

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Trade in Industrial Products

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Group 4 - Licensing

REPLIES TO THE QUESTIONNAIRE ON LICENSING

Addendum

AUSTRALIA

1. Import licensing operates only in respect of a very limited range of goods, which are enumerated in paragraph 2 below. Licences are granted on the following basis:

(a) Goods of paragraph 2(i)(a)-(c) and 2(ii) other than waste and scrap (except dross):

- subject to suitably equivalent goods not being reasonably available from Australian production.

(b) Goods of paragraph 2(i)(d):

- one vehicle to each local fire fighting authority;
- one vehicle to each immigrant, subject to ownership qualifications;
- otherwise, each case to be considered on its merits.

(c) Waste and scrap (excluding dross) of paragraph 2(ii), and goods of paragraph 2(iii) and (iv):

- against quotas established by importers during a specified base period.

2. The products subject to import licensing are:

(i) Used, second-hand or disposals machinery or equipment of the following class or kind:

(a) Earthmoving, or excavating vehicles, machinery or equipment (for example, rock buggies, dumpers, graders, loaders, ditchers, drag-lines, mechanical shovels, excavators, scrapers, bulldozers) and parts thereof;

(b) tractors, road rollers, and parts thereof;

(c) materials handling equipment (for example, cranes, forklift trucks) and parts thereof;

(d) other vehicles being used or second-hand four-wheel drive vehicles, excluding public service type passenger vehicles, falling within paragraph 87.02.130 of the Customs Tariff 1966-1970.

(ii) Goods of a kind falling within item 76.01 in the First Schedule of the Customs Tariff 1966-1970, other than waste and scrap being the produce of and shipped direct from New Zealand.

(iii) Knitted coats, jumpers, cardigans, sweaters and the like, falling within either sub-paragraph 60.05.121 or sub-paragraph 60.05.129 in the First Schedule of the Customs Tariff 1966-1970, other than these goods when of New Zealand origin and when shipped direct from that country.

(iv) Men's and boys' knitted shirts falling within sub-item 60.04.1 and men's and boys' knitted shirts (so-called) falling within sub-item 60.05.4 in the First Schedule of the Customs Tariff 1966-1970, other than these goods when of New Zealand origin and when shipped direct from that country.

3. Except for the products enumerated in sub-paragraphs 2(ii), 2(iii) and 2(iv) above when of New Zealand origin and shipped direct from that country, the system applies to goods originating in and coming from any country.

4. The purpose of the licensing is to assist local industry by restricting imports. Alternative methods, including tariffs, have been considered. Licensing, however, is considered to be the only practicable means of satisfactorily achieving this purpose.

5. Licensing, which is statutorily required, is maintained under the provisions of the Customs (Import Licensing) Regulations. While the Minister or his delegate has discretion in determining which products are to be subject to import licensing, such decisions are normally made by the Government. The system may be abolished by the Government without legislative approval.

6. (a) Information regarding administrative arrangements for the allocation of quotas, where applicable, and the granting of licences is published in the press at the time any product is made subject to licensing. Departmental notices are also forwarded to known interested parties. Where quotas are to apply full details are given of the basis on which the quotas are to be established.

(b) Quotas apply in respect of aluminium and aluminium alloy waste and scrap (other than dross), and the products enumerated in sub-paragraphs 2(iii) and 2(iv) above. The bases on which quotas are determined are:

Aluminium and aluminium alloy waste and scrap (other than dross)

- Quotas on a quantity basis have been allotted to importers who imported such goods in the base years 1960/61, 1961/62 and 1962/63.
- Quotas are current for four-monthly periods and are equal to one ninth of the quota holder's imports in the three-year base period.

Knitted coats, jumpers, cardigans, sweaters and the like

- Annual quotas have been allotted to importers who imported such goods in the base year 1966-1967, on the basis of 100 per cent of the value of their imports during that period.
- Licences equal to 50 per cent of quota are issued on a six-monthly basis and applications for fresh licences must be made within each six-monthly period.
- Special licences may be issued on request, on a non-discriminatory basis, for garments the f.o.b. value of which exceeds \$10 each.

