

## **HEAVY ENGINEERING RESEARCH LEVY AMENDMENT BILL**

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### EXPLANATORY NOTE

THIS Bill amends the Heavy Engineering Research Levy Act 1978.

*Clause 1* relates to the Short Title and commencement. The Bill is to come into force on 1 January 1988, the same date that the new Customs Tariff (as substituted by the Customs Amendment Act (No. 4) 1987) comes into force.

*Clause 2* inserts a new Second Schedule in the principal Act to identify, in terms of the new Customs Tariff which is to come into force on 1 January 1988, the heavy engineering items that are liable to a levy not exceeding \$5 per tonne. The new tariff items cover a wider field than those in the present Second Schedule, mainly due to a new classification of alloy steel in the new Customs Tariff.

*Clause 3* inserts a new Third Schedule in the principal Act to identify, in terms of the new Customs Tariff which is to come into force on 1 January 1988, the welding consumables that are liable to a levy not exceeding 5 cents per kilogram. The new tariff items cover more items than those in the present Third Schedule due to the inclusion of welding consumables of alloy steel, silver, copper, and aluminium.

*Clause 4* provides that the substitution of the new Schedules by *clauses 2 and 3* of the Bill is not to affect the validity of the Heavy Engineering Research Levy Notice 1987, by which the rates of levy were fixed at \$5 per tonne in respect of items in the Second Schedule and 2 cents per kilogram for items in the Third Schedule.

*Right Hon. R. J. Tizard*

**HEAVY ENGINEERING RESEARCH LEVY  
AMENDMENT**

ANALYSIS

Title	3. New Third Schedule substituted
1. Short Title and commencement	4. Heavy Engineering Research Levy Notice 1987
2. New Second Schedule substituted	Schedules

A BILL INTITULED

**An Act to amend the Heavy Engineering Research Levy  
Act 1978**

BE IT ENACTED by the Parliament of New Zealand as follows:

- 5    **1. Short Title and commencement**—(1) This Act may be cited as the Heavy Engineering Research Levy Amendment Act 1987, and shall be read together with and deemed part of the Heavy Engineering Research Levy Act 1978\* (in this Act referred to as the principal Act).
- 10    (2) This Act shall come into force on the 1st day of January 1988.
- 15    **2. New Second Schedule substituted**—(1) The principal Act is hereby amended by repealing the Second Schedule (as substituted by section 5 (1) of the Heavy Engineering Research Levy Amendment Act 1986), and substituting the new Second Schedule set out in the First Schedule to this Act.
- (2) The Heavy Engineering Research Levy Amendment Act 1986 is hereby consequentially amended by repealing section 5 and the First Schedule.
- 20    **3. New Third Schedule substituted**—(1) The principal Act is hereby amended by repealing the Third Schedule (as substituted by section 6 of the Heavy Engineering Research

\*1978, No. 81

Amendments 1985, No. 25; 1986, No. 89

Levy Amendment Act 1986), and substituting the new Third Schedule set out in the Second Schedule to this Act.

(2) The Heavy Engineering Research Levy Amendment Act 1986 is hereby consequentially amended by repealing section 6 and the Second Schedule.

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**4. Heavy Engineering Research Levy Notice 1987**—The substitution of the new Second and Third Schedules to the principal Act by sections 2 and 3 of this Act shall not affect the validity of the Heavy Engineering Research Levy Notice 1987\*.

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\*S.R. 1987/79

**SCHEDULES**

FIRST SCHEDULE  
NEW SECOND SCHEDULE TO PRINCIPAL ACT  
"SECOND SCHEDULE  
Section 2 (1)  
Section 4

LEVIED ITEMS IN RESPECT OF WHICH RATE OF LEVY NOT TO EXCEED \$5 FOR EACH TONNE

<i>Column 1</i>	<i>Column 2</i>
Customs Tariff item number and general description of goods	Customs Tariff statistical key code number (and description if applicable)
<p><b>72.08 Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, hot-rolled, not clad, plated or coated:</b></p> <p>- Not in coils, not further worked than hot-rolled, of a thickness of less than 3 mm and having a minimum yield point of 275 MPa or of a thickness of 3 mm or more and having a minimum yield point of 355 MPa:</p> <p>- - Rolled on four faces or in a closed box pass, of a width not exceeding 1,250 mm and of a thickness of not less than 4 mm, without patterns in relief</p> <p>- - Other, of a thickness exceeding 10 mm</p> <p>- - Other, of a thickness of 4.75 mm or more but not exceeding 10 mm</p>	<p>01A ... Exceeding 4.75 mm in thickness</p> <p>00H</p> <p>00B</p>
<p>7208.31.00</p>	
<p>7208.32.00</p>	
<p>7208.33.00</p>	

