



PRIME MINISTER

PRESS STATEMENT NO. 408
9 December 1974

INDUSTRIES ASSISTANCE COMMISSION REPORT FOUNDATION GARMENTS

The Prime Minister, Mr Whitlam, announced today that as a long term objective the Government has accepted the Industries Assistance Commission's recommendation in its report on Foundation Garments.

Mr Whitlam said that in view of current economic conditions and the possible employment consequences of introduction of the reduced duties recommended by the Commission at this time, the Government considered that the recommended duty rate of 25% would best be phased in and that in the case of brassieres (complete and incomplete) a tariff quota be adopted with a penalty rate of \$2.50 per garment when imports exceed a certain level, approximately 25% of the market.

Mr Whitlam said that the tariff quotas which were being introduced consistently with Australia's rights and obligations under the GATT would remain in effect for the next 12 months and that this form of assistance would be reviewed within that period as to the need for an extension of a further 12 months.

Implementation of the Government's decision will mean that in the first year existing rates of duty will be maintained for all goods under reference, subject to a tariff quota in respect of brassieres.

Mr Whitlam added that tariff quotas would apply to all imports of the products concerned cleared for home consumption after the date of this announcement. A detailed statement of Customs Tariff changes arising from the Government's decision will be issued by the Minister for Customs and Excise when arrangements have been finalised to implement the proposed changes.

The policy aspects of the administration of the tariff quotas will be the responsibility of the Minister for Manufacturing Industry who will announce detailed arrangements in the near future.