

Customs Regulations (Amendment) 1994 No. 391

EXPLANATORY STATEMENT

STATUTORY RULES 1994 No. 391

Issued by the Authority of the Minister for Small Business, Customs and Construction

Customs Act 1901

Customs Regulations (Amendment)

Section 270 of the *Customs Act 1901* (the Act) provides in part that:

"(1) The Governor-General may make regulations not inconsistent with this Act prescribing all matters which by this Act are required or permitted to be prescribed ... for giving effect to this Act or for the conduct of business relating to the Customs, ..."

The purpose of the Regulations is to amend the Customs Regulations (the Regulations) to allow watch straps, watch bands and watch bracelets, and parts thereof, to be imported duty-free via a Tariff Concession Order (TCO).

Part XVA of the Act provides for the duty-free entry of certain goods via a TCO where it is established that the duty-free entry of those goods is not likely to have a significant adverse effect on the market for Australian made substitutable goods. Section 269SJ of the Act provides that the Comptroller must not make a TCO in respect of goods declared by the Regulations to be goods to which a TCO should not extend.

Schedule 2 to the Regulations lists goods in respect of which TCOs must not be made under Part XVA of the Act. It does this by specifying the tariff heading or subheading of such goods in Column 2 of Schedule 2.

On 11 October 1994 the Government approved the removal of watch straps, watch bands and watch bracelets, and parts thereof from the class of goods in respect of which a TCO cannot be made. Watch straps, watch bands and watch bracelets, and parts thereof are classified to tariff subheadings 9113.10.00 and 9113.90.00 in Schedule 3 to the Customs Tariff Act 1987. These subheadings are referred to in column 2 of items 43 and 44 of Schedule 2 to the Regulations. Items 43 and 44 of Schedule 2 to the Regulations exclude goods classified to headings 9113.10.00 and 9113.90.00 from eligibility for a TCO.

Subregulation 1.1 provides that the Regulations are taken to have commenced on 11 October 1994. This retrospectivity does not contravene subsection 48(2) of the Acts Interpretation Act 1901 as it confers a benefit on importers of watch straps, watch bands and watch bracelets, and parts thereof by making them eligible for duty-free entry under a TCO and does not impose any liabilities on any person.

Subregulation 3.1 amends Schedule 2 by omitting items 43 and 44 so that the restriction does not apply to watch straps, watch bands and watch bracelets, and parts thereof..