AUSTRALIAN CUSTOMS NOTICE NO. 2004/53

Customs Tariff Proposal No. 1 (2004)

Customs Tariff Proposal No. 1 (2004) (the Proposal) was tabled in Parliament on

1 December 2004 and contains a number of alterations to the *Customs Tariff Act 1995*

(the Tariff).

Schedule 1 of the Proposal alters the Tariff to specify that the chemical paraquat dichloride, classified to subheading 2933.39.00, may include an emetic added for safety reasons.

Paraquat dichloride is commonly used as a herbicide.

By enabling the inclusion of paraquat dichloride with an emetic added for safety reasons in subheading 2933.39.00, the same duty outcome of “Free” is achieved as for paraquat dichloride that contains other allowable safety measures such as colouring or stenching agents.

This Schedule also substitutes item 22 in Schedule 4 to the Tariff to accommodate changes in technology in the oil and gas industries. The new item reduces the cost of certain goods prescribed by by-law and imported for use in the exploration for oil and natural gas, and the development of oil and gas wells.

The above alterations were previously tabled in Parliament in Customs Tariff Proposals during 2003. The alterations were also incorporated as amendments in the Customs Tariff Amendment (Paraquat Dichloride) Bill 2004 and the Customs Tariff Amendment (Oil, Gas and Other Measures) Bill 2004, respectively. These Bills lapsed with the prorogation of Parliament on 31 August 2004. Customs Tariff Notice No. 1 (2004) was published in Special Commonwealth Gazette S 367 on 1 September 2004 to continue the operation of these measures, on and from that date. Schedule 1 of the Proposal is effective from that date.

Schedule 2 of the Proposal amends item 68 in Part III of Schedule 4 to the Tariff to extend the SPARTECA (TCF Provisions) Scheme.

On 8 August 2004, the Prime Minister, the Hon John Howard MP, announced that the South Pacific Regional Trade and Economic Co-operation Agreement (Textile, Clothing and Footwear Provisions) Scheme (the SPARTECA (TCF Provisions) Scheme) would be extended for seven years, to 31 December 2011, from its current end date of

31 December 2004.

The SPARTECA (TCF Provisions) Scheme, which commenced on 1 March 2001, provides for the duty-free entry of certain textiles, clothing and footwear from Forum Island Countries covered by the South Pacific Regional Trade and Economic Co-operation Agreement. The Scheme is administered through item 68 in Schedule 4 to the Tariff. Schedule 2 of the Proposal will take effect from 1 January 2005.

Schedule 3 of this Proposal amends the rates of customs duty applicable to certain alcohol and tobacco products specified in a number of items in new Schedule 5 of the Tariff that are subject to indexation in line with the Consumer Price Index (CPI). Schedule 5 sets out rates of duty for certain US originating goods, including alcohol and tobacco products, in accordance with the provisions of the US Free Trade Agreement.



2

The alterations contained in this Proposal ensure that rates of duty on these products include the 2 August 2004 CPI increase and are consistent with duty rates for the same goods when specified in Schedule 3 of the Tariff. Schedule 3 of the Proposal will take effect from

1 January 2005.

Tariff reprint pages to reflect the above changes will be available in the week commencing 13 December 2004.

Enquiries concerning this notice may be directed to:

Manager

Tariff Legislation & External Review Australian Customs Service

5 Constitution Avenue

CANBERRA ACT 2601

Ph: 02 6275 6486

Andrew Rice National Manager Trade CANBERRA ACT

for

Chief Executive Officer December 2004