CUSTOMS TARIFF VALIDATION BILL 1978

Date Introduced: 25 May 1978
House: House of Representatives
Presented by: Hon. W. Fife, Minister for Business and Consumer Affairs

Short Digest of Bill

Purpose

To validate until 31 December 1978 duties collected under Customs Tariff Proposals Nos. 13 and 14 (1978) relating to metal working machine tools and additions to Schedule A of N.A.F.T.A., prior to formal amendments to the Customs Tariff Act.

Background

Proposals No. 13 provided for the phasing out of the present tariff on power operated metal working machine tools, which is to be replaced by a bounty on certain tools. Proposals No. 14 provided for a reduction in duty from 1 January 1978 on a further group of commodities added to Schedule A of the New Zealand Australia Free Trade Agreement.

These Proposals were introduced into Parliament on 24 May, too late to be included in the consolidated changes made in the Customs Tariff Amendment Bill (No. 2) 1978 introduced on 10 May.

Under section 226 of the Customs Act 1901, the collection of duties at the new rates set out in the Customs Tariff Proposals is protected against legal challenge for six months or until the close of the session of Parliament, whichever occurs first. If the Government does not have time to prepare and pass the legislation to amend the Customs Tariff Act before this period expires, it may temporarily cover itself by having a Customs Tariff Validation Bill passed. This is a machinery measure which takes over from s.226 pending the formal amendment of the Customs Tariff Act.

In this case, Proposals Nos. 13 and 14 are most likely to remain valid until 24 November 1978 since the "end of session" technically comes when there is an election or Parliament is prorogued, rather than, as in popular parlance, the end of a half-year sitting session. However, the Government has chosen to introduce the present Bill to extend the validation to 31 December 1978.
There is usually no debate on Customs Tariff Validation Bills.

For other details see Digest "Customs Tariff Proposals and Amendments - Notes on Legislative Process", Autumn Session 1977.

Provisions

Clause 3 provides that all customs duties demanded or collected (whether before or after the commencement of this Act) up till 31 December 1978 under the Proposals introduced on 24 May 1978 shall be deemed to have been lawfully imposed and demanded or collected.

Finance, Industries, Trade and Development Group

26 May 1978

LEGISLATIVE RESEARCH SERVICE