



Bare Facts

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Bringing you the bear essentials

Happy New Year

to our clients and their families from all of us at JJL. We hope that 2006 brings you good health and happiness - and passes a little slower than 2005!

Jim Lawson
Managing Director

Matt's top tip

In our last issue, we told you about the changes to the timber import regulations. A number of further changes to Quarantine, regarding timber packing materials, are about to or have recently occurred.

Reconstituted wood products are no longer considered to be timber (wood) by AQIS and do not need to be fumigated or otherwise treated prior to importation.

For timber packing materials from Italy and Indonesia, AQIS only accepts fumigation certificates issued by companies that have been approved under the Australian Fumigation Accreditation Scheme (AFAS). AFAS was extended to Malaysia from 1 December 2005 and Thailand from 1 March 2006. Visit www.aqis.gov.au/treatmentproviders for more information.

From 1 January 2006, all timber packing materials imported with break bulk and air cargo must be either treated in accordance with the ISPM 15 standard (no certificate required) or by another currently approved method (treatment certificate required).

AQIS will monitor airfreight and break bulk imports under its normal surveillance programs. Familiarise yourself with AQIS' new regulations and avoid incurring additional expense and clearance delays.

Matt McAuliffe
Consultant
Indirect Taxation



Did you know

that there is a simple way
to save money on
disbursement fees ?

see page 3 for full details

Travel back to the 1800's

"Workers left their jobs to join the
gold rush creating a labour shortage"

ICS Update

"The new Cargo Management Re-engineering
system, launched on 12th October this year,
received extensive media coverage
- for all the wrong reasons!"



ICS Update

The new Cargo Management Re-engineering system, launched on 12th October last year, received extensive media coverage – for all the wrong reasons! Our entire industry continues to struggle to overcome the unforeseen glitches in the government's \$200 million software upgrade that all but brought air and sea cargo movement to a halt.

All levels of the supply chain were affected but those of us providing the interface between the authorities and the clients – the Customs Brokers and Freight Forwarders – were the most adversely affected, both operationally and financially.

The situation was summed up by the Customs Brokers and Forwarders Council of Australia (CBFCA), "While Customs has endeavoured to put a positive face and spin that all is well particularly in sea cargo it is only through the high level of resources, both from Customs and industry, thrown at the flawed ICS system that has seen cargo continue to move."

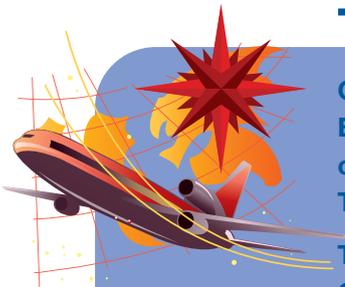
The CBFCA also recognise that "members as service providers are also required to meet significant costs on behalf of their clients, and the inability to bill such costs in a timely manner has created dangerous cash flow issues as well as occupational health and safety aspects for many CBFCA members whose staff are working extended hours to deliver cargo."

It is anticipated by those who claim to know that the new system will be operating appropriately by the end of the first quarter of 2006. Sadly, there is no quick-fix solution.

We have worked tirelessly on your behalf to ensure the smoothest possible transition through this most difficult of times for our industry and appreciate your patience and understanding. We hope to bring you good news, regarding CMR, in the next edition of Bare Facts.



Taking charge



On November 10, the government announced Mr Michael Carmody as the new Chief Executive Officer of the Australian Customs Service – an unenviable role in the current climate. Mr Carmody is also the existing Commissioner for Taxation, the Australian Taxation Service, Department of Treasury.

This appointment will hopefully have a positive impact on the future of the Australian Customs Service and its clients. Interesting days ahead!

Cargo Tracking

You are now able to track your shipments through our website.

Visit www.jjlawson.com.au/tracking to register and click on the JJL Live E-tracking link.

Deferral of GST

Did you know that there is a simple way to save money on disbursement fees? Under a scheme run by the Australian Taxation Office (ATO), many imported goods are eligible for deferral of GST. The Deferred GST Scheme covers GST only; it does not impact upon customs duty, which must still be paid at the time of importation.

