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CUSTOMS AMENDMENT ACT (No. 2) 1976

Date Introduced : 11 November 1976  
House : House of Representatives  
Presented by : The Minister for Business  
and Consumer Affairs,  
Hon. J.W. Howard, M.P.

SHORT DIGEST OF BILL

1. Provisions

This Bill proposes 2 unrelated amendments to the Customs Act 1901:

(a) it will redefine cannabis plants as plants of the genus cannabis, not of the genus cannabis sativa as at present;

(b) it will implement the Agreement on Trade and Commencial Relations between the Australian and Papua New Guinea Governments by making special provision for Papua New Guinea goods in Section 151 of the Act which specifies the circumstances in which goods from overseas countries are to be treated as manufactures of such countries.

At present no special provision is made for goods of Papua New Guinea origin. There is a special provision regarding New Zealand goods and a general provision that goods not wholly manufactured in a foreign country are to be treated as manufactures of the country if the following conditions are satisfied -

(i) the last process of manufacture was performed in the country;

- (ii) not less than three quarters of their cost is made up of local or Australian labour or materials except in the case of goods notified in the Gazette where the proportion is one quarter.

The proposed special provision will treat goods partly manufactured in Papua New Guinea as manufactures of that country if at least one half of their cost is made up of local or Australian labour or materials except in the case of goods notified in the Gazette where the proportion will be lower.

## 2. Implications

(a) Since the definition "cannabis sativa" was inserted in the Customs Act in 1971, overseas research has led to a theory that cannabis sativa is a species of the genus cannabis, and not itself a genus. Thus, in some prosecutions there has been doubt as to whether the definition cannabis sativa applied to the plant material produced in Court.

(b) Since 1926, Australia has allowed special duty free entry of Papua New Guinea products. At the present time, 95% of Australian imports from Papua New Guinea enter free of duty. The proposed amendment seeks to permit greater flexibility in encouraging the expansion and diversification of trade between the member countries of the Agreement.