CUSTOMS TARIFF AMENDMENT BILL (NO.3) 1984

Date Introduced: 13 September 1984
House: House of Representatives
Presented by: Hon. J.J. Brown, M.P., Minister assisting the Minister for Industry and Commerce

Short Digest of Bill

Purpose

To amend the Customs Tariff Act 1982 to enact tariff changes introduced in Customs Tariff Proposals Nos. 5-10 of 1984, including certain Budget decisions; and to make several technical amendments.

Outline

Customs Tariff Proposals No.5 and Customs Tariff Proposals No.6 were introduced to the House on 5 April 1984 and 29 May 1984 respectively to apply from the following day. Customs Tariff Proposals Nos. 7-10 were introduced on 21 August 1984 (Budget night) and apply from various dates. Customs legislation permits levying of duties so proposed prior to their final legislative enactment, which this Bill accomplishes.

Background

Customs Tariff Proposals No.5 of 1984, operative on and from 6 April 1984, amend Schedule 1 to the Customs Tariff Act 1982. Part II, listing Declared Preference Countries, and Part III listing Developing Countries, are substituted. Changes include categorization of Antigua, Brunei and St. Christopher-Nevis as Declared Preference Countries.

The Proposals' substantive changes to the tariff include a reduction in the developing country preference margin for fireworks from the People's Republic of China, Hong Kong and Taiwan, following the Industries Assistance Commission (IAC) report into market conditions for these items.[1] Other changes implement continuation of Canada's preference margin for certain steel products, continuance of
protection for gymnasium equipment, and duty-free entry for wooden furniture components from South Pacific Forum Island countries.

Customs Tariff Proposals No.6 subjected to import licensing and to duty at 57.5 per cent, four-wheel drive vehicles other than utilities, pick-ups, or other vehicles incorporating an independent chassis.

Customs Tariff Proposals No.7 make several administrative changes, operative from 1 July 1984, including correction of a drafting anomaly relating to certain handicrafts, and removal of redundant phasing rates. Other changes ensure consistency with the nomenclature of the international Customs Co-operation Council (CCC), and introduce classification amenable to trade agreements with Canada and New Zealand for some goods.

Substantive changes in Customs Tariff Proposals No.8 follow the IAC Report into Computer Hardware and Software etc.[2] and decrease general tariff rates for ADP equipment from 5 per cent to 2 per cent generally and from 24 per cent to 15 per cent (to be phased eventually to 2 per cent) for cathode ray tube display terminals. Most rates for related equipment are decreased, excepting rates for rigid disk packs and cartridges, and several other items. The changes are associated with an amended bounty scheme for Australian production [see Bills Digests for Automatic Data Processing Equipment Bounty Amendment Bill 1984 and Bounty (Computers) Bill 1984].

Customs Tariff Proposals No.9, operative on and from 18 July 1984, restore to 30 per cent the general rate of duty applicable to a.c. motors. The change reverses a phased reduction which occurred in October 1983 and implements the Government's decision on short term assistance to Australian production following an IAC Report.[3] A bounty scheme is also proposed [see Bills Digest for Bounty (Electric Motors) Bill 1984].

Customs Tariff Proposals No.10 introduced on 21 August 1984 and operative from 8pm on that date implement indexation of customs duties on tobacco and petroleum products, in step with indexed increases in excise rates under the excise legislation applying to Australian production. Further, the proposals amend the customs tariff rates in respect of beer, manufactured cut tobacco and aviation fuels, both in the general tariff (Schedule 3) and in Schedule 5's listing of rates applicable to goods from New Zealand. The change in aviation fuel duty was described as a "cost recovery measure". The excise on beer of alcohol content in the range 1.15 per cent to 3.8 per cent ("low alcohol beer") is reduced by 8 cents per litre.[4]
The proposals do not implement the Budget decision to impose sales taxes on all wine and alcoholic cider, and to convert existing sales taxes on imported alcoholic wines to customs duties.\[5\] That substantive change was proposed in special legislation [see Bills Digest for Customs Tariff Amendment Bill (No.2) 1984].

Main Provisions

Customs Tariff Proposals authorize collection of customs duties at a specified rate for a limited time. Eventual enactment of a legislative amendment in equivalent terms is required. The present Bill repeats in six Schedules the amendments notified in Customs Tariff proposals Nos. 5-10 of 1984. Clause 2 deems the respective amendments to have commenced on the appropriate dates, extending from 6 April 1984 to 21 August 1984.

Clause 3 amends section 13 of the Customs Tariff Act 1982 with effect from 1 January 1983, the date at which the Act was proclaimed to commence,\[6\] to specify that the term "phasing rates" refers to such rates in the general tariff (Schedule 3).

Clause 4 amends section 26A to specify that indexation of duty rates is to occur on a particular day. The amendment has effect from 23 November 1983, the date on which the Customs Tariff Amendment Act (No.2) 1983 was assented to and section 26A was inserted, introducing a scheme of six-monthly indexation for excise rates.

For further information, if required, contact:

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References