FIRST SCHEDULE—*continued*  
 “SECOND SCHEDULE—*continued*  
 LEVIED ITEMS IN RESPECT OF WHICH RATE OF LEVY NOT TO EXCEED \$5 FOR EACH TONNE—*continued*

<i>Column 1</i>	<i>Column 2</i>
Customs Tariff item number and general description of goods	Customs Tariff statistical key code number (and description if applicable)
<b>Flat-rolled products of iron, etc.—<i>continued</i></b>	
- Other, not in coils, not further worked than hot-rolled:	
7208.41.00	01E ... Exceeding 4.75 mm in thickness
7208.42.00	
7208.43.00	00A
7208.90	00F
7208.90.01	
	... Other:
	11B ... Exceeding 4.75 mm in thickness
<b>72.10</b>	
<b>Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated:</b>	
7210.20	
7210.20.09	
- Plated or coated with lead, including terne-plate:	
- - Other	
- Electrolytically plated or coated with zinc:	
	01B ... Exceeding 4.75 mm in thickness

7210.31	-- Of steel of a thickness of less than 3 mm and having a minimum yield point of 275 MPa or of a thickness of 3 mm or more and having a minimum yield point of 355 MPa:	
	-- Exceeding 1.6 mm in thickness:	
7210.31.09	--- Other	01L . . . . . Exceeding 4.75 mm in thickness
7210.39	-- Other:	
	-- Exceeding 1.6 mm in thickness:	
7210.39.09	--- Other	01G . . . . . Exceeding 4.75 mm in thickness
	- Otherwise plated or coated with zinc:	
7210.49	-- Other:	
	-- Exceeding 1.9 mm in thickness:	
7210.49.01	--- Worked	01K . . . . . Exceeding 4.75 mm in thickness, not in coils
	--- Other:	
7210.49.19	--- Other	01F . . . . . Exceeding 4.75 mm in thickness
7210.50	- Plated or coated with chromium oxides or with chromium and chromium oxides:	
7210.50.09	-- Other	01C . . . . . Exceeding 4.75 mm in thickness

FIRST SCHEDULE—*continued*  
 "SECOND SCHEDULE—*continued*  
 LEVIED ITEMS IN RESPECT OF WHICH RATE OF LEVY NOT TO EXCEED \$5 FOR EACH TONNE—*continued*

<i>Column 1</i>	<i>Column 2</i>
Customs Tariff item number and general description of goods	Customs Tariff statistical key code number (and description if applicable)
<b>Flat-rolled products of iron, etc.—<i>continued</i></b>	
- Plated or coated with aluminium:	
- - - - - Containing not less than 95% aluminium by weight:	
- - - - - Worked	01F . . . . . Exceeding 4.75 mm in thickness, not in coils
- - - - - Other	. . . . . Other:
	11D . . . . . Exceeding 4.75 mm in thickness
- - - - - Other:	
- - - - - Worked	01A . . . . . Exceeding 4.75 mm in thickness, not in coils
- - - - - Other:	
- - - - - Other	01H . . . . . Exceeding 4.75 mm in thickness
- Painted, varnished or coated with plastics:	
- - - - - Worked	01K . . . . . Exceeding 4.75 mm in thickness, not in coils
7210.60	
7210.60.01	
7210.60.09	
7210.60.11	
7210.60.29	
7210.70	
7210.70.01	

