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FM PARIS 171700Z

UNCLASSIFIED

TO IMMEDIATE F C O TELNO 1124 OF 17 NOVEMBER 1975

INFO E E C POSTS WASHINGTON TOKYO

FOR NEWS DEPARTMENT DUTY OFFICER  
U K ATTITUDE TO IMPORT CONTROLS

FOLLOWING IS TEXT OF ON-THE-RECORD STATEMENT MADE BY THE  
PRIME MINISTER THIS EVENING TO BRITISH CORRESPONDENTS

BEGINS

WE HAVE MADE IT CLEAR THAT WE DO NOT BELIEVE THAT A GENERALISED SYSTEM OF IMPORT CONTROLS ON BEHALF OF OUR BALANCE OF PAYMENTS OR ANYTHING ELSE IS RIGHT FOR BRITAIN. I HAVE SAID THIS MANY TIMES BOTH IN PARLIAMENT AND ABROAD. IT WOULD HAVE A SERIOUS EFFECT ON OUR EXPORTS. ONE QUARTER OF OUR PRODUCTION IS FOR EXPORT. WE HAVE REPEATEDLY EMPHASISED THE GOVERNMENT'S DETERMINATION TO CONTINUE TO DO OUR BEST TO SUSTAIN WORLD TRADE. BUT, AS WE HAVE ALSO MADE CLEAR - I DID SO MYSELF IN PARLIAMENT EARLIER THIS MONTH - WE DO NOT RULE OUT PROTECTIVE MEASURES FOR PARTICULAR INDUSTRIES SUFFERING OR THREATENED WITH SERIOUS INJURY AS A RESULT OF INCREASED IMPORTS, ON THE BASIS OF WHAT PRESIDENT FORD DESCRIBED AS PARTICULARLY ACUTE AND UNUSUAL CIRCUMSTANCES. THERE HAVE BEEN SOME SIGNS OF LETHAL ATTACKS DIRECTED TO DESTROYING TWO OR THREE SECTORS OF INDUSTRY FOR THE PERMANENT FUTURE. WE ARE NOT TALKING ABOUT LAME DUCKS BUT ABOUT INDUSTRIES THAT ARE VIABLE AND WILL BE ESSENTIAL TO THE ECONOMY WHEN WORLD RECOVERY COMES; AND PARTICULARLY IF THEIR SURVIVAL IS THREATENED BY A CONCERTED ATTACK.

/ON THE

ON THE O E C D PLEDGE AGAINST RESTRICTIVE MEASURES, THIS WAS REAFFIRMED IN MAY OF THIS YEAR, AND I DO NOT SEE THAT THE HEADS OF GOVERNMENT HAVE ANYTHING TO ADD TO THAT REAFFIRMATION. THE TWO QUALIFICATIONS THAT WE MADE IN RESPECT OF THE O E C D PLEDGE IN MAY WERE THAT FIRST THAT FINANCE TO COVER DEFICITS MUST BE AVAILABLE AND SECONDLY THAT THE STRONGER ECONOMIES MUST EXPAND TO LEAD THE WAY TO IMPROVEMENT IN INTERNATIONAL TRADE. THESE TWO QUALIFICATIONS STILL APPLY.

ENDS.

F C O PLEASE PASS COPIES TO 10 DOWNING STREET, TREASURY AND DEPARTMENT OF TRADE AND INDUSTRY.

TOMKINS

[REPEATED AS REQUESTED]

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