Men's and boys' knitted shirts

- Annual quotas have been allotted to importers who imported such goods in the base period 1 April 1968 to 31 March 1969, on the basis of 60 per cent of the value of their imports during that period.
- Licences are issued on a six-monthly basis - one third of the yearly quota being allocated to the six-months period ending 30 June and the remaining two-thirds of the yearly quota to the six-months period ending 31 December.
- Applications for fresh licences must be made within each six-monthly period.

(c) No special allocation of licences is made to domestic producers of like goods.

No steps are taken to ensure that licences allocated are actually used for imports. Unused allocations are not added to quotas for a succeeding period. The names and business addresses of persons allocated licences, and the total value of licences issued for a particular class of goods as a whole, are published in the Commonwealth Gazette at reasonable intervals.

(d) For administrative reasons it is usual to require applications for licences to be made within six weeks of the announcement of the opening of quotas. Applications made at a later date are, however, considered.

(e) The minimum time for processing applications would be twenty-four hours, while the maximum time would depend upon the data made available by the applicant in the case of quotas and the time required to obtain information from the trade in other instances.

(f) Licence holders may import the relevant goods at any time from the date of issue of the licence until its validity expires (see paragraph 14).

(g) Where licensing is on the basis of established quotas, applications are considered by the Department of Customs and Excise, except in the case of waste and scrap of aluminium or aluminium alloy. In the latter case and in all other cases applications are considered by the Department of Trade and Industry.

(h) Where licensing is on a quota basis, applications are examined on receipt and allocations are made on the basis of applicant's performance in the base period. (see sub-paragraph 6(h), above)

Where licensing is on other than a quota basis, licences are issued on a non-discriminatory basis, each application being treated on its merits. The granting of licences is subject to compliance with the criteria set out in sub-paragraph 1(b) and 1(c) above.

(i) In accordance with the provisions of Article 3 of the Arrangement Regarding International Trade in Cotton Textiles, the Government of Hong Kong has undertaken to restrain its exports to Australia of cotton drills weighing not less than 6 ounces per square yard, and not more than 15 ounces per square yard, other than grey, to a limit of one million square yards for the period 1 July 1970 to 30 June 1971.

While Australia exercises no licensing control over imports of these fabrics, the Hong Kong Government does exercise control over exports from that country. Export licences are issued only against export authorizations.

(j) Not applicable.

(k) The issue of licences is not normally conditioned by the requirement that goods should be exported and not sold on the domestic market.

In special cases, however, licences may be issued on the condition that the imported goods be re-exported and not sold on the domestic market.

7. Not applicable.

8. Applications for licences are not refused on grounds other than failure to meet the ordinary criteria.

Applicants are advised of the reasons for any refusal of an application. Where an application for a licence is refused the applicant may appeal to the Minister.

9. Any person, firm or institution may apply for a licence. However, where licensing is on a quota basis, only applicants who were importers in the base period could expect to be granted licences.

10. The information required in applications for import licences is:

- Name and address of applicant
- Port of importation
- Category item
- Quantity and full description of goods
- V.F.D. of goods
- C.I.F.E. and/or weight of goods

A sample application form is attached.

An applicant is not required to supply any documents with the application.

11. On importation of the goods subject to import licensing the importer is required to furnish a customs entry, invoices and an import licence.

12. No licensing fee or administrative charge for licences is payable.

13. No deposit or advance payment is required in association with the issue of a licence.

14. Validity periods for licences are:

- (a) Aluminium and aluminium waste and scrap (other than dross) - four months
- (b) Knitted wear - six months
- (c) Other goods - twelve months

Consideration will be given to the extension of a validity period upon request.

15. There is no penalty for the non-utilization of a licence or a portion of a licence.

16. Licences are not transferable between importers without prior approval. Approval may be given only if the Department of Trade and Industry is satisfied that there is no trading in licences.

17. In special circumstances licences may be issued on the condition that the goods are re-exported and are not sold on the domestic market.

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18. There are no other administrative procedures (apart from import licensing) required prior to importation of the goods currently subject to import licensing.

19. Foreign exchange is automatically provided by the banking authorities for the importation of goods from any country other than Rhodesia.

A licence is not required as a condition to obtaining foreign exchange.

Foreign exchange is always available to cover licences issued.

To obtain foreign exchange an application must be made to a bank in Australia.

