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PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
HOUSE OF REPRESENTATIVES

CUSTOMS TARIFF (MISCELLANEOUS AMENDMENTS) BILL 1987

EXPLANATORY MEMORANDUM

(Circulated by the Authority of
the Minister for Industry, Technology and Commerce,
Senator the Honourable John N. Button)

CUSTOMS TARIFF (MISCELLANEOUS AMENDMENTS) BILL 1987

OUTLINE

The purpose of this Bill is to amend the following Acts as a consequence of the introduction of the Customs Tariff Bill 1987:

- Administrative Decisions (Judicial Review) Act 1977
- Bass Strait Freight Adjustment Levy Act 1984
- Bounty (Agricultural Tractors and Equipment) Act 1985
- Bounty (Books) Act 1986
- Bounty (Computers) Act 1985
- Bounty (Electric Motors) Act 1984
- Bounty (Injection-moulding Equipment) Act 1979
- Bounty (Metal Working Machines and Robots) Act 1985
- Bounty (Ships) Act 1980
- Consular Privileges and Immunities Act 1972
- Customs Act 1901
- Customs Tariff (Anti-Dumping) Act 1975
- Customs Tariff (Stand-By Duty) Act 1985
- Excise Tariff Act 1921
- Sales Tax Assessment Act (No.5) 1930
- Sales Tax (Exemptions and Classifications) Act 1935
- Subsidy (Cultivation Machines and Equipment) Act 1986
- Subsidy (Grain Harvesters and Equipment) Act 1985.

The amendments take account of the redrafting of the sections and renumbering of the schedules and provisions within those schedules to the Customs Tariff Act, to which references are made in the various Acts.

Financial Impact

The Bill will have no financial impact.

CUSTOMS TARIFF (MISCELLANEOUS AMENDMENTS) BILL 1987DETAILED DESCRIPTION OF THE BILL

A Bill for an Act to make certain consequential amendments relating to the Customs Tariff Act 1987 and for related purposes.

Part I - Preliminary

- Clause 1 - Citation - Customs Tariff (Miscellaneous Amendments) Act 1987.
- Clause 2 - Commencement - The day on which the Customs Tariff Act 1987 commences. That Act is scheduled for commencement on 1 January 1988, however this is dependent on the international convention on the Harmonized Commodity Coding and Description System coming into force on that day.

Part II - Amendments of the Customs Act 1901Principal Act

- Clause 3 - Principal Act - Customs Act 1901.
- Clause 4 - Application - no effect on duty imposed under the Customs Tariff Act 1982 which will continue in force until Proclamation of the Customs Tariff Act 1987.
- Clause 5 - Interpretation - in accordance with current drafting practice, terms which require definition are now consolidated in one clause to the Bill:

subclause (a) defines "unmanufactured raw products". This provision was previously located within section 151 of the Principal Act.

subclause (b) defines a number of terms used in the Principal Act. These terms are also to be used in the proposed Customs Tariff Act 1987 where complementary definitions have been provided.

The terms defined include:

"tariff classification under which goods are classified" - see section 9 of the proposed Customs Tariff Act 1987.

"heading in Schedule 3 to the Customs Tariff Act 1987" - see subsection 6.(3) of that Act.

"subheading of a heading" - see subsection 7.(2) of that Act.

"item in Schedule 5" - see paragraph 8.(2)(a) of that Act.

subclause (b) also provides that words or words and figures (including the word "Free") which enable duty to be ascertained are deemed to be rates of duty - see also section 14 of the proposed Customs Tariff Act 1987.

Clause 6 - Repeals sections 151 and 151A of the Customs Act and substitutes a new section 151 which defines the criteria under which goods will be considered to be the produce or manufacture of a particular country or group of countries. Essentially this is a redrafting exercise in accordance with the Government's desire to simplify the language used in legislation in order to make it more intelligible to the general public. One change of substance has been made and that is to remove provision for Declared Preference Countries. Specific preferences for such countries are not required in the proposed Tariff but, should the need for such preferences occur in future, adequate provision exists in sections 19 and 20 of the proposed Customs Tariff Act 1987.

