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The Irish Tariff and The E.E.C.:  
A Factual Survey

by

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# The Irish Tariff and The E.E.C. :

## A Factual Survey<sup>(1)</sup>

by  
*Edward Nevin*

### 1. The measurement of tariff levels

It is well known that the decision to seek membership of the E.E.C. will involve the eventual abandonment of Ireland's existing tariff structure, the adoption of free trade *vis-à-vis* the other member-countries in the E.E.C. and the replacement of existing tariffs on imports from the rest of the non-E.E.C. world by the common tariff structure adopted by the E.E.C. as a whole.

The broad implications of this aspect of membership of the E.E.C. are well enough understood; essentially they reduce to the proposition that (subject to any derogations to the Treaty of Rome which Ireland may manage to persuade the other signatories to permit) the protection of indigenous industries from European competition will cease. To the extent that the common E.E.C. tariff is lower than the existing Irish tariff, protection against competition from the rest of the world will also be reduced.

It is natural to enquire whether the magnitude of this degree of protection, to be sacrificed by membership of the E.E.C., can be assessed; upon it may depend to a large degree the consequences which Ireland must anticipate from membership so far as its industry is concerned. In general, however, the protective significance of a tariff structure cannot be calculated in any precise way. The effect of any specified tariff level will vary from industry to industry—or even from enterprise to enterprise—according to relative costs of production at home and abroad, a relationship which may itself be disturbed by changes in output levels resulting from tariff adjustments. Again, the

<sup>1</sup>I am indebted to various people for advice in connection with an earlier draft of this paper. Needless to say, the responsibility for the nature and accuracy of its contents lies solely with the author.

protectiveness of a tariff will depend on the price-elasticity of demand for the commodity concerned; it will also depend on the cross-elasticity of demand for the domestic product, on the one hand, and for its import-substitutes on the other. Much may also turn on the ability, and willingness, to absorb tariff charges without raising prices—*i.e.*, by accepting reduced profit margins—which foreign producers had previously displayed. Finally, a major instrument of protection in the modern world—and not least in the Irish economy—is the quantitative restriction, rather than the tariff, and this protective element is necessarily ignored by tariff comparisons.<sup>2</sup>

For all these reasons, any calculation of average tariff levels can have only limited meaning. The expression of import duties as a percentage of the value of total imports, for example, certainly permits an easy comparison to be made with other countries. This is done in Table I; it would appear at first sight to yield some broad impression of the relative heights of average tariffs in various countries. Comparisons of this sort, however, have the familiar and fatal weakness of inverting the proper system of weighting; a high tariff which shuts out the greater part of potential imports will (generally) bring in little revenue, and will thus appear to be of small significance. In the limiting case of a tariff so high as to exclude imports altogether, of course, the import duty revenue will be zero and the tariff itself will consequently fail to be reflected at all in the final average.

<sup>2</sup>Quantitative restrictions on imports are the main device involved, of course, but by no means the only one. Restrictions on exports may be designed to protect home industry—scrap metal, timber and horns and hooves come to mind. Similar effects are secured by the various restrictions on domestic producers with regard to the proportions of home-produced and imported raw materials to be used.

TABLE I: INCIDENCE OF IMPORT DUTIES, 1958 (a)

Country	Monetary Unit.	Total Merchandise Imports	Total Import Duties	Average Incidence of duties (4 ÷ 3)
I	2	3	4	5
Austria	Sch. mn.	27,912	1,640	5.9
Belgium/Luxembourg	Francs mn.	156,445	5,900	3.8
France	Fr. oomn.	2,356	119	5.1
Germany (F.R.)	New \$ U.S. mn.	7,361	339 (b)	4.6
Ireland	£ mn.	199	13 (b)	6.5
Italy	Lire oomn.	2,010	188 (c)	9.4
Netherlands	Guilders mn.	13,774	817	5.9
Norway	Kroner mn.	9,359	412 (d)	4.4
Portugal	Escudos mn.	13,791	1,530 (b)	11.1
Sweden	Kroner mn.	12,249	682 (d)	5.6

(a) Switzerland and the United Kingdom excluded because of the impossibility of separating duties on tobacco and/or hydro-carbon oils from other import duties.

(b) Excluding duties on tobacco and/or hydro-carbon oils.

(c) Year to June 30th.

(d) Average of years ending June 30th 1958 and 1959.

Source: *Yearbook of International Trade Statistics*, 1959, Vol. 1., United Nations, New York, 1961.

Under certain circumstances it may be possible to overcome this difficulty by weighting individual tariff rates according to the value of imports of the commodity concerned *before the tariff was established*. Thus, in making some comparisons between Ireland and other countries, Professor W. J. L. Ryan weighted individual tariffs by the value of corresponding imports in 1924, which he considered to be the nearest possible approach to a year in which Irish trade was operating under free-trade conditions.<sup>3</sup> It may be of some interest to recall the resulting comparisons with some European countries in 1937 (the average tariff level in Ireland is taken as 100):—

Germany	..	..	..	152
Ireland	..	..	..	100
Italy	..	..	..	82
Switzerland	..	..	..	70
United Kingdom	..	..	..	65
Belgium	..	..	..	53
France	..	..	..	46
Netherlands	..	..	..	20
Sweden	..	..	..	18

Whatever the merits of such a procedure for the pre-war years, however, it is obviously impracticable for the contemporary situation. The last "free-

<sup>3</sup>W. J. L. Ryan, "Measurement of tariff levels for Ireland for 1931, 1936, 1938", *Journal of the Statistical and Social Inquiry Society of Ireland*, Vol. XVIII, 1948-49, pp. 109-130.

trade" year for any European country is now so far distant that it would be impossible to use its import-pattern as a guide to the shape which foreign trade would be taking in the absence of tariffs.

