



**PRIME MINISTER**

PRESS STATEMENT NO. 240

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THE CONSUMER AND COLOUR TELEVISION

The Prime Minister today referred to recent press reports that consideration was being given by Government agencies to the application of import quotas to Japanese colour television sets. The Prime Minister said that these reports did not reflect the Government's attitude.

The Government believed that the Australian consumer deserved free access to Japanese Pal television receivers subject, of course, to the tariff protection given to the local industry by the Government after the Tariff Board reported on consumer electronic equipment and components late last year. The tariff on these goods is at a relatively high level of 35%. This is the basis upon which negotiations with AWA and AEG-Telefunken are proceeding.

The Prime Minister said that two of the main objectives of the tariff assistance provided to the Australian consumer electronics industry are -

- (1) to provide the Australian consumer with a wide range of cheaper electrical goods, including colour television sets; and
- (2) to provide the basis for greater specialisation in the relevant sections of the Australian industry with consequent benefits for the nation as a whole.

Mr Whitlam said that in its report on the consumer electronics industry late last year the Tariff Board had said -

"At the recommended rates of duty on components and complete receivers the Board believes that local manufacturers in a rationalised industry would dominate the medium to large screen size market for colour television. It is in this segment that the majority of demand is expected to occur. The recommended duties are not expected to cover the cost disabilities of Australian manufacturers producing the small screen sizes of television receivers."

Mr Whitlam said that imports from Japan were expected to play a major role in meeting consumer demand for the smaller screen sized sets.

He said that the negotiations with AWA and AEG-Telefunken were an integral part of a total policy aimed at greatly improving the position of the Australian consumer, particularly in the early years of colour television. The Government's policy which provides appropriate protection for Australian workers and industry, would benefit Australian industry by encouraging it to specialise in areas where it is best able to operate.

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