CUSTOMS TARIFF AMENDMENT BILL 1985

Date Introduced: 27 March 1985
House: House of Representatives
Presented by: Hon. Barry Jones, M.P., Minister Assisting the Minister for Industry, Technology and Commerce

Short Digest of Bill

Purpose

To enact the changes to the Customs Tariff Act 1982 (Principal Act) proposed in Customs Tariff Proposals Numbers 1 to 4 of 1985.

Background

To avoid the need to introduce legislation for each change in tariff rates, and to allow tariffs to be altered when Parliament is not sitting, the rate may be altered by giving notice. When Parliament is sitting, notice of tariff changes is by means of Customs Tariff Proposals introduced into the House of Representatives. When Parliament is not sitting, notice of tariff changes is by publication in the Commonwealth Gazette. Gazette notifications are subsequently introduced into the House of Representatives as Customs Tariff Proposals. Tariff proposals are enacted by means of legislation which alters the Customs Tariff Act.

Customs Tariff Proposals Numbers 1 to 4 (1985) were tabled in the House of Representatives on 27 February 1985 and resulted from the Government's acceptance of various reports and the implementation of its industry and tariff policies. (For details of the reports and policies see Main Provisions.)

Outline

Customs Tariff Proposal No. 1 is implemented by clauses 3, 4 and 5 of the Bill; Proposal No. 2 is implemented by clause 6 and Proposals Nos. 3 and 4 are implemented by clause 7.

Main Provisions

Clause 2 deals with the date of commencement of the various sections, which are the same or later than the date
of notice of the changes. Sections 3 and 5 will operate from 26 October 1984, section 4 from 11 October 1984, section 6 from 21 November 1984 and section 7 from 1 January 1985.

Clause 3 repeals section 26 of the Principal Act, which deals with goods capable of being separated into individual items, as recommended in the Industries Assistance Commission's Report on Separate Articles Direction No. 1 (1983).

Clause 4 inserts a new Item 56 in Part 1 of Schedule 4 of the Principal Act which will remove the current duty of 2 per cent or less on goods imported for use in the construction or modification of vessels covered by the Bounty (Ships) Act 1980.

Clause 5 amends Schedules 3, 4 and 5 of the Principal Act to take account of the decision to repeal section 26 of the Principal Act and the Industry Assistance Commission's 1984 Report on Certain Consumer Electronic Equipment and Components. The amendments generally either maintain or decrease the tariff on electrical equipment (the only item that had tariff increased was colour television tubes) and ensure that there will be no substantial increase in protection resulting from the repeal of section 26 of the Principal Act.

Clause 6 arises from the Government's decision on the Steel Industry Authority's 1984 report on cold rolled strip and sheet excluding tinplate. Part II of Schedule 4 of the Principal Act is amended to exclude Brazil, the Republic of Korea and Taiwan from the lower tariff rates that apply to Developing Countries.

Clause 7 affects a wide range of substantive and administrative changes. The major substantive changes arise from the Government's decisions to implement aspects of its post-1984 motor vehicle plan, its Textiles, Clothing and Footwear Sectoral Policy, the 1984 Report of the Textiles, Clothing and Footwear Advisory Committee, and the phasing in of the Closer Economic Relations agreement between Australia and New Zealand.

The general tariff rate on passenger vehicles has been set at 57.5 per cent for those imported under a quota. It will be 94.5 per cent for 1985, while that for passenger vehicles imported without a quota will rise to 100 per cent in 1985 before falling in gradual, yearly steps to 57.5 per cent in 1992.\[1\]
The major amendments to the clothing, textiles and footwear tariffs exclude certain countries from preferential tariff rates for specific items and increase the value at which certain footwear becomes subject to quota as recommended by the Textiles, Clothing and Footwear Advisory Committee's 1984 report.

Aspects of the Closer Economic Relations agreement with New Zealand are implemented by the phased reduction of tariff duty, relative to other countries, for a wide range of clothing, textiles, footwear, electrical equipment, motor vehicles and other goods.

The major administrative changes effected by clause 7 are to amalgamate and simplify tariff classifications wherever possible, remove redundant classifications and to update the naming of countries which have recently changed their name.

For further information, if required, contact:

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References