Deferral of GST on imported goods extends to all importations that are entered for home consumption, either at the time of importation (Customs Nature 10 entries) or from a Licensed Customs Warehouse (Customs Nature 30 entries). The scheme also covers Post Warrant Amendment entries where additional GST is payable (eg Nature 11 and 31 entries).

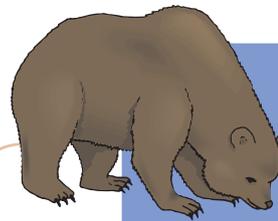
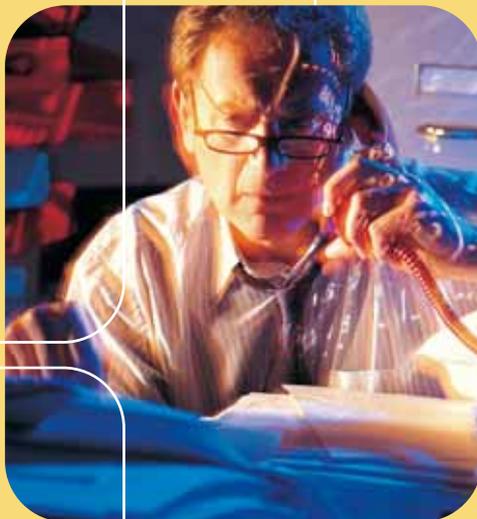
Owners must be registered for GST and must apply to the ATO for approval to participate in the Deferred GST Scheme.

To be eligible, you must lodge your Business Activity Statements (BAS) monthly. Owners can deal electronically with Customs, either directly or through a licensed Customs Broker. The Customs computer system (ICS) does not permit deferral on entries that are lodged manually.

How does the scheme operate?

- When goods are entered for home consumption, ('home consumption' means that the goods enter into the commerce of Australia) the owner is required to quote their Australian Business Number (ABN) to Customs. If the owner has been approved to defer payment of GST, the imported goods can be released after payment of any customs duty or other charges. Customs records the GST liability of each shipment as it is finalised.
- At the end of the month Customs advises the ATO of the aggregated liability for each owner.
- The ATO includes on the next BAS the total amount of GST that was deferred during the previous month. The ATO then issues the BAS to the owner via the Internet.
- The BAS is due to be lodged and paid by the 21st day following the month in which the GST was deferred. (If all the importations for the period are creditable importations, an input tax credit can be claimed in the BAS, which will effectively offset the deferred GST liability.)

An application form for approval to defer GST on imported goods is available at www.ato.gov.au



BEAR BITS

Sun Bears are the smallest of the bears: Adults are about 120 to 150 centimetres long and weigh 27 to 65 kilograms.

Brown Bears kill 10 people on average a year in Russia.

Approx 3000 **Kodiak Bears** live on Kodiak Island, Alaska.

New Payment Options for Duty and GST



Electronic funds transfer can now be used to pay duty & GST direct to the Australian Customs Service via the JJJ computer system. Clients who are utilising GST deferral will only pay the duty by EFT. Clients are notified of the liability before each processing.

Using EFT for these payments streamlines shipments and reduces disbursement charges. Remaining charges are invoiced and sent to the client, including a complete record of Duty, GST and entry records, etc.

The forms to begin this process are available at www.jjjlawson.com.au

Click the forms link on the left and download EFT forms 1 and 2. Please print, complete and send the originals to our office.

For further information, contact Marty Lawson on 02 9669 3011.

Step back in time...



THE 1800'S

WAGES AND CONDITIONS

- 1851 WORKERS LEFT THEIR JOBS TO JOIN THE GOLD RUSH CREATING A LABOUR SHORTAGE
- 1854 THE WAGES OF THE MASONS AND OTHER BUILDING WORKERS WERE CUT BY ABOUT ONE THIRD OVER A YEAR DUE TO A RECESSION
- 1855 STONEMASONS WERE THE FIRST TO WIN AN 8-HOUR WORKING DAY WHICH TOOK DECADES BEFORE IT WAS EXTENDED TO ALL OTHER TRADES
- 1860 A CROWD OF UNEMPLOYED MARCHED ON PARLIAMENT HOUSE MELBOURNE AND STONED IT
- 1866 GUNFIRE DISPERSED UNEMPLOYED WHO RIOTED AT A BRISBANE DEMONSTRATION DEMANDING "BREAD OR BLOOD"
- 1876 A MAXIMUM WORKING WEEK OF 50.5 HOURS WAS PRESCRIBED FOR BOYS AGED 13 TO 18 IN COALMINES

