

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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REPLIES TO THE QUESTIONNAIRE ON LICENSING

AUSTRALIA

Revision

The present document replaces completely the submissions made earlier by Australia and which are contained in documents COM.IND/W/55/Add.1//COM.AG/W/72/Add.1 and Corrigenda 1 and 2 and COM.IND/W/55/Add.56//COM.AG/W/72/Add.56. The paragraph numbers correspond to the question number in the questionnaire.

System outline

- Import licensing in Australia applies only in respect of designated goods (see Question 2), the majority of which have been placed under quota control on a short term basis as an emergency protective device where industry has been found through public enquiry to be in need of urgent assistance.
 - A few commodities are controlled on a longer term non-quota basis, where allocation of license is related to domestic equivalent availability.
 - The system is operated through legislation which requires all goods (other than those excepted by the Minister) to be covered by Import Licence; the Minister has excepted all goods except those few now controlled.
 - The Department of Business and Consumer Affairs (Bureau of Customs) is responsible for administration of the system.
- 2./3. - All licensing restrictions are imposed as a protection to Australian industries.
- All licences are issued by Department of Business and Consumer Affairs (Bureau of Customs) following, where appropriate, liaison with the Department of Industry and Commerce in relation to the current local supply situation and quantity of imports requested.
 - Goods covered and origin concerned are:

<u>Goods</u>	<u>Origin</u>
Used, secondhand or disposals earthmoving or excavating vehicles, machinery or equipment, tractors, roadrollers, materials handling equipment and parts thereof.	Global
Used, secondhand or disposals four-wheel drive vehicles excluding public service type passenger vehicles.	Global

<u>Goods</u>	<u>Origin</u>
Certain woven apparel	Republic of Korea
Certain footwear	Global
Passenger type motor cars (and derivatives thereof) and commercial vehicles having a gross vehicle weight not exceeding 2,722 kgs	Global
Ophthalmic and sunglass frames and sunglasses	Global

- There are generic exemptions from the above:
 - Consignments up to \$(A)20
 - Non-Commercial importations
 - Goods from an Australian Territory
 - Temporary importations under intergovernmental agreement
 - Certain samples and handicrafts
 - Certain re-imported goods of Australian or foreign origin

- 4. - Intention of all licensing is to restrict quantities imported as an assistance to recovery of local industry
- In general licensing has been introduced only where other restraint measures have been considered to be inappropriate or ineffective

- 5. - Import licensing is maintained under the Customs (Import Licensing) Regulations (statutory requirement)
- Decision to apply licensing is at Ministerial level but generally follows governmental decision
- The system may be abolished without legislative approval but would only be so abolished with the full agreement of the Government

Procedures

6. (a) - Licensing imposition announced by Ministerial press statement, followed by detailed explanation through public Bureau of Customs Notice.
- The overall quota quantity to be admitted is publicised unless publication could inhibit associated bi-lateral negotiations.
 - Except when control applies against a particular origin, there is no mandatory allocation of quotas between different origins (importers are free to nominate source).
 - Allocations to individual importers are not publicised.
- (b) - Governmental decision following public inquiry fixes the overall quota admissible, generally for a period of one year initially.
- A re-examination of the industry situation will normally be made before the end of the first year if quotas for a second year are contemplated.
 - Allocation of quotas and licences to importers is generally on a six-monthly basis. It is not necessary for importers to apply for allocation after initial period.
- (c) - Allocation of quota/licence in the short term operation is to established importers in proportion to relevant importations made during a base period, irrespective of whether also a domestic producer; consideration also given to hardship cases.
- There is no compulsion to use licences issued; unused allocations are not generally carried forward to succeeding period.
 - Names of licensed importers are not publicised domestically or overseas; such information is regarded as confidential between licensee and the Government.
- (d) - Generally, 21 days allowed for application for quota licences following imposition announcement, but late applications are not automatically refused.
- (e) - Applications can be processed in a minimum of 24 hours; the maximum is indefinite where the number of importers

is high in quota situations and further information is required from the trade; maximum generally not in excess of three weeks from closing of applications; separate provision is made (minimum delay) for goods in transit and special applications are considered (maximum a few days) for goods arriving prior to licence issue

- (f) - Quota licences for first period of imposition are valid for immediate importation; licences for subsequent periods generally available up to three months before importation period but depending upon industry consideration and/or hardship allocations, the period between issue and import entitlement could be nil
- (g) - Issue of import licences is solely by Department of Business and Consumer Affairs (Bureau of Customs). In some cases however, the issuance of licences is dependent on the recommendations of the Minister for Industry and Commerce
- (h) - In quota licence situations allocation is on basis of past import performance. Import licensing on second-hand vehicles and equipment is administered on a case by case basis
 - Quota applications are considered simultaneously but hardship and applications for licences to import second hand goods are considered as received
- (i) - No
- (j) - Australia only requires importers of certain apparel from Hong Kong and Macau to produce export permits on importation. Overseas authorities advise the Australian authorities on a monthly basis of the quantities permitted exportation. The export restraint arrangements have been complemented by parallel import restraints dependent on production of export permits. These restraint arrangements are current until June 30 1976

- (k) - Provision to issue this type of licence exists should the need arise.
- 7. - Not applicable.
- 8. - Applications for import licence are only refused on grounds of failure to meet the specified criteria.
 - Applicants are advised of the reasons for any refusal.
 - Right of appeal to the Minister is included in the legislation.

Eligibility of Importers to Apply for Licence

- 9. - There is no restriction on who may apply for a licence.
 - The restriction is on grant of a licence and then only to the extent of the specified criteria.

Documentational and other Requirements for Application of Licence

- 10. - Application form is not generally required for goods under quota control; detail obtained from submission of evidence of base period performance.
 - Where application is required, detail necessary is:
 - Name and address of applicant
 - Port of importation
 - Tariff Item
 - Quantity and full description of goods, including origin
 - value for duty of the goods
 - C.I.F.E. and/or weight of the goods.
 - Sample form attached.
- 11. - Upon entry of goods subject to import licence, a Customs Entry (Goods Declaration), invoices and the import licence are required to be produced.

12. - There is no licensing fee or administrative charge payable.
13. - Not applicable.

Conditions of Licensing

14. - The period of validity of a licence is as specified therein.
 - Generally, the period of validity is six months, with few exceptions according to circumstances of control.
 - Generally, there is a tolerance of 30 days following specified expiry date of licence.
 - Consideration is given to further extension of validity upon request.
15. - There is no penalty for non-utilisation of a licence or part thereof.
16. - Import licences are not transferable.
17. - Other than as specified above, no other conditions attach to the issue of an import licence.

Other Procedural Requirements

18. - Except for currency exchange control formalities administered through the Reserve Bank of Australia (and its agencies), no other administrative controls apply prior to the importation of goods subject to import licence.
19. - There are not normally any restrictions on payments for imports, although, in accordance with United Nations

Security Council Resolutions, payments made directly to Southern Rhodesia or any other payments made in respect of imports originating in Southern Rhodesia would not usually be approved. It is not necessary for an import licence to be produced before payment is authorised.

Australia's trading banks have been authorised to handle the exchange control aspects of the great majority of current transactions and applications for the necessary foreign exchange should be made direct to a trading bank. Australian importers are required to make payments not later than six months after the arrival of the goods in Australia, unless it has been established, to the satisfaction of the Reserve Bank of Australia, that longer periods are normal commercial practice in the particular circumstances or for the particular type of goods involved.

