I

27 July 1989

Mr R Holborow First Secretary New Zealand High Commission Commonwealth Avenue CANBERRA ACT 2600

## Dear Mr Holborow

I refer to the Agreed Minute on Industry Assistance ("the Agreed Minute") signed on 21 June, 1988 at Christchurch.

Paragraph 2 of the Agreed Minute provides that from 1 July 1990, neither Australia nor New Zealand will pay production bounties or like measures on goods which are exported to the other country. The footnote to this paragraph of the Agreed Minute identifies Australian programs to which this provision will apply.

In the context of the discussions during the 1988 Review of the Australia New Zealand Closer Economic Relations - Trade Agreement I propose that, in accordance with the procedures set out in the exchange of letters of 7 and 15 December 1983, the Governments of Australia and of New Zealand mutually determine that the footnote to paragraph 2 of the Agreed Minute be amended to read:

"This would apply to the following Australian programs: books, computers, metal-working machine tools and robots, ships, ship repair and textile yarns".

If this is acceptable to your Government, I propose that this letter and your reply to that effect should constitute an understanding between our two Governments and that the footnote as amended above should apply with effect from the date of your letter.

Yours sincerely

(D J Ritchie) Director New Zealand Trade Section South Pacific, Africa, Middle East & South Asia Division 31 July 1989

Mr David Ritchie Director New Zealand Trade Section Department of Foreign Affairs and Trade Administrative Building PARKES ACT 2600

Dear Mr Ritchie

I refer to your 27 July 1989 letter which reads as follows:

[Here follows the text as set out under I].

I wish to confirm that the foregoing represents the understanding between the two Governments and that the amended footnote will take effect from today's date.

Yours sincerely

[signed]

(R T Holborow) First Secretary