

1993-94

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

CUSTOMS TARIFF

(WORLD TRADE ORGANIZATION AMENDMENTS) BILL 1994

EXPLANATORY MEMORANDUM

(Circulated by the authority of the  
Minister for Industry, Science and Technology  
Senator the Honourable Peter Cook)



CUSTOMS TARIFF (WORLD TRADE ORGANIZATION AMENDMENTS) BILL  
1994

General Outline

The purpose of this Bill, is to amend the *Customs Tariff Act 1987* to give effect to Australia's tariff binding commitments arising from the General Agreement of Trade and Tariffs Uruguay Round outcomes.

Financial Statement

Australia has made significant reductions in tariff rates since 1988 and by 1 July 1996 most of the tariff rates will be 5%.

The changes to cheese and unmanufactured tobacco have the potential to be most damaging. Cheese is currently subject to quantitative quota restrictions. For a number of years imports of cheese have not exceeded quota entitlements and therefore it appears there will be no loss of revenue from the reductions in tariff levels for cheese.

Unmanufactured tobacco is currently subject to alternate rate duty. The changes contained in this Bill seek to remove the alternate if lower tariff rate. The result of the changes will be to marginally increase the import duty collected on unmanufactured tobacco.

Other changes will have no significant effect on overall tariff revenue receipts from imported goods.

# CUSTOMS TARIFF (WORLD TRADE ORGANIZATION AMENDMENTS) BILL 1994

## NOTE ON SECTIONS

A Bill for an Act to amend the *Customs Tariff Act 1987* to enable Australia to accept the Agreement Establishing the World Trade Organization.

Section 1 - Citation - Customs Tariff (World Trade Organization Amendments) Bill  
1994

Section 2 -

Subsection 1 - Description of the World Trade Organization Agreement

Subsection 2 - Commences on the Date of Royal Assent

Subsection 3 - Commences on the day the World Trade Organization  
Agreement enters into force for Australia

Subsection 4 - Commences on a day proclaimed by the Governor-General

Section 3 - Provides that amendments shall operate on and from the day the  
World Trade Organization Agreement enters into force for  
Australia

Covers Australia made a commitment to reduce tariff rates for certain  
goods under the terms of the Uruguay Round Agreement. Most  
of these reductions are already in place because of  
the Government tariff reduction programme commenced in  
1988. This Bill introduces the small number of changes  
necessary to comply with our undertakings under the new  
Agreement.

The changes to cheese and tobacco are most significant as they  
come into effect immediately this Bill becomes effective. Other  
products affected include such diverse items as foodstuffs,  
very low alcohol beer, diagnostic and laboratory reagents,  
certain replacements components of motor vehicles, power line  
filters and electro-medical equipment and apparatus.

