



PRIME MINISTER

PRESS STATEMENT NO. 188
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EARTHMOVING, CONSTRUCTION AND MATERIALS HANDLING EQUIPMENT ETC.

The Prime Minister, Mr Whitlam, today announced the Government's decision on the Tariff Board's report on Earthmoving, Construction and Materials Handling Equipment, Etc. The Prime Minister stated that the Government had accepted the Board's recommendations, with some minor rate adjustments arising from international commitments.

The report covered a wide range of earthmoving, construction and materials handling equipment including attachments and parts.

The Government's decision to implement the Board's recommendations will mean that for the more important products the following rates of duty will apply: for loaders and backhoes 40%; for cranes 20% to 35% (the lower rate applying to cranes with a working weight in excess of 50 tonnes); engine propelled forklift trucks 30% (with the existing alternative specific rate being phased out in two stages over five years); for road rollers and road making machinery 30%; hoists, pulley tackle and other lifting devices 30% to 40%; conveyors 40% but reducing to 20% and 30% over 3 years; lifts and escalators 30%.

Although the Tariff Board's report was signed after the Government's announcement on the 25% tariff cut the existing duties referred to in the report are those applying before the reduction. Consequently, although the Board's recommended rates are in some cases lower than the rates applying before the 25% tariff cuts when compared with the rates actually operating since the tariff cuts, the rates on some products will now have been increased.

Furthermore, importers may also encounter increased duties in certain circumstances, for example, higher duties could result from the abolition of the tariff preferences which British goods have enjoyed. In some cases Britain is the main source of competition to the local industry.

Mr Whitlam said that details of the Customs tariff changes arising from the Government's decision will be announced when administrative arrangements to implement them have been finalised.

CANBERRA. A.C.T.