

SPEECH BY THE DEPUTY PRIME MINISTER ON CUSTOM DUTIES (AMENDMENT NO. 6) ORDER, 1964 IN THE DEWAN RAKYAT ON 10TH SEPTEMBER, 1964

Mr. Speaker, Sir, I beg to move —

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (2) of section 10 of the Customs Ordinance, 1952, the Customs Duties (Amendment No. 6) Order, 1964, which has been laid before the House as Statue Paper No. 64 of 1964 be confirmed.

Sir, although the meeting of this Parliament is especially called to discuss the first motion on the Order Paper, but as it is made mandatory by law to have this order confirmed at the first meeting of Parliament, it is necessary for me to bring two motions before this House.

Now the primary purpose of this Order is to provide protection for a domestic manufacturer of refined sugar. The Government, Sir, is satisfied that without protection it would not be practicable for the refinery to operate as low cost foreign producers can very easily flood our market with their product.

The House will also note that the Order has changed radically the tariff classification of sugar for the purposes of collecting Customs duty. Hitherto, sugar has been rather unsatisfactorily classified regardless of the sugar content. Sugar was classified according to whether it was meant for further refining or whether it was imported for consumption. This Order seeks to reclassify sugar according to its degrees of polarisation i.e. the exact extent to which the sugar is refined. It is an accepted system of classification commonly adopted in countries where there are sugar refineries. Now, this change in the nomenclature not only improves the tariff classification but also assures that the protection accorded to the domestic refinery is used to the maximum advantage.