# ARTHUR ROBINSON & HEDDERWICKS LICRARY

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# THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA HOUSE OF REPRESENTATIVES

# CUSTOMS TARIFF (ANTI-DUMPING) (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)



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# CUSTOMS TARIFF (ANTI-DUMPING) (WORLD TRADE ORGANIZATION AMENDMENTS) BILL 1994

#### **OUTLINE**

This Bill is one of a package of Bills that make changes to Australian law to enable Australia to meet its obligations under agreements negotiated in the Uruguay Round of the General Agreement on Tariffs and Trade (GATT).

This Bill will amend the Customs Tariff (Anti-Dumping) Act 1975, in line with the amendments proposed to the Customs Act 1901 and the Anti-Dumping Authority Act 1988 in the Customs Legislation (World Trade Organization Amendments) Bill 1994, to bring Australia's anti-dumping and countervailing regimes into conformity with the standards and principles arising from the Uruguay Round agreements.

A detailed summary of the main elements of the package appears in the Outline to the Explanatory Memorandum to the Customs Legislation (World Trade Organization Amendments) Bill 1994.

# Financial Impact Statement

There are no identified financial implications to the Commonwealth as a consequence of this Bill.

# CUSTOMS TARIFF (ANTI-DUMPING) (WORLD TRADE ORGANIZATION AMENDMENTS) BILL 1994

#### NOTES ON CLAUSES

#### Clause 1 - Short title etc.

- 1. This is a machinery clause which provides:
- a) for this Act to be cited as the Customs Tariff (Anti-Dumping) (World Trade Organization Amendments) Act 1994; and
- b) that the "Principal Act" in this Act means the Customs Tariff (Anti-Dumping) Act 1975.

#### Clause 2 - Commencement

2. Clause 2 sets out the commencement dates of this Act as follows:

Subclause 2(2) provides that <u>new sections 1, 2 and 3</u> of this Act commence on the day on which this Act receives the Royal Assent;

Subclause 2(3) provides that the remaining sections of this Act commence on the day on which the World Trade Organization Agreement enters into force for Australia;

Subclause 2(4) provides that, for the purposes of subclause 2(3), the day on which the World Trade Organization Agreement enters into force for Australia is to be taken to be the day declared by the Governor-General, by Proclamation, under paragraph 2(5)(b) of the Copyright (World Trade Organization Amendments) Act 1994 to be the day on which the Agreement enters into force for Australia.

3. Subclause 2(1) provides for the purposes of this section, the "World Trade Organization Agreement" means the Agreement Establishing the World Trade Organization done at Marrakesh on 15 April 1994;

## Clause 3 - Application

4. This clause provides that this Act applies in respect of applications for dumping and countervailing duty notices that are made on or after the day on which the Agreement Establishing the World Trade Organization enters into force for Australia.

## Clause 4 - Repeal of section 3

5. This clause repeals section 3 of the Principal Act as a result of the new definition of "countervailable subsidy" in proposed new section 269TAAC of the Customs Act 1901 (clause 8 of the Customs Legislation (World Trade Organisation Amendments) Bill 1994 refers).

## Clause 5 - Countervailing duties

6. This clause omits the words "relevant subsidy" from subsections 10(3A), (3C), (3E), (4) and (7) of the Principal act and substitutes "countervailable subsidy" consistent with the new definition of "countervailable subsidy" in proposed new section 269TAAC of the Customs Act 1901 (clause 8 of the Customs Legislation (World Trade Organisation Amendments) Bill 1994 refers)

## Clause 6 - Third country countervailing duties

7. This clause omits the words "relevant subsidy" from subsections 11(3), (5), (7), and (7B) of the Principal Act and substitutes "countervailable subsidy" consistent with the new definition of countervailable subsidy" in proposed new section 269TAAC of the Customs Act 1901 (clause 8 of the Customs Legislation (World Trade Organisation Amendments) Bill 1994 refers).

#### Clause 7 - Insertion of new section

- 8. This clause inserts new section 12 into the Principal Act which provides that if:
- a) a security has been taken under section 42 of the Customs Act 1901 in respect of interim duty that may become payable under sections 8, 9, 10 or 11 of the Principal Act in respect of goods imported into Australia; and
- b) the amount of that interim duty would be payable would, but for the operation of new section 12, exceed the amount of the security taken;

that the interim duty payable is equal to the amount of security taken.