The 1972/73 Import Licensing Schedule provides for an increase in the general level of allocations for those goods still subject to licensing and also includes a number of items for which there are allocations in excess of the general Schedule level, the Minister of Customs, the Hon. G.F. Gair, said on 6 April 1972:

The main factors of the new Schedule are:

- A licence allocation which is generally at 110 per cent of the 1971/72 licences or imports.

- A range of items where the basic allocations exceed the normal 110 per cent and in some cases are 150 per cent.

- The Token Licence Scheme has been continued but the basis this year will be 125 per cent of 1971/72 licences for those issued on a value basis and 110 per cent for those licences which are issued on a quantity basis.

- New importers are to be introduced in a number of items including some in which the issues are confined to Token allocations.

- A continuation of the liberal policy towards new plant and machinery and adequate provision for raw materials and components for industry and for spare parts of all types.

- Its new form is in line with the Customs Tariff introduced in January 1972 and while some changes were inevitable every effort has been made to maintain the content of the existing item codes.

- The inquiries that the Customs Department made in previous years concerning the possible misuse of licences will be continued.
Commenting on the new Schedule, Mr. Gair said that one pleasing feature was the number of items which enjoyed allocations higher than the general Schedule allocation of 110 per cent.

"This should have a two-fold benefit", he said. "Firstly, it should eliminate many of the additional applications that firms have had to make during a licensing year and secondly, the fixing of a higher initial allocation provides the flexibility that is necessary when an increasing percentage of imports is exempt from licensing".

The Minister said that particular aspects of past Schedules which had proved successful were to be continued, and in this regard token licences were to be continued but at an increased level. In addition to this, new importers were being considered over a range of items which included token items.

"While I am the first to recognize that many importers have experienced periods of restraint and therefore must be considered when increased licences are proposed, the wide range of goods offering from all corners of the world no longer makes it desirable to continue to confine licence issue to original licence holders".

Mr. Gair said full details of the Scheme giving the item codes concerned and the qualifications required by applicants will be published shortly.

The selective review procedures which involve examining the manner in which licences have been used will also be continued.

"Although past investigations have shown only a very small percentage of cases requiring further action, I think we are justified in continuing the procedure for a further year", the Minister said.

Mr. Gair said he was pleased with the progress that had been made with exemption proposals and with the work carried out by the Tariff and Development Board and by the Emergency Protection Authority.

"The first major list of exemptions stemming from the proposals made in October last year has been gazetted and a further list is under consideration", he said. "Those exemptions already implemented and those currently under study serve to stress Government's policy of progressively reducing import licensing and of implementing tariffs as the main protection measure for local industry". This policy was going according to plan, the Minister said.

Items which have been proposed for exemption either in whole or in part bear an identifying mark in the Schedule and while it may be necessary to amend these from time to time it should serve as a quick reference for importers, said Mr. Gair.
As a result of the exemption proposals several new item codes had been created. This had been necessary because the goods under review formed a significant part of an existing item code, Mr. Gair said.

"It is appreciated that some extra work will be involved because the basis of issue will be made on imports", the Minister said.

"Importers will note that the entire Schedule has been renumbered and re-written. This has been necessary", the Minister explained, "because of the introduction of the seven figure item numbers in the new Customs Tariff which came into operation in January of this year. Advantage has been taken of this to re-align many of the brief descriptions so that they can be read in conjunction with the appropriate tariff items and it is hoped that this will make the entire document more efficient and easier for all to use. Although the Schedule has been extensively re-written and re-arranged every effort has been made to ensure that the content of the item codes remain unchanged wherever possible".

The Minister made special reference to woollen piece goods. The allocation for these has been set at "C" with an initial entitlement of 50 per cent 1971 licences.

"The allocation has been reduced to ensure that subsequent licence issue covers fabrics that are complementary to, and not in direct competition with, those produced by local mills. This action has been taken because the local industry has experienced a fall off in orders which means they are operating at well below their capacity", the Minister said.

Consideration above the "C" level will be given in the light of availability from local mills, and the manner in which the basic licence has been used. Similarly, the comparable heavier synthetic piece goods have a reduced allocation of 85 per cent 1971 licences.

Mr. Gair pointed out that slight adjustments have been made to the exemptions for certain steel sections. These now appear in Item Code 73.106. Should these sections not be readily available from domestic production, consideration will be given to licence issue.

"The replacement scheme for CKD vehicles which has done so much to eliminate the backlog of demand for new cars will be continued", Mr. Gair said.

For the coming licensing year the initial or "basic" licences will be based upon sales performance during the period 1 July 1971 to 31 March 1972. These will be in addition to the normal quarterly issues made under the replacement scheme.

"The question of licences for built-up cars has not been fully resolved but initially the traditional holders of licences for these cars will receive 110 per cent of their present initial or 'basic' issue", said the Minister.
"It is appreciated that in the immediate past large licence issues for built-up cars have been made to assemblers and others and this, coupled with the withdrawal of the No-Remittance Scheme, could mean that certain types might no longer be available in the absence of a further issue on a similar basis. These factors are among others that are currently being considered and I intend to make an announcement on this subject in the near future".

Mr. Gair said that the Schedule represented yet another positive step toward the goal of maximum liberalization and freedom in the trading community. He assured manufacturers that adequate provision would be given their requirements for new plant and machinery while the liberal policy for spare parts would remain unchanged.

"Provision has also been made for a full and adequate supply of raw materials and components, thus ensuring that production levels will be maintained", Mr. Gair said.

"If any section of industry feels that its position is being jeopardized it should let me have full details of its problems", the Minister said. "I will be happy to examine these to see what remedial action should properly be taken".

Mr. Gair concluded by saying that, in accordance with the usual practice, the issue of remitting licences relating to the present licensing period would cease now that the new Schedule had been released. Consideration would be given only to exceptional cases.