

MEMORANDUM FOR CABINET BY THE MINISTER OF INDUSTRIAL
DEVELOPMENT AND TOURISM

Responsibility for custody of goods discharged from ships

When the Ports Ordinance, 1962 (Ordinance No. XIII of 1962) was enacted on the 9th February, 1962, provision was made for certain provisions of the Ordinance to come into force not immediately but on such date as the Governor might appoint by notice in the Government Gazette.

2. One of the provisions of the Ordinance which has not yet come into force consists of two amendments to section 7 of the Customs Ordinance - Copy herewith (Enclosure A.)

3. The scope of this provision is to fix responsibility on shipping agents for the proper custody of goods discharged from ships of their agency.

4. The state of the law in this respect is at present defective in that it does not attach to the agent any liability for the payment of duty for merchandise that has been regularly discharged from a ship but is stolen or lost whilst it is still in the custody of the agent. Goods may be stolen or pilfered while they are on lighters awaiting landing or while they are in the sheds. In the sheds the agent is supposed to maintain adequate supervision to ensure that the workers handling the packages or cases do not appropriate any of their contents. Yet this is not done and pilferage is on the increase and when an importer finds shortages in the contents of the cases or packages which he has imported he claims a refund of the duty on the shortages. The Customs Department on the other hand is not in a position to recover from the agent the duty made good to the importer because of the want of a provision in the Customs Ordinance attaching liability on the agent in such cases. The amendment contained in the new subsection 4 of section 7 of the Customs Ordinance strengthens the hand of Government against loss of revenue by making it possible to enforce against a negligent agent a claim for loss of revenue incurred while imported goods are under his charge.

5. The Comptroller of Customs considers that the provisions contained in Enclosure A should accordingly be brought into force, and the Attorney General's Office has consequently drafted an appropriate Legal Notice (Enclosure B) bringing the provisions into force.

Provision which has not yet come into force

CHAPTER 60

CUSTOMS ORDINANCE

Section 7

In subsection (3) delete the words "or if the goods are not landed at and deposited in the place approved as aforesaid".

Immediately after subsection (3) insert the following subsection:

"(4) Where any goods contained in a report as aforesaid have been discharged from the importing ship in accordance with the provisions of this Ordinance but are either (a) not landed at and deposited in such places approved as aforesaid, or (b) being goods intended for transshipment are not placed on board the exporting ship and are not accounted for to the satisfaction of the Comptroller, or (c) having been landed at and deposited in such places approved as aforesaid are not cleared therefrom in accordance with the provisions of this Ordinance or are not produced at the request of the proper Customs Officer, then, in any of these cases, the person having the custody of the goods, shall, without prejudice to any penalty to which he may be liable under this Ordinance or any other law, be liable for the payment of the full duty on such goods."

ENCLOSURE B

L.N. of 1963.

The Ports Ordinance, 1962
(Ordinance No. XIII of 1962)

Partial Date of Commencement

IN exercise of the powers conferred by section 1 of the Ports Ordinance, 1962, the Governor has appointed the, 1963, to be the date of commencement of section 63 (2) of the Ports Ordinance, 1962, in so far as item 10 of Part II of the Third Schedule to that Ordinance is concerned.

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