PRESS STATEMENT ISSUED BY MALCOLM FRASER, M.P.,
CONCERNING SAFCOL FISH CANNERY AT PORTLAND.

As one of its Budget measures, the Treasurer announced the decision to abolish the remaining Sales Tax on all foodstuffs. The purpose of this was to make some contribution towards reducing costs of food to assist the average Australian.

Sales Tax on foodstuffs is the sort of tax which many Government supporters have disliked. They have thought essential items should not be taxed in this fashion. Since the mid 1930's, the Sales Tax had been levied on imported tinned fish but not levied on locally manufactured tinned fish. Thus, Sales Tax, for many years, gave the Fish Canning industry protection from imported competition. As far as I know, it is the only industry that has been protected by Sales Tax. It is the Government's view that the Fish Canning industry should be protected by the normal Tariff processes which are available to every other industry.

Two or three years ago, the Government established special machinery so that industries that felt that they were going to be damaged through imports could obtain emergency Tariff protection if a special authority appointed by the Government as an adjunct to the Tariff Board recommended such protection was necessary.

The procedure for obtaining this emergency protection involves an approach to the Department of Trade. If evidence of impending damage to an industry can be supplied to the Department, the Minister for Trade then recommends that industry's case to be referred to the special authority.

The special authority is appointed by Law to report its decision within thirty (30) days. If the special authority recommends a Tariff which is imposed by the Government, the industry's case must then be referred to the full Tariff Board for a full hearing which will take place a considerable time later. The emergency tariff operates until the Tariff Board has made its full report.

These procedures are available to the Fish Canning industry. I have recommended that Mr. Fowler, Managing Director of Safcol,
visit Canberra. Mr. Fowler will be visiting officers of the Depart-
ment of Trade at Canberra on Tuesday, 20th August when the industry's
case will be discussed. However, a tariff has already been imposed
on imported tinned Tuna. The Government has been able to do this
because of a suggestion made in the Tariff Board's report on
imported tinned fish presented to the Government in 1961. In that
report, the Tariff Board said that the rates of duty they had
recommended had taken in the 12½% protection granted to the local
industry by the imposition of Sales Tax on imported tinned fish.

The Tariff Board then went on to say that if, at some
future time, the general level of Sales Tax is varied, then the
tariff should be altered so that the level of protection for the
local industry would be maintained. It was as a result of this
statement that the Department of Trade took immediate action to see
that the tariff on imported canned Tuna was increased by the
equivalent of the 12½% Sales Tax which had been abolished in the
Budget.

The Tariff Board report of 1961 was mainly concerned with
the importation of tinned Tuna, therefore the Board did not make a
recommendation concerning other types of tinned fish such as pink
salmon or fish cutlets.

If the industry desires protection against the importation
of these types of tinned fish, the case will have to be referred,
in the first instance, to the special authority. If the special
authority believes the case to be reasonable, an emergency tariff
would be available within 30 days after reference to the special
authority.

These are the matters that Mr. Fowler, Managing Director
of Safcol, will be discussing on Tuesday. However, I have also been
assured by Mr. Fowler that the main imported item whose competition
he feared was tinned Tuna and this position has already been taken
care of. Safcol should have no fear for its future.

CANBERRA, A.C.T.