



## PRIME MINISTER

PRESS STATEMENT

7 December 1972



### COLOUR TELEVISION

Considerable controversy has arisen recently over Government action on the question of tariff assistance for the Australian electronics industry, regarding particularly the introduction of colour television to Australia.

The Prime Minister, Mr. Whitlam, today forwarded two references to the Tariff Board - one covering the question of assistance for colour television receivers and components and the other a review reference covering electronic and electrical goods under the tariff boards current review programme.

The decision was made after consultation with Labour's nominated Minister for Trade Dr. Cairns, the head of the Trade Department, Mr. D.H. McKay, and the Chairman of the Tariff Board, Mr. A. Rattigan.

Mr. Whitlam said that the reference on colour television requests the Board to have regard to the Government's desire that the manufacture or assembly of colour picture tubes in Australia should not be encouraged at this stage.

The Government has taken this decision because advice indicated that local production of colour tubes would be a costly operation and would undoubtedly increase substantially the level of protection which might be required. This decision by the Government will also assist manufacturers in their preliminary planning. Mr. Whitlam added that the Board had been asked to provide an early report, preferably by 30 June 1973 but no later than 30 September 1973.

As well as asking the Board whether assistance should be accorded the production of colour television receivers, Mr. Whitlam said that the Board has also been asked for advice of what rates of duty or other assistance arrangements would be needed to sustain in Australia the manufacture of colour television receivers with low, medium and high content.

Dr. Cairns said after the meeting that the review reference covered a very wide range of electronic and electrical goods. These included electronic components, electronic consumer products, telecommunications equipment, computers and automatic data processing equipment, arc welding equipment, electric motors and other industrial electrical equipment.

Dr. Cairns said he was pleased that the question of colour television had been referred promptly to the Tariff Board for early enquiry and report.

This step would enable the Board and the Government to be aware of the views of all interested parties, including manufacturers, television broadcasters and consumers.

Dr. Cairns said he was sure that the Board's advice would be of great assistance to the Government when the time comes for it to weigh up the benefits and costs of assisting the local manufacture of colour T.V. receivers.

Dr. Cairns said Australia had a well-established electronics industry which for many years had been engaged in the manufacture of components, consumer products (such as monochrome television receivers) and telecommunications and defence equipment. The industry employs about 30,000 people and has funds employed approximating \$230 million.

The advent of colour television presented both a challenge and a great opportunity to the industry.

CANBERRA. A.C.T.