

How one little comma can cause big trouble

Thousands of times a day, importers lodge with Customs details about import consignments. Customs staff vet the information supplied to them as best they can, but occasionally importers lodge an incorrect declaration that slips through the controls - at least initially.

For example, if you were an importers agent, what would you do with an invoice in a foreign language that said the goods were worth "953,00" dollars and the quantity was "675,00" kilograms?

Well obviously, you might think, some stupid person or a silly computer program in the country of origin simply lost the last zero in the sequence of numbers when preparing the invoice. The solution? Put the missing zero back in to make the value read \$953,000 and the weight 675,000 kilograms.

Well, you have just caused your client about \$952,000 worth of trouble. All because the invoice was from one of those countries that doesn't use a full-stop for a decimal point. In Australia, we would have written the amount as \$953.00.

This type of problem sometimes occurs in Customs import entries. But not very often, because regular importer agents have seen this feature before. Once every 100,000 times or so. But the consequences can be quite spectacular when they do occur, because of a thousand-fold increase in values.

Officers from Customs and Australian Bureau of Statistics regularly undertake quality control checks on cases of massively

overvalued goods. They have found international comma/full-stop confusion to be one of the more common problems.

Another common problem? Look for the origin of the goods. Many international commercial invoices are far from clear, and it is often hard to work out which currency is being used. If prices in one currency are mistakenly reported as US dollars, a more than 5000-fold inflation effect can occur.

Far-fetched you say? These errors produce numbers so large that in practice no one would normally confirm them. Well, all except for one import broker who recently imported \$30,000 worth of goods and then agreed to pay \$7 million duty for them.

The Customs computer gave a warning message saying "Are you sure the value is this big?", but the broker still confirmed it. Conversations with his accounts officer later that day were, to say the least, "colourful".