TRADE

- 1850 AUSTRALIA RANKS 7TH AMONG BRITAIN'S OVERSEAS MARKETS MOVING TO 2ND OVER THE NEXT TWO YEARS DUE TO THE DISCOVERY OF GOLD
- 1864 AN ORCHARD OF MULBERRY TREES WAS PLANTED AT PENRITH IN AN UNSUCCESSFUL EFFORT TO ESTABLISH A SILK TRADE WITH LONDON
- 1865 AUSTRALIA'S FIRST RECORDED EXPORT TO JAPAN WAS A SHIPMENT OF COAL WORTH 650 POUNDS
- 1869 AUSTRALIA EXPORTS 900,000KG OF CANNED MEAT TO ENGLAND AND THE SUEZ CANAL WAS OPENED GIVING A MORE DIRECT ROUTE

SHIPPING

- 1850 A LIGHTHOUSE WAS LIT ON ROTTNEST ISLAND OFF FREMANTLE
- 1852 THE FIRST MAIL STEAMER ARRIVES IN SYDNEY, THE P&O CHUSAN
- 1857 THE GRAFTON STEAM NAVIGATION CO WAS FORMED TO TRADE ON THE NORTH COAST OF NSW
- 1864 THE GIPPSLAND LAKES NAVIGATION CO BEGAN SERVICE BETWEEN MELBOURNE AND SOUTH EAST COAST OF VICTORIA
- 1872 THE SEAMANS UNION WAS FOUNDED
- 1880 THE FIRST SHIPMENT OF FROZEN MEAT WAS SHIPPED TO BRITAIN ABOARD STRATHLEVEN PIONEERING REFRIGERATED SHIPPING. STEAM GAINS SUPREMACY OVER SAIL
- 1900 WORK BEGINS ON THE CONSTRUCTION OF PORT KEMBLA

COMMUNICATIONS

- 1854 AUSTRALIA'S FIRST TELEGRAPH LINE OPENS BETWEEN MELBOURNE AND WILLIAMSTOWN
- 1857 NSW ARRANGES FOR THE ERECTION OF A TELEGRAPH LINE BETWEEN LIVERPOOL AND ALBURY AND A LINE TO SOUTH HEAD
- 1858 MELBOURNE AND ADELAIDE ARE LINKED, SO TOO ARE SYDNEY AND MELBOURNE
- 1860 TELEGRAPH MONEY ORDER SYSTEM INTRODUCED IN NSW
- 1877 THE PERTH/ ADELAIDE LINE OPENED EFFECTIVELY LINKING PERTH TO LONDON VIA THE OVERLAND TELEGRAPH LINE, WHICH UTILISED A SUBMARINE CABLE FROM PORT DARWIN TO JAVA WHERE THE BRITISH TELEGRAPH LINE ENDED.
- 1882 A TELEPHONE EXCHANGE WAS ESTABLISHED AT SYDNEY GPO
- 1897 MORSE CODE SYSTEM INTRODUCED AUSTRALIA-WIDE



www.jjlawson.com.au


J.J. LAWSON PTY LTD
CUSTOMS AND FREIGHT BROKERS
ABN 82 001 279 901 ACN 001 279 901

Head Office:

2 - 6 Duguid Street Mascot NSW 2020
P.O. Box 489 Mascot NSW 1460
Phone: +61 (02) 9669 3011
Fax: +61 (02) 9693 5872
Email: bears@jjlawson.com.au
www.jjlawson.com.au

Regional Office:

57 Gavenlock Road Tuggerah NSW 2259
Phone: +61 (02) 4353 9244
Fax: +61 (02) 4353 9255

Transport Depot:

10 - 16 Seville Street Villawood NSW 2163