.0	-168.6	-304.9	-286.1	-217.1	-210.8
Italy	-75.6	+15.2	-56.2	-132.6	-147.0	-100.9	-73.5
Belgium/Lux.	-38.9	-43.8	-71.8	-114.8	-83.1	-34.9	-66.1
Netherlands	+41.2	+77.9	+34.7	+43.7	+53.1	+44.1	+37.3
Denmark	+14.8	33.7	23.8	+28.2	+20.6	+30.6	+39.8
Ireland	+3.9	+18.7	+16.4	+23.7	+35.6	+37.1	+27.0
EC Total	+3.9	+913.1	+650.0 (-29)	+168.8 (-74)	+652.5 (+28)	+1197.6 (+83)	+694.6

APPENDIX E

EC EXPORTS TO AUSTRALIA (FoB)

Million Eua

	1974	1975	1976	1977	1978	Jan - June 1979
Total	2,419	2,110	2,334	2,672	2,833	1,458
Alcoholic beverages	21	21	21	29	33	14
Wines	5	5	8	9	11	2
Cheese	1	6	9	9	10	5
Tobacco	11	12	15	14	14	7
Plastics	108	63	98	101	102	52
Rubber - synthetic	48	35	43	42	40	20
Machinery	660	694	639	687	798	437
Household electrical app- liances	40	24	20	11	7	4
Ceramic tiles		9	14	13	16	9
Textiles	178	120	159	151	153	71
Clothing	12	12	14	14	16	7
Footwear	23	15	19	19	21	-
Chemicals	232	169	239	244	260	135
Perfume	6	4	7	9	10	7
Cars	189	148	199	188	197	103
Optical measuring appliances	84	79	98	109	125	65

Source : Eurostat

EC IMPORTS FROM AUSTRALIA (CIF)

Million Eua

	1974	1975	1976	1977	1978	Jan - June 1979
<b>Total</b>	<b>1,655</b>	<b>1,605</b>	<b>2,246</b>	<b>2,097</b>	<b>1,886</b>	<b>1,121</b>
Coal	105	197	182	257	243	155
Lead	138	96	154	137	139	129
Zinc	13	13	5	5	3	3
Bauxite	1	1	0.7	0.6	0.3	0.2
Copper	77	65	83	69	79	43
Nickel	35	65	81	74	53	20
Iron & Steel	34	32	89	84	69	10
Metallic ores (iron ore)	374	388	500	410	364	179
Wool	331	243	490	346	345	232
Hides and skins	95	73	152	174	158	105
Timber	9	7	9	10	12	7
<u>Agricultural</u>	63	40	53	43	64	36
Beef	37	10	14	9	19	10
Sheep	9	8	12	7	17	7
Cereals	40	71	123	148	21	12
Barley	29	49	89	119	11	8
Oats	4	7	5	11	7	-
<u>Dairy</u>	3	16	9	3	2	1
Cheese	0.1	-	0.5	-	-	-
<u>Fruit</u>	68	65	59	48	52	-
Fresh apples	19	23	14	15	9	8
Canned fruit	34	25	24	17	31	-
Pears	10	9	11	7	11	-
Dried fruit	0.4	0.2	0.4	-	0.3	-
<u>Alcoholic beverages</u>						
Wines	0.9	0.5	0.5	0.5	0.5	0.3
Spirits	-	-	-	-	-	-
<u>Fish</u>	4	3	3	5	4	2

Source : Eurostat

APPENDIX G

FOREIGN INVESTMENT IN ENTERPRISES IN AUSTRALIA ( EXCLUDING RETAINED EARNINGS),  
1972-73 TO 1978-79, IN AUS. \$ MILLION

	1972-73 to 1976-77 (annual average)		1977-78		1978-79	
	\$m	per cent	\$m	per cent	\$m	per cent
USA	107	27	381	60	484	40
Japan	79	20	189	30	244	20
UK	-7	-2	1	..	294	24
Other EEC	124	31	65	10	31	3
Canada	8	2	15	2	-8	..
Other countries	84	21	-12	-2	-5	..
Total	395	100	640	100	1208	100

COUNTRY OF PROPOSER: EXPENDITURE BY INDUSTRY SECTOR, PROPOSALS APPROVED BETWEEN  
1 JULY 1978 AND 30 JUNE 1979, IN AUS. \$ MILLION

Industry sector	US	EC			Japan	Australia	Other	Total
		UK	FRG	Other				
Agriculture, forestry and fishing	29	16	4	1	7	24	26	107
Mineral development	338	215	52	15	49	392	51	1112
Manufacturing	369	392	6	39	304	180	199	1489
Finance and insurance	42	14	6	3	-	2	10	77
Service	150	176	-	31	76	45	168	646
Real estate	4	63	1	2	-	-	20	90
Total	932	876	69	91	436	643	474	3521
Number of proposals	200	207	25	43	22	77	(304)	878

Source: Australian Foreign Investment - Review Board - Report 1979



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