

PRESS STATEMENT BY DR. J.F. CAIRNS, ACTING PRIME MINISTER

MELBOURNE

DECEMBER, 17, 1974

There is no need for G.M.H. to threaten the Government, nor to sack thousands of workers to get action by the Government. A few weeks ago the Government had, with G.M.H. and all other sections of the industry, most extensive and constructive discussions.

A National Plan for the automotive industry was the result.

Among other things, it provided for the reduction to, and limitation of, imports to about 20 per cent of the total. G.M.H. and all others expressed complete approval.

Necessary steps were immediately taken to implement the Plan. Imports began to fall and will continue to fall.

Officials of the Department of Manufacturing Industry have been in Japan for the past few weeks and from examination of invoices and orders established that imports of Japanese cars into Australia would be halved from the 36/37 per cent level in January. This information was conveyed to G.M.H. but they persisted in taking the action that they have taken.

The consumer also has to be protected and imports must remain sufficient to represent competition for the Australian monopoly producers of motor cars.

The Australian Government also has a responsibility to Australian producers of wool, wheat and minerals. Japan is an important market and we must buy from Japan. Japan has co-operated with us in reducing imports of motor

cars into Australia. We are satisfied we will continue to receive that co-operation.

But G.M.H. threats and dismissals are not just the result of car imports into Australia.

G.M.H. threats and dismissals are a result of decisions in Detroit and they are far greater in the United States, and the same is happening in Germany and in Japan where imports are not significant.

The automotive industry all over the world is going through a basic re-construction. G.M.H. in Australia is part of this. If it wants to blame the Australian Government this may provide it with an excuse but that is no way to handle industry reconstruction problems.

G.M.H. need not threaten the Government nor the workers just before Christmas.

We will respond again and immediately. I am arranging conferences with the A.C.T.U. and the Unions, with all sections of the automotive industry and finally, I hope, with G.M.H.. We will tackle the problems of the automotive industry in Australia, not just from the point of view of reducing or eliminating import competition but so we can plan our future together.

I hope G.M.H. will respond too and not dismiss as they did yesterday every suggestion put forward by the Minister who is responsible for the industry.

A solution can be found.