Clause 7 - The Customs Act is to be further amended as set out in Schedule 1 to the Bill, as follows:

subsection 4(1) - citation amendment required due to the removal of certain provisions from the Customs Tariff Act and their inclusion as a separate Customs Tariff (Installations at Sea) Act.

section 156 - citation amendment only.

paragraph 159(3)(b) - changes to valuation legislation have removed the need for reference to "costs of packages and coverings that fall within item 12 in Part 1 of Schedule 4 to the Customs Act 1982".

paragraph 161(A)(3)(c) - prior changes to valuation legislation have removed the need for reference to "costs of packages and coverings that fall within item 12 in Part 1 of Schedule 4 to the Customs Act 1982".

paragraph 267(1)(a) - citation amendment only.

subsection 269B(1) - amendment (a) - "Part 1 of" has been omitted as Schedule 4 to the proposed Customs Tariff Act 1987 is not divided into Parts.

- amendment (b) is a citation amendment only.

subsection 269B(2) - citation amendment only.

subsection 273F(2) - this change omits reference to terms used in the Customs Tariff Act 1982 and substitutes appropriate terminology in accordance with the proposed Customs Tariff Act 1987. There is no change in scope.

subsection 273H(1) - renumbering of the sections of the proposed Customs Tariff Act 1987 has required "section 13" to be substituted for "section 11".

Clause 8 - Transitional amendments - Parts XVA and XVI of the Customs Act 1901 provide for the issue of Commercial Tariff Concession Orders, by-laws and determinations. Such instruments allow the goods specified therein to be imported at rates of Customs duty less than that normally payable.

Section 50 of the Customs Act 1901 allows a license to be issued to permit, subject to certain conditions, the importation of goods which would otherwise be prohibited from entering Australia.

In identifying goods in the instruments and licenses, reference is usually made to an item of the Customs Tariff. The transitional amendments are concerned with giving instruments and licenses written with reference to items of the Customs Tariff Act 1982 legality under the Customs Tariff Act 1987.

Subclause 8(1) introduces interpretive provisions which, among other things, identify the Customs instruments which are subject to these arrangements and define the term "item" as used in subclauses 8(3), 8(4) and 8(5).

Subclause 8(2) enables an instrument made under the Customs Tariff Act 1982 to also have effect under the Customs Tariff Act 1987.

Subclause 8(3) enables an instrument referred to in subclause 8(2) which makes reference to an item of the Customs Act 1982, to continue as if reference was also made to an item or items of the Customs Tariff Act 1987 that correspond to it.

Subclause 8(4) enables undertakings relating to a tender lodged under a tender quota scheme and having been made with reference to the Customs Tariff Act 1982 as required by section 267(1) of the Customs Act, to have application under the Customs Tariff Act 1987.

Subclause 8(5) directs the Comptroller-General of Customs to have an instrument prepared which lists, in relation to the instruments subject to these arrangements, items of the Customs Tariff Act 1982 and corresponding items of the Customs Tariff Act 1987.

Subclause 8(6) directs the Comptroller-General of Customs to have a copy of the instrument referred to in subclause 8(5) placed on display in principal offices of the Australian Customs Service in each State and Territory.

Part III - Amendments of other Acts

Amendments of other Acts

Clause 9 - The Acts specified in Schedule 2 are amended as set out in that schedule as follows:

Administrative Decisions (Judicial Review) Act 1977

Schedule 1 is amended by substituting "Customs Tariff Act 1987" for "Customs Tariff Act 1982" - citation amendment only.

Bass Strait Freight Adjustment Levy Act 1984

Schedule 4 (definition of "Australian installation") - is amended by substituting "1987" for "1982" - citation amendment required due to the removal of certain provisions from the Customs Tariff Act and their inclusion as a separate Customs Tariff (Installations at Sea) Act 1987.

Bounty (Agricultural Tractors and Equipment Act 1985)

Subsection 4(1) has been amended by:

- . substituting "1987" for "1982" - citation amendment only.
- . omitting a reference to an item of Schedule 3 to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 to the proposed Customs Tariff Act 1987.
- . omitting a reference to a section of the Customs Tariff Act 1982 and substituting terminology appropriate to the proposed Customs Tariff Act 1987 in certain areas which condition bounty entitlement. There is no change in scope.
- . including a definition of "Preference Country" consistent with that provided in the proposed Customs Tariff Act 1987.

Bounty (Books) Act 1986

Subsection 4(1) has been amended by:

- . substituting "1987" for "1982" - citation amendment only.
- . omitting a reference to an item of Schedule 3 to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 to the proposed Customs Tariff Act 1987.

Bounty (Computers) Act 1985

Subsection 3(1) has been amended by:

- . substituting "1987" for "1982" - citation amendment only.
- . omitting a reference to an item of Schedule 3 to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 to the proposed Customs Tariff Act 1987.

