

Review of Australia's General Tariff Arrangements



SUBMISSION NO:

87

SUPPLEMENTARY TO:

SUBMISSION BY :

SUNBEAM CORP LTD

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April 7, 2000

General Tariff Review Inquiry
Productivity Commission
PO Box 80
Belconnen, ACT 2616
Australia

Dear Sir / Madam:

SUBMISSION: Review of Australia's General Tariff Arrangements

This submission is made by Sunbeam Corporation Limited supplier of small electrical appliances, lawn mowers and sheep shearing equipment to the Australian and export markets.

Sunbeam manufactures product in two sites, Campsie in Sydney NSW and Palmerston North in New Zealand. Importation of additionally products occurs from manufacturers throughout the world.

Over the last couple of few decades, Australian Industry moved from an insular regulated environment to one increasingly exposed to globalization. Along the way some of the tariffs meant to shield Australian industry against imports became swords that hurt the remaining manufacturers. Sunbeam's intent in this submission is to inform the Commissioner where we consider the present levels of tariff appropriate, hurtful to Australian Industry and where it would be beneficial to make a tariff change.

Company Background

Sunbeam origins date back to 1902 when the Chicago Flexible Shafts Company of the United States, later to be known as Sunbeam Corporation Inc, established the Cooper Sheep Shearing Machine Company in Sydney. The business of Cooper Sheep Shearing later became owned by Cooper Engineering Company Limited which was incorporated in 1915. In 1948, Cooper Engineering produced its first small electrical Appliance, the Sunbeam Mixmaster. In 1952, Cooper Engineering changed its name to Sunbeam Corporation Limited and moved to the Campsie site which it still occupies.

In 1970, a major diversification occurred with the acquisition of the lawnmower manufacturer Victa Mowers Pty Limited. Establishment of Victa Mowers Pty Limited occurred in 1953.

The company employs approximately 800 people in Australia and New Zealand. It manufactures appliance products, lawnmowers and pastoral products at Campsie in New South

TROY STREET
CAMPSIE, NSW 2194
AUSTRALIA

Wales. Sunbeam also imports a wide range of small electrical appliances and ride on lawn mowers for sale throughout the company's Australian distribution network.

Requests

The requests appear in three sections, unaltered general tariffs, changed general tariffs, and nuisance tariffs.

1. Unaltered General Tariffs

Sunbeam requires the following tariff items retain the tariff levels currently in place:

- Fryware,
- Kettles,
- Electric blankets
- Lawnmower engines
- Petrol driven lawnmowers
- Sheep shearing equipment including combs & cutters, overhead gear, and handpieces.

2. General Tariffs

Sunbeam would requests tariff removal from the following tariff items:

- Electric toasters,
- Electric irons.

3. Nuisance Tariffs

Many of the components used to manufacture the 2-stroke lawnmower and some of the handpiece components are not manufactured in Australia. Items that attract a nuisance tariff include:

- + 2-Stroke Lawnmower engine and Handpiece Bearings,

- + Ignition Coil and Module,
- + Specialty Steel for Handpieces,
- + Diamond rolls for grinding shearing combs,
- + Crankshafts, and
- + Specialty Steel for Combs and Cutters.

Conclusion

Sunbeam acknowledges that this governmental review relates to the global changes embarked upon by Governments throughout the world that will deliver a zero tariff rate in the industrialized world by 2010 and by 2020 a zero tariff rate in the developing world.

Sunbeam trusts that our requests for tariff retention and change will receive consideration. If any of this submission requires clarification please contact me for further details.

Sincerely,

A handwritten signature in cursive script that reads "Kevin Ryan".

Kevin Ryan
Technical Services Manager
Sunbeam Corp Ltd