

## Australian Customs Policies Offer Opportunities for Canadians

As a result of Australian Government concessional policies, some of which are new, Australian industry is able to achieve substantial savings in expenditures made on new plant and equipment.

These policies, which are directed to reducing Customs duties, have led to a marked improvement in the prospects for new investments in key Australian mining, manufacturing and tertiary industries.

For the 12 months ending 30 June, 1992, Australian industry obtained approval for concessions on nearly \$4 billion of investment on new or expanded projects leading to a saving of nearly \$100 million in Customs duties.

The concessions have been initiated to encourage industry to invest in new projects and to upgrade and expand existing facilities. They enable importation of plant or equipment, intended for use in major investment projects, at lower rates than would otherwise be the case. Often these concessions include the following:

**Item 22:** This item encourages exploration and development of oil or natural gas reserves up to the stage where the product is ready to be transplanted from the well head.

**Item 42A:** This item assists the shipbuilding industry in building or repairing ships weighing more than 150 tonnes. It applies to the import of materials and parts used in construction and repair.

**Item 43 and 52:** These items permit plant and equipment to be imported for projects in more than one shipment at the rate of duty applying to the whole product. They also permit a split consignment provision to apply to the imported parts of a complete functional unit where the balance of that unit is being made in Australia.

**Item 45 and 46:** These items concern the mining equipment and minerals processing equipment industries by allowing the import of plant and equipment not made in Australia at reduced duty rates.

**Item 56:** This item covers "state of the art" capital equipment that is not made in Australia.

Imports are recognized as an intrinsic part of the building of world size industrial activities in manufacturing, power generation, publishing, mining, mineral processing or transport.

The analysis of future investment projects show that within the manufacturing sector:

- the food and beverage industries are the major focus for investment and these projects are spread across all states;
- industries ranked just behind food and beverages include chemicals, fabricated metal products and steel making.

For information on tariff concessions into Australia, contact Ray Buciak, Asia Pacific South Trade Development Division. Tel.: (613) 996-5945. Fax: (613) 996-4309.

## Trade Marking Requirements

The Australian Customs Service recently published a Customs Notice (No. 92/194) outlining the obligations of traders under the Commerce (Trade Descriptions) Act 1905 and the Commerce (Imports) Regulations.

The **Commerce Act** deals with the application of the trade descriptions of both imported and exported goods. The Act requires true trade descriptions pertaining to:

- the nature, number, quantity, quality, purity, class, grade, measure, gauge, size or weight of the goods;
- the country or place in or at which the goods were made or produced;
- the manufacturer or producer of the goods or the person by whom they were selected, packed, or in any way prepared for the market;
- the mode of manufacturing, producing, selecting, packing or other preparation of the goods;
- the material or ingredients of which the goods are composed, or from which they are derived; or
- the goods being the subject of an existing patent, privilege or copyright.

The **Commerce Regulations** stipulate the marking for specific imported goods — the importation of which is prohibited unless correctly marked.

According to these regulations, all listed goods must have origin markings. In addition, some goods are required to be marked with a true description and/or a weight or quantity qualification.

These trade description markings should be:

- in English;
- in prominent and legible characters; and
- on a principal label or brand attached to the goods in a prominent

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