- . omitting a reference to a section of the Customs Tariff Act 1982 and substituting terminology appropriate to the proposed Customs Tariff Act 1987 in certain areas which condition bounty entitlement. There is no change in scope.
- . including a definition of "Preference Country" consistent with that provided in the proposed Customs Tariff Act 1987.

Bounty (Electric Motors) Act 1984

Subsection 3(1) has been amended by:

- . substituting "1987" for "1982" - citation amendment only.
- . omitting a reference to an item of Schedule 3 to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 to the proposed Customs Tariff Act 1987.

Bounty (Injection - Moulding Equipment) Act 1979

Subsection 3(1) has been amended by:

- . substituting "1987" for "1982" - citation amendment only.
- . omitting a reference to an item of Schedule 3 to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 to the proposed Customs Tariff Act 1987.

Bounty (Metal Working Machines and Robots) Act 1985

Subsection 4(1) has been amended by:

- . substituting "1987" for "1982" - citation amendment only.
- . omitting a reference to an item of Schedule 3 to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 to the proposed Customs Tariff Act 1987.

- omitting a reference to a section of the Customs Tariff Act 1982 and substituting terminology appropriate to the proposed Customs Tariff Act 1987 in certain areas which condition bounty entitlement. There is no change in scope.
- including a definition of "Preference Country" consistent with that provided in the proposed Customs Tariff Act 1987.

Bounty (Ships) Act 1980

Subsection 4(1) has been amended by:

- substituting "1987" for "1982" - citation amendment only.
- omitting a reference to an item of Schedule 3 to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 to the proposed Customs Tariff Act 1987.

Consular Privileges and Immunities Act 1972

Subsection 6(2) is amended by substituting "Customs Tariff Act 1987" for "Customs Tariff Act 1982" - citation amendment only.

Customs Tariff (Anti-Dumping) Act 1975

"Part 1 of" has been omitted from subparagraphs 8(7)(d)(i) and 10(8)(c)(i) as Schedule 4 to the proposed Customs Tariff Act 1987 is not divided into Parts.

Subparagraphs 8(7)(c)(i) and 10(8)(b)(i) are amended as follows:

- reference to Schedule 3 by-law classifications has been omitted as there are no by-law classifications in the proposed Schedule 3.
- "section 11" of the proposed Customs Tariff Act 1987 has been substituted for "section 27" of the Customs Tariff Act 1982. This results from the redrafting of the Act. There is no change in scope.

Customs Tariff (Stand-By Duty) Act 1985

Subsection 4(1) is amended by:

- . substituting "1987" for "1982" - citation amendment only.
- . omitting a reference to an item of Schedule 3 to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 to the proposed Customs Tariff Act 1987.

Excise Tariff Act 1921

"Part I of" has been omitted from item 21 of the Schedule as Schedule 4 to the proposed Customs Tariff Act 1987 is not divided into Parts.

Sales Tax Assessment Act (No. 5) 1930

Section 2A (definition of "customs duty") - is amended by substituting "1987" for "1982" - citation amendment only.

Sales Tax (Exemption and Classification) Act 1935

Section 2 (definition of "the Customs Tariff") - is amended by substituting "Customs Tariff Act 1987" for "Customs Tariff Act 1982" - citation amendment only.

The First Schedule to the Sales Tax Act is amended by omitting a reference to an item of Schedule 3 or 4 (as the case maybe) to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 or 4 (as the case may be) to the proposed Customs Tariff Act 1987.

Subsidy (Cultivation Machines and Equipment) Act 1986

Subsection 4(1) has been amended by:

- . substituting "1987" for "1982" - citation amendment only.
- . omitting a reference to an item of Schedule 3 to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 to the proposed Customs Tariff Act 1987.

- . omitting a reference to a section of the Customs Tariff Act 1982 and substituting terminology appropriate to the proposed Customs Tariff Act 1987 in certain areas which condition bounty entitlement. There is no change in scope.

Subsidy (Grain Harvesters and Equipment) Act 1985

Subsection 4(1) has been amended by:

- . substituting "1987" for "1982" - citation amendment only.
- . omitting a reference to an item of Schedule 3 to the Customs Tariff Act 1982 and substituting a reference to the appropriate heading of Schedule 3 to the proposed Customs Tariff Act 1987.
- . omitting a reference to a section of the Customs Tariff Act 1982 and substituting terminology appropriate to the proposed Customs Tariff Act 1987 in certain areas which condition bounty entitlement. There is no change in scope.

Clause 10 - Saving - no effect on duty imposed under Customs Tariff Act 1982 or under the Customs Tariff (Anti-Dumping) Act 1982.

