Memorandum Submitted by the Delegation of New Zealand

Contracting parties are aware that for some time past the New Zealand Government have been carrying out a review of the customs tariff. This review has now been completed and a new tariff will be introduced into Parliament on 28 September 1961. The new tariff will enter into force on 1 July 1962.

The nomenclature of the new tariff is in the form of the Standard International Trade Classification (Revised). Because of this and of the changes in many of the rates of duty, the renegotiations of New Zealand's schedule of concessions - Schedule XIII - will be necessary.

It will be recalled that on 4 June 1960 the CONTRACTING PARTIES granted a waiver to New Zealand to enable the new tariff to be introduced before completion of the negotiations for the modifications and withdrawals involved in Schedule XIII. On 18 November 1960 the period within which the negotiations are to be completed was extended to 31 December 1961 (BISD, Ninth Supplement, pages 42 to 45).

Copies of the following documents have been forwarded under separate cover for distribution to contracting parties:

(a) Revised list of concessions - Schedule XIII
(b) List of concessions withdrawn from the existing Schedule XIII
(c) Transposition key

Copies of the new tariff will be forwarded shortly.

Revised list of concessions - Schedule XIII

(a) The terms of the waiver granted to New Zealand provide that concurrently with the application of the new rates of duty on items which are the subject of concessions in Schedule XIII, the New Zealand Government will apply the rates of duty offered as compensation for the concessions modified or withdrawn.

(b) The list of concessions - Schedule XIII - shows the concessions in the existing Schedule XIII which are being continued though, in some cases, in a modified form. It also shows new concessions on items in the existing Schedule XIII.

1One set attached.
(c) It is considered that the balance of concessions has been maintained and that adequate compensation has been provided for the modifications and withdrawals that have been made on items in the existing Schedule XIII.

List of concessions withdrawn from the existing Schedule XIII

This list gives full details of the items that have been withdrawn from the existing Schedule XIII.

Transposition key

This shows the item numbers in the existing Schedule XIII together with the corresponding item numbers in the list of concessions - Schedule XIII, and in the list of concessions withdrawn from Schedule XIII. The previous and the new rates of duty are also shown.

Statistics of imports

(Note: It is expected that these will be available shortly.)

(a) Statistics of imports for the years 1958, 1959 and 1960 have been divided into two schedules:

(i) imports of items in the list of concessions - Schedule XIII;

(ii) imports of items in the list of concessions withdrawn from the existing Schedule XIII.

(b) The new tariff is radically different in structure from the previous tariff. In many cases items are made up of parts of two or more items in the previous tariff. Furthermore, the new tariff provides for a far more detailed division of items. For these reasons details of imports of many of the items included in the lists of concessions and the list of withdrawals are not available.

Valuation for duty

(a) Goods imported into New Zealand are valued for duty on the basis of the current domestic value in the country of export plus 10 per cent.

(b) When the new tariff enters into force the addition of 10 per cent to the current domestic value will be discontinued.

(c) In general the rates of duty have been adjusted to take account of the new basis of valuation but in many cases no adjustments have been made. The result is that in these latter cases the new method of valuation will involve an effective reduction in the duty payable under the items concerned. The following examples will illustrate the position:
Where duty has been adjusted:

<table>
<thead>
<tr>
<th>Present method</th>
<th>New method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current domestic value</td>
<td>£100</td>
</tr>
<tr>
<td>Plus 10 per cent</td>
<td>£10</td>
</tr>
<tr>
<td>Value for duty</td>
<td>£110</td>
</tr>
<tr>
<td>Duty at 25 per cent</td>
<td>£27.10.0</td>
</tr>
</tbody>
</table>

Where duty has not been adjusted:

<table>
<thead>
<tr>
<th>Present method</th>
<th>New method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current domestic value</td>
<td>£100</td>
</tr>
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<td>Plus 10 per cent</td>
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</tr>
</tbody>
</table>

Cook Islands

The concessions in Schedule XIII are applied in the Cook Islands.

The new tariff which will be introduced in New Zealand is not suitable for the Cook Islands and it is proposed to introduce a simplified version to be applied in the Islands. Details of this tariff are now being discussed with the authorities in the Cook Islands and further information will be given to contracting parties when these discussions have been completed.

The New Zealand delegation will be ready to commence negotiations on 1 October 1961.