

*Manufacturers Exclusive Australian Licence's Tendered Exclusive Australian Licence's Global Licences**(A) ANZCERT: Manufacturers Exclusive Australian Licences (MEALS)*

Manufacturers applications for up to 50 percent of the EALs for gloves and certain rubber goods for the period ended 30 June 1984.

(B) Import Licensing Call for Tenders: Round 11

(i) *ANZCERT: Tendered Exclusive Australian Licences (TEALS)*—for gloves and certain rubber goods.

(ii) *Global Tendered Licences:*—second round of tenders under the tyre industry plan; tenders under the packaging industry plan; second round of tenders for oars and paddles.

(A) ANZCERT: Manufacturers Exclusive Australian Licences (MEALS)

Gloves have been included under the ANZCERT tariff and access trade liberalisation provisions from 1 July 1983. Also, ANZCERT access has been made available for certain rubber goods previously included on Schedule A of NAFTA.

The EALs to be made available will be valid for the period ending 30 June 1984.

Manufacturers are invited to apply for a share of the EALs in the item codes concerned. Applications close 21 November 1983. The 50 percent share of EALs for which manufacturers can apply for are as follows:

| Item Code | Goods: Brief Description | Level of MEALS Available \$ |
|-----------|---|-----------------------------|
| 39.320 | Gloves and mittens | 50,000 |
| 40.050 | Gloves, for all purposes, of unhardened vulcanised rubber | 19,500 |
| 42.030 | Ski, motorcycle and work gloves, mittens and mitts | 104,140 |
| 43.012 | Gloves, mittens and mitts | 25,000 |
| 60.030* | Work, ski and motor-cycle gloves, mittens and mitts, knitted or crocheted, etc. | 50,000 |
| 60.175 | Gloves, mittens, and mitts, knitted or crocheted, of types suited for industrial, scientific or similar purposes, etc. | |
| 60.180 | Gloves of elastic or rubberised, knitted or crocheted fabric | |
| 61.121 | Work, ski and motorcycle gloves, mittens and mitts | 50,000 |
| Ex 40.005 | Ex Tariff Item 40.05.019 Compound plates, sheets and strips, unvulcanised, natural or synthetic rubber other than masterbatch mixtures | 343,500 |

* Licence to be issued under I.C. 60.030 endorsed available for goods of item codes 60.175 and 60.180. On application to Executive Officer, General Industries (2), Department of Trade and Industry, Private Bag, Wellington, the licence may be transferred in whole or in part into item codes 60.175 and/or 60.180.

The following rules (based on excerpts from the agreed guidelines of 17 November 1982) apply to MEAL applications:

- “... (b) Where less than 50 percent of EALs in an item code is allocated to manufacturers in the first period, the manufacturers' share will not be increased beyond that level in percentage terms in future years unless exceptional circumstances dictate otherwise;”
- “... (e) Licence will be issued against undertakings from a manufacturer:
- (i) to use any EAL fully (the manufacturer must use the licence himself);
 - (ii) to use it in a way consistent with the principles of CER, viz: rationalising existing production by substituting Australian imports for higher cost domestic lines or by complementing existing lines;
- (f) Applicants should be able to demonstrate that they have arranged a source of supply in Australia. Such details will not be sought before licences are issued. In the event that applicants do not arrange a source of supply on a reasonable commercial basis and this appears likely to prevent utilisation of the total access provided through the manufacturers' EALs, the two countries will consult with a view to resolving the problem.
- (g) If more licence is sought than is available in an item code, the available licence will be allocated according to shares of total domestic production and the strength of the undertakings manufacturers have given;
- (h) If a manufacturer finds during the year that he cannot use a licence he will be permitted to surrender the licence for reallocation without penalty within the first half year;” (*In this case by 30 March 1984*).
- “(i) Any licence entitlement not used by a manufacturer in any year will be transferred permanently to the tendering pool;
- (j) Portions of manufacturers' licences which have not been used at the end of the licence period will be carried over to the following period and added to the tendering pool for that period;
- (k) As a general rule, no single manufacturer including its subsidiaries and associates will be entitled to receive more than 25 percent of EALs in an item code from the manufacturers' allocation;
- (l) No single manufacturer, including its subsidiaries or associates, which receives part of the manufacturers' allocation, will be entitled to tender. In exceptional circumstances, applications for departure from this rule will be considered, but will be subject to consultation with Australia;”
- “... (n) In cases where there is a small number of producers applying for a share of the manufacturers' EALs in an item code a manufacturers' proportion may be increased beyond the 25 percent limit but this will be approved only in cases where manufacturers have an outstanding case on rationalisation/complementation grounds and subject to consultation with Australia;”
- “... (o) Licences will be available for automatic renewal at the end of the first period . . . Applications for further renewal can be made at the end of the second year when provision of future licence will be reviewed in the light of performance according to (e) (i) and (ii). Licences for the second year and subsequent years will be adjusted for inflation;
- (p) The allocation of licence to manufacturers who do not hold EALs would be considered before the beginning of each year within the constraints of the additional licence available under the adjustment formula;
- (q) In general, the minimum size of licences would be \$5,000;
- (r) There may be cases where the share a manufacturer receives does not allow rationalisation/complementation to proceed as quickly as is desired.”

Provision has been made for additional licences (Rationalisation/MEALS) to be made available in such cases under guidelines designed to ensure satisfactory rationalisation occurs and to prevent the recipient gaining an undue commercial advantage over competitors.

The guidelines are set out in the Import Licensing Policy Schedule. Copies of the guidelines plus the applicants guide are available on request from General Industries; Department of Trade and Industry, Wellington.