

C. S. O.

1 3 0 6

1

3

0

6

(Formerly)

SHI/CUS/1#20

SUBJECT :

IMPORT DUTY ON MATCHES.

CONNECTED FILES.

NUMBER AND YEAR.

1950

It is requested that in any reference to this memorandum the above number and the date may be quoted.

From: C.S. To: A.C.S.

Stanley, Falkland Islands

SUBJECT:- Import Duty on Matches.

Reference the point made by Mr. Hardy in Leg:Co: yesterday. Please ask the Collector of Customs to advise on the history of this particular duty, the amount of revenue it has brought in year by year over the last 12 years, and whether he thinks we could drop it. The rate for British and for Foreign matches is different. Could we abolish the duty on British and leave the duty on Foreign, or would that be called discrimination? Or would it be better to abolish the duty altogether? Who started it; was it at the instigation of the S/S?

Handwritten mark

*B.F.C. Accordingly, pl
M.P.C.
30/10/50.*

ACS new file?

H.C.S.

The only record available in this office is a note made by a previous C. Officer to the effect that duty on matches was introduced on 11/10/29.

ll see 12 in 622127

2. Duty on matches over last 12 years is as follows:

	£.	
1938	nil.	
1939	150	
1940	450	
1941	376	
1942	760	
1943	3	
1944	242	
1945	325	
1946	1737 x	(x) represents abnormal
1947	1250 x	imports of matches from Sweden
1948	41	in "Lafonia", made at a time when
1949	42	exports of matches were prohibited
1950	121	from U.K.

The imports from Sweden have affected duty on matches ever since. However, British matches are now arriving in small quantities at 5/-^{duty} a gross bxs as against 10/- for Swedish. As will be seen, the average duty over the 12 years amounts to £450 annually.

3. Abolition of duty on British Empire products would be to discriminate against the foreign product, which would be contrary to the spirit of the International Trade Conference held/

2/1 attached
99 in 0011/II
attached

in Geneva. (M.P. 0506). When revising the Import Tariff, which resulted in the issue of Customs order 6/48, we were instructed telegraphically by the S. of S. not to increase existing preferential tariff margins, which were to remain as they were prior to the Geneva negotiations. (I cannot discover where this telegram was filed). If it were desired to lift customs duties on the British product, then it would be better to remove duty on matches from all sources.

I think duty on matches was introduced purely as a revenue measure, but can find nothing in this Department to support my opinion.

C. of C.
1.11.50.

A.C.S. I see from attached file 233/32 that the preferential duty for British matches was introduced on 1.1.33. Prior to that the rate of duty was the same for all matches. When did the duty start? Tariff Ordinance, 1900, or by the amendment in 1929 or 1931?

2.11.50.

The only record available in this office is a note made by a previous officer to the effect that duty on matches was introduced on 1.1.33.

Only on matches over last 12 years is as follows:

1930	1931
1932	1933
1934	1935
1936	1937
1938	1939
1940	1941
1942	1943
1944	1945
1946	1947
1948	1949
1950	1951

(x) represents abnormal imports of matches from Sweden in "Lalonia", made as a fine when exports of matches were prohibited from U.K.

The imports from Sweden have declined since 1933 in matches over since, however, British matches are not arriving in small quantities at 2 1/2 - a gross was as against 10% for Sweden. As will be seen, the average duty over the 12 years amounts to 250 annually.

2. Addition of duty on British Empire products would be to discriminate against the foreign product, which would be contrary to the spirit of the International Trade Conference.

The Tariff (Import Duties) Amendment Ordinance, 1929.

H.C.S.,

The import duty on matches was first introduced by Ordinance No. 6 of 1929 (please see pages 16-17 in M.P. 622/27 attached and also relative minute on minute sheet No. 5 in same file) and appears to have been introduced as a revenue measure

W. A. G. 2/11/50

Y.E.

Import Duty on matches. Please see minutes from p.1. The duty was first introduced in 1929 (see references given in minute above), and appears to have been for revenue purposes only, even if it was not expected to bring in very much. In 1933, after the Ottawa Conference, the preferential duty was introduced. The revenue figures given by C of C in para 2 of his minute at p.1 are interesting. As he also notes in his minute, we have been told by the S/S that we should not increase the margin of preference at any time when we are altering the rates of duty. If we abolished the duty on all matches we would do away with a preference which British goods at present enjoy. The present rates are 5/- per gross boxes on British matches and 10/- per gross boxes on foreign. What we could do would be to abolish the duty on British matches and reduce the duty on foreign matches to 5/- per gross boxes. This would not affect the present degree of preference given to the British product, but it might not look very good in our tariff if we showed a tax on foreign ones only. In fact the foreign maker would be no worse off than he is now, but without knowing the past history the bare rate as shown in the tariff would appear to outsiders to be discriminatory. 2. The duty as at present levied is not burdensome, and in view of the facts set out above I would recommend that we leave it alone.

W. A. G.
3.11.50.

my view also. NFA.

W. A. G. 3/xi

CofC.

Alma fi.

W. A. G. 3/11/50.

W. A. G.

noted th. you

W. A. G. 4/11/50

W. A. G. 6/11/50