

MEMORANDUM TO THE CABINET BY THE HON. MINISTER OF
INDUSTRIAL DEVELOPMENT AND TOURISM

Amendment to the Import Duties Act, 1964.

This Bill amends the Second Schedule to the Import Duties Act, 1965.

The first amendment exempts from duty pigs' feet imported preserved by salt. The present exemption covers pigs' feet preserved by brine only. This extension is being given in that pigs' feet are usually preserved by salt and not in brine.

The second amendment is intended to postpone the levying of a higher rate duty on tobacco cut or cut and blended but not further manufactured for another year; according to the present Schedule the higher rate will be applicable as from the 1st January, 1966. This higher rate would, however, result in increased production costs as it has now transpired that, due to the refund of drawback on semi-finished tobacco allowed by U.K., local importers in fact can obtain cut tobacco from England at a price lower than that of raw tobacco. The enforcement of the higher rate in the present stage of development would also have the effect of losing a substantial foreign market, closing down small manufacturers with consequent discharge of employes, and increasing the prices of cigarettes and of tobacco for 'roll-your-own' trade which is consumed by the lower income groups. This position would be reviewed at the end of this period of postponement.

The third amendment is intended to extend duty exemption to aluminium paste in drums of not less than 1 cwt. net weight since this is considered an ingredient in the manufacture of paint and is therefore a further protection to the local paint industry.

The fourth amendment is intended to provide an extension on the duty on building bars and rods as set out in Note to E.F. 73.10A up to the 31st December, 1968; this is being done to provide assistance to a local industry by extending the period of protective duty.

The fifth amendment, introduced on the suggestion of the Ministry for Agriculture, Power and Communications, exempts from duty "swivels".

Hon. Ministers are invited to concur with the proposed amendment which has been prepared by the Crown Advocate General.

4th December, 1965.

A BILL
entitled

AN ACT further to amend the Import
Duties Act, 1964.

BE IT ENACTED by the Queen's
most Excellent Majesty, by and with the
advice and consent of the House of
Representatives of Malta, in this
present Parliament assembled and by the
authority of the same, as follows:-

Short title

1. This Act may be cited as the Import
Duties (Amendment) (No. 3) Act 1965 and shall
be read and construed as one with the
Import Duties Act, 1964, hereinafter
referred to as "the principal Act."

Amendment of Second
Schedule to the
principal Act.

2. The Second Schedule of the
principal Act shall have effect subject
to the amendments set out in the Schedule
to this Act.

SCHEDULE

Section 2

1. For item C in the First Column
under heading No. 02.06, there shall be
substituted the following item:-

"(c) Figs' feet preserved in
brine or by salt, only."

2. In the Note to T.N. 24.02°C
in the Fourth Column for the figures
"31.12.1965" there shall be substituted
the figures "31.12.1966".

3. For item (A) under the heading
32.09 in the First Column there shall be
substituted the following item:-

"(A) Aluminium paste in drums of not
less than 1 cwt. net weight and
stamping foils."

4. In the Note to T.N. 73.10 (A)
in the Fourth Column for the figures
"31.12.1965" there shall be substituted
the figures "31.12.1968".

5. /

5. For item (A) under the heading 97.07 in the First Column, there shall be substituted the following items:-

"(A) Fish hooks and swivels."

Objects and Reasons

This Bill amends the Second Schedule to the Import Duties Act, 1964, with the object of providing assistance to certain local industries by removing the duty on certain materials and goods and by extending in respect of a local industry the period of protective duty for three more years.

The Bill also makes provision for the exemption from duty of pigs' feet which are normally imported preserved by salt.

The Bill further postpones the levying of a higher rate of duty on tobacco, cut or cut and blended, but not further manufactured, for another year.