7210.70.19	-- Other: --- Other	01F	.... Exceeding 4.75 mm in thickness
7210.90	- Other:	01G	... Exceeding 4.75 mm in thickness, not in coils
7210.90.01	-- Worked		
7210.90.19	-- Other: --- Other	01C	.... Exceeding 4.75 mm in thickness
72.11	<b>Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, not clad, plated or coated:</b>		
7211.11.00	- Not further worked than hot-rolled, of a thickness of less than 3 mm and having a minimum yield point of 275 MPa or of a thickness of 3 mm or more and having a minimum yield point of 355 MPa: - Rolled on four faces or in a closed box pass, of a width exceeding 150 mm and of a thickness of not less than 4 mm, not in coils and without patterns in relief	09K	... Over 500 mm in width, exceeding 4.75 mm in thickness
7211.12	- Other, of a thickness of 4.75 mm or more:		
7211.12.09	--- Other	01F	.... Over 500 mm in width
7211.21.00	- Other, not further worked than hot-rolled: - Rolled on four faces or in a closed box pass, of a width exceeding 150 mm and of a thickness of not less than 4 mm, not in coils and without patterns in relief	09C	... Over 500 mm in width, exceeding 4.75 mm in thickness
7211.22	-- Other, of a thickness of 4.75 mm or more:		
7211.22.09	--- Other	01K	.... Over 500 mm in width



FIRST SCHEDULE—continued  
 "SECOND SCHEDULE—continued  
 LEVIED ITEMS IN RESPECT OF WHICH RATE OF LEVY NOT TO EXCEED \$5 FOR EACH TONNE—continued

	<i>Column 1</i>	<i>Column 2</i>
	Customs Tariff item number and general description of goods	Customs Tariff statistical key code number (and description if applicable)
72.12	<b>Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, clad, plated or coated:</b>	
	- Electrolytically plated or coated with zinc:	
7212.21	-- Of steel of a thickness of less than 3 mm and having a minimum yield point of 275 MPa or of a thickness of 3 mm or more and having a minimum yield point of 355 MPa:	
	--- Other:	
	--- Exceeding 1.6 mm in thickness:	
7212.21.19	----- Other	01j ..... Exceeding 4.75 mm in thickness
7212.29	-- Other:	
	--- Other:	
	--- Exceeding 1.6 mm in thickness:	
7212.29.19	----- Other	01E ..... Exceeding 4.75 mm in thickness

7212.30	- Otherwise plated or coated with zinc: - - Other:	01G	..... Exceeding 4.75 mm in thickness, not in coils
7212.30.11	- - - Exceeding 1.9 mm in thickness: - - - - Worked	09C	..... Exceeding 4.75 mm in thickness, not in coils
7212.30.19	- - - - Other	01L	..... Exceeding 4.75 mm in thickness
7212.40	- Painted, varnished or coated with plastics: - - Other:	11J	..... Other: ..... Exceeding 4.75 mm in thickness
7212.40.11	- - - Worked		
7212.40.19	- - - Other		
7212.50	- Otherwise plated or coated: - - Other:	01E	..... Exceeding 4.75 mm in thickness
7212.50.19	- - - Other		
7212.60	- Clad: - - Other:	01J	..... Exceeding 4.75 mm in thickness
7212.60.19	- - - Other		

FIRST SCHEDULE—continued  
 "SECOND SCHEDULE—continued  
 LEVIED ITEMS IN RESPECT OF WHICH RATE OF LEVY NOT TO EXCEED \$5 FOR EACH TONNE—continued

72.16	<i>Column 1</i> Customs Tariff item number and general description of goods	<i>Column 2</i> Customs Tariff statistical key code number (and description if applicable)
	<b>Angles, shapes and sections of iron or non-alloy steel:</b>	
	- U, I or H sections, not further worked than hot-rolled, hot-drawn or extruded, of a height of 80 mm or more:	
	- - U Sections:	
7216.31		00L
7216.31.01	- - - 102 mm X 51 mm X 10.4 kg/m	00A
7216.31.09	- - - Other	01G ... Less than 40 kg/m 09B ... Other
7216.32.00	- - I sections	01A ... Less than 40 kg/m 09C ... Other
7216.33.00	- - H sections	
7216.40	- L or T sections, not further worked than hot-rolled, hot-drawn or extruded, of a height of 80 mm or more:	
7216.40.01	- - Equal angled L sections, 80 mm X 80 mm by 5 mm to 13 mm in thickness	00K

