

PRESS STATEMENT

ASSISTANCE TO THE AUSTRALIAN MOTOR INDUSTRY

The Acting Prime Minister, Dr. J.F. Cairns and Mr. Enderby, the Minister for Manufacturing Industry, today announced further details of the Government's plans for the Australian motor industry.

The Ministers said that consistent with the Government's desire that change in industry should be manageable, the Government has decided that the increased duty rate on CKD assembly packs, which prior to 14 November 1974 was 26%, should be phased in over a four year period on the following basis:

	CKD Pack Ad Val. Duty			
January 75	1.1.76	1.1.77	1.1.78	1.1.79
27½%	30%	32½%	32½%	35%

During the phase-in volume limitations on the import of CKD packs by assemblers will apply. These limitations which will be based on production in calendar year 1974 plus an annual growth rate of 3 per cent and will be on a company basis.

Dr. Cairns and Mr. Enderby said that there was a need for further consideration of the issues involved in determining duty rates to apply to four wheel drive and light commercial vehicles and this will be done in conjunction with the Government's examination of the IAC report on Commercial Vehicles.

The Ministers stated that the new policy for existing manufacturers will have effect from January 1975.

December 20, 1974.