

1980-81-82

PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

CUSTOMS TARIFF (COAL EXPORT DUTY) AMENDMENT BILL 1982

EXPLANATORY MEMORANDUM

(CIRCULATED BY THE AUTHORITY OF THE MINISTER FOR BUSINESS
AND CONSUMER AFFAIRS, THE HONOURABLE JOHN MOORE, M.P.)

Customs Tariff (Coal Export Duty) Amendment Bill 1982

Purpose of the Bill

The purpose of this Bill is to enact the Customs Tariff alterations introduced into the Parliament on 18 August 1981 by Customs Tariff (Coal Export Duty) Proposals (1981) which formally proposed, with effect from 8 PM on 18 August 1981, an export duty of \$1 per tonne on black coal previously exempt from export duty.

The Customs Tariff (Coal Export Duty) Act 1975 provides for the imposition of export duties on coal exported from Australia. The rates of export duty imposed on coal by this Act are either \$3.50 per tonne or \$1 per tonne depending on the quality of the coal and certain features of the mining operation.

Previously certain black coals had been exempted from export duty. Most were steaming coals, but in addition there were certain coking coals which because of particular quality aspects, principally high ash content (defined as greater than 12%), could not attract the prices normally paid for coking coals. Pricing for such coals was largely determined by movements in the steaming coal market.

The strengthening of export demand for steaming coal during 1980 and 1981, with the resultant effect on prices, indicated that there was no longer any reason to differentiate between coking coal and steaming coal in the application of the export duty.

- Clause 1 - Citation of the Amendment Act and identification of the Customs Tariff (Coal Export Duty) Act 1975 as the Principal Act.
- Clause 2 - Provides for the Amending Act to operate from the hour of 8 o'clock in the evening by standard time in the Australian Capital Territory on 18 August 1981.
- Clause 3 - Remakes section 4 of the Principal Act to insert a new definition of "high quality coking coal" for the purposes of imposing the duty of \$1 per tonne on steaming coal previously exempt from export duty.
- Clause 4 - Repeals section 7 of the Principal Act which had the effect of exempting steaming coal from the application of any duty under the Act.
- Clause 5 - Transitional provision to provide that coal loaded onto a ship before the commencement of the Act or coal loaded onto a ship after the commencement of the Act but which was part of a consignment of coal being loaded before the commencement shall not be subject to the provisions of the Amending Act.