7216.40.09	-- Other	00L	... Of a height of 80 mm or more:
7216.50.00	- Other angles, shapes and sections, not further worked than hot-rolled, hot-drawn or extruded	01E	... Less than 40 kg/m
		09L	... Other
7216.60.00	- Angles, shapes and sections, not further worked than cold-formed or cold-finished	01J	... Of a height of 80 mm or more:
		09D	... Angles and tees
		19A	... Channels, girders, beams and joists
			... Other
7216.90	- Other:	01F	... Of a height of 80 mm or more
7216.90.01	-- Worked		... Of a height of 80 mm or more:
7216.90.09	-- Other	01G	... Galvanised
		09B	... Other
<b>72.25</b>	<b>Flat-rolled products of other alloy steel, of a width of 600 mm or more:</b>		
7225.40.00	- Other, not further worked than hot-rolled, not in coils	01L	... Exceeding 4.75 mm in thickness
7225.90	- Other:		
7225.90.01	-- Galvanised	01E	... Exceeding 4.75 mm in thickness, not in coils
7225.90.09	-- Worked	01F	... Exceeding 4.75 mm in thickness, not in coils
7225.90.19	-- Other	09G	... Exceeding 4.75 mm in thickness, not in coils

FIRST SCHEDULE—continued  
 "SECOND SCHEDULE—continued  
 LEVIED ITEMS IN RESPECT OF WHICH RATE OF LEVY NOT TO EXCEED \$5 FOR EACH TONNE—continued

	<i>Column 1</i>	<i>Column 2</i>
	Customs Tariff item number and general description of goods	Customs Tariff statistical key code number (and description if applicable)
<b>72.26</b>	<b>Flat-rolled products of other alloy steel, of a width of less than 600 mm:</b>	
	- Other:	
7226.91	- - Not further worked than hot-rolled:	
7226.91.09	- - - Other	01J . . . . Over 500 mm in width, of a thickness exceeding 4.75 mm
7226.99	- - Other:	
7226.99.01	- - - Galvanised or worked	01D . . . . Over 500 mm in width, of a thickness exceeding 4.75 mm, not in coils
	- - - Other:	
7226.99.19	- - - - Other	01L . . . . Over 500 mm in width, of a thickness exceeding 4.75 mm

72.28	Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel:	- Angles, shapes and sections	<ul style="list-style-type: none"> <li>01F ... Of a height of 80 mm or more:</li> <li>09A ... Channels, girders, beams and joists</li> <li>... Other</li> </ul>
7228.70.00			
79.06	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel:	- Other, welded, of non-circular cross-section	<ul style="list-style-type: none"> <li>... Rectangular hollow sections:</li> <li>... Of a maximum dimension of                             <ul style="list-style-type: none"> <li>102 mm or more but less than 128 mm:</li> <li>49B ... Other</li> </ul> </li> <li>51D ... Of a maximum dimension of                             <ul style="list-style-type: none"> <li>128 mm or more but less than 229 mm</li> <li>59K ... Other"</li> </ul> </li> </ul>
7306.60.00			

SECOND SCHEDULE  
NEW THIRD SCHEDULE TO PRINCIPAL ACT  
"THIRD SCHEDULE"

Section 3 (1)

Section 4

LEVIED ITEMS IN RESPECT OF WHICH RATE OF LEVY NOT TO EXCEED 5 CENTS FOR EACH KILOGRAM

<i>Column 1</i>	<i>Column 2</i>
Customs Tariff item number and general description of goods	Customs Tariff statistical key code number (and description if applicable)
<b>71.06</b> Silver (including silver plated with gold or platinum), unwrought or in semi-manufactured forms, or in powder form: - Other: - - Semi-manufactured	... Other: .... Bars and rods, strip and wire: ..... Welding 11B
<b>72.15</b> 7215.20.00 Other bars and rods of iron or non-alloy steel: - Other, not further worked than cold-formed or cold-finished, containing by weight less than 0.25% of carbon	.. Of circular cross-section: ... Welding .. Other: ... Welding 01F 41E 01A
7215.90.00 - Other	

<b>72.17</b>	<b>Wire of iron or non-alloy steel:</b>	
	- Containing by weight less than 0.25% of carbon:	
7217.11.00	- - Not plated or coated, whether or not polished	... Less than 1.8 mm in any cross-sectional dimension: .... Welding ... 1.8 mm or more in any cross-sectional dimension: .... Welding 01C 19F
7217.13.00	- - Plated or coated with other base metals	... Less than 1.8 mm in any cross-sectional dimension: .... Welding ... Other: .... Welding 01B 11K
7217.19.00	- - Other	... Less than 1.8 mm in any cross-sectional dimension: .... Welding ... Other: .... Welding 01K 11C
<b>72.22</b>	<b>Other bars and rods of stainless steel; angles, shapes and sections of stainless steel:</b>	
7222.30.00	- Other bars and rods	... Welding 01B
<b>72.23</b>	<b>Wire of stainless steel</b>	
7223.00.00		... Welding 01K



SECOND SCHEDULE—*continued*  
 “THIRD SCHEDULE—*continued*  
 LEVIED ITEMS IN RESPECT OF WHICH RATE OF LEVY NOT TO EXCEED 5 CENTS FOR EACH KILOGRAM—*continued*

<i>Column 1</i>		<i>Column 2</i>
Customs Tariff item number and general description of goods	Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel:	Customs Tariff statistical key code number (and description if applicable)
72.28	- Bars and rods, of silico-manganese steel	.. Wire rod: 01H ... Welding .. Other:
7228.60.00	- Other bars and rods	11E ... Welding
<b>72.29</b>	<b>Wire of other alloy steel:</b>	01B .. Welding
7229.20.00	- Of silico-manganese steel	.. Coated: 01F ... Welding .. Other: 11C ... Welding
7229.90.00	- Other	.. Coated: 01A ... Welding

.. Other:  
... Welding

11J

01L ... Welding

01A ... Welding

01J ... Welding

01C ... Welding

01E ... Welding

01C ... Welding

**Copper bars, rods and profiles:**

74.07

- - Of refined copper:

7407.10

- - Bars and rods:

7407.10.01

- - - Wire rod

7407.10.09

- - - Other

- - Of copper alloys:

7407.21

- - - Of copper-zinc base alloys (brass):

7407.21.01

- - - Bars and rods

7407.22

- - - Of copper-nickel base alloys (cupro-nickel) or copper-nickel-zinc base alloys (nickel silver):

7407.22.01

- - - Bars and rods

7407.29

- - Other:

7407.29.01

- - - Bars and rods

**Copper wire:**

74.08

- - Of refined copper:

7408.19.00

- - Other

SECOND SCHEDULE—continued  
 "THIRD SCHEDULE—continued  
 LEVIED ITEMS IN RESPECT OF WHICH RATE OF LEVY NOT TO EXCEED 5 CENTS FOR EACH KILOGRAM—continued

	<i>Column 1</i>	<i>Column 2</i>
	Customs Tariff item number and general description of goods	Customs Tariff statistical key code number (and description if applicable)
	<b>Copper wire—continued</b>	
	- Of copper alloys:	
7408.21.00	- - Of copper-zinc base alloys (brass)	01L ... Welding
7408.22.00	- - Of copper-nickel base alloys (cupro-nickel) or copper-nickel-zinc base alloys (nickel silver)	01E ... Welding
7408.29.00	- - Other	01G ... Welding
	<b>Unwrought aluminium:</b>	
7601.10	- Aluminium, not alloyed:	
7601.10.01	- - Bars and rods	01D ... Welding
7601.20	- Aluminium alloys:	
7601.20.01	- - Bars and rods	01H ... Welding
	<b>Aluminium bars, rods and profiles:</b>	
7604.10.00	- Of aluminium, not alloyed	01B ... Welding
	- Of aluminium alloys:	

7604.29	- - Other:		
7604.29.01	- - - Bars and rods	01C	... Welding
<b>76.05</b>	<b>Aluminium wire:</b>		
	- Of aluminium, not alloyed:		
7605.19.00	- - Other	01A	... Welding
	- Of aluminium alloys:		
7605.29.00	- - Other	01E	... Welding
<b>88.11</b>	<b>Wire, rods, tubes, plates, electrodes and similar products, of base metal or of metal carbides, coated or cored with flux material, of a kind used for soldering, brazing, welding or deposition of metal or of metal carbides; wire and rods, of agglomerated base metal powder, used for metal spraying:</b>		
	- Coated electrodes of base metal, for electric arc-welding	00C	
8811.10.00			
8811.20.00	- Cored wire of base metal, for electric arc-welding	00G	
8811.30.00	- Coated rods and cored wire, of base metal, for soldering, brazing or welding by flame	00L	
	- Other, including parts:		
8811.90			
8811.90.01	- - Wire and rods, of agglomerated base metal powder, used for metal spraying	00J	
8811.90.09	- - Other	00K	