It follows that discussion of the implications of tariff changes for Ireland can proceed only on an industry, or even commodity, basis; the use of broad averages is excluded. Yet very little appears to be known about comparative tariffs in Ireland and elsewhere by the public at large, a state of affairs which can hardly be conducive to informed and intelligent discussion of policy. Hence it has been thought useful to construct a comparative table of Irish tariffs and the E.E.C. Common Tariff in a readily comprehensible form, comparable with (although less comprehensive than) the exercise recently carried out for the United Kingdom by P.E.P.<sup>4</sup> without any commentary or interpretation. As has been emphasised already, the mere comparison of the tariffs on a particular commodity in different countries does not, in itself, permit conclusions to be drawn about the extent of protection or the likely effects of its removal. Nevertheless it is the first essential step towards arriving at such conclusions.

<sup>4</sup>P.E.P. *Tariffs and Trade in Western Europe*, Allen & Unwin, London, 1959.

## 2. The Preferential tariff

So far as tariff measures are concerned, the movement towards full participation in the Common Market (assuming full membership of the E.E.C. by the United Kingdom also) will involve in increasing measure:—

- (a) the removal of tariffs on dutiable imports from the United Kingdom, most of which are currently subject to preferential rates of duty;
- (b) the removal of tariffs against dutiable imports from other E.E.C. countries, currently subject to the full rates of duty;
- (c) the substitution of the E.E.C. Common tariff for the present Irish tariff on dutiable imports from non-E.E.C. countries, and the application of the Common Tariff on goods from those sources currently entering Ireland duty-free.

It may be helpful, therefore, to indicate the relative magnitudes of Ireland's current imports from these various sources, as is done in Table II. In general the preferential tariff is extended to imports from the United Kingdom and Canada; imports from other Commonwealth countries are subject sometimes to the same preferential rate, sometimes to the full rate and occasionally to an intermediate rate. As will be seen from the table, however, the overwhelming bulk of imports from

Commonwealth countries other than the U.K. and Canada is concentrated on foodstuffs and raw materials, on which there is generally no duty in the existing Irish tariff.

## 3. The Comparative Tariff table.

There are a few technical points of detail which should be noted in connection with the Comparative Tariff table appended as Table A. In general, the E.E.C. Common Tariff is the simple arithmetic average of the separate tariffs in the participating countries. Some items, however, have been settled by negotiation, and are included in what is known as List G. The E.E.C. tariff shown in Table A has therefore been drawn from both the official tariff statement and List G.<sup>5</sup>

The E.E.C. Common Tariff is still undecided, however, in the sense that its level may be altered by the entry of the United Kingdom and other countries, including Ireland itself. Since the overall level of the British tariff is in general similar to that of the Common Tariff (the only major exceptions to this generalisation being found in the categories of foodstuffs and some raw materials), it does not seem unreasonable to treat the current level of the prospective Common Tariff as an approximation to that which will ultimately prevail.

<sup>5</sup>Communauté Economique Européene, *Tarif Douanier Commun*, Brussels, 1960, Tomes I and II; Secrétariat Général des Conseils, Communication à la Presse No. 154/60, Brussels, March 1960.

TABLE II: THE PATTERN OF IRISH IMPORTS, 1960.

SITC Groups	IMPORTS FROM:—						£ million	
	U.K.	Canada	Total U.K. and Canada	Other Commonwealth (a)	Total Commonwealth	E.E.C. Countries	Other Countries	Total
0. Food .. .. .	7.15	1.99	9.14	8.18	17.32	2.31	11.45	31.08
1. Beverages and tobacco ..	0.61	0.02	0.63	0.14	0.77	0.84	5.28	6.89
2. Crude materials ..	4.04	1.24	5.28	5.89	11.17	0.81	9.40	21.38
3. Fuels and lubricants ..	11.69	—	11.69	0.44	12.13	0.98	13.08	26.19
4. Oils and fats .. .. .	0.58	—	0.58	0.10	0.68	0.04	0.94	1.66
5. Chemicals .. .. .	9.92	0.04	9.96	0.05	10.01	5.59	2.13	17.73
6. Manufactured goods classified by material ..	28.74	1.31	30.05	0.32	30.37	7.86	6.83	45.06
7. Machinery and transport equipment .. .. .	32.01	0.07	32.08	0.03	32.11	8.20	6.56	46.87
8. Miscellaneous manufactures .. .. .	7.60	0.02	7.62	0.10	7.72	1.94	1.14	10.80
9. Other commodities ..	9.96	0.05	10.01	0.11	10.12	0.76	7.86	18.74
Total .. .. .	112.30	4.74	117.04	15.36	132.40	29.34	64.65	226.39

(a) Taken to include the Union of South Africa.

Source: Central Statistics Office.

Secondly, many duties in the Irish tariff are expressed as a given sum of money (specific duties) rather than as a proportion of the value of the commodity concerned (*ad valorem* duties). Naturally it is impossible to make international comparisons with this form of duty; they have therefore been converted to *ad valorem* form by expressing the sums involved as a percentage of (in general) the average value of imports in 1960. Where duties are expressed as the higher of either a specific sum or a specified percentage of value, the latter has been used in the table, even though it may not be the maximum duty leviable in reality.<sup>6</sup>

Thirdly, serious difficulties are created by the use of different statistical classifications of imports. The E.E.C. tariff is defined in terms of the Brussels Nomenclature, which does not always coincide with the classification used in the Irish import statistics. To make the matter even more complicated, the Irish tariff list is not completely reconcilable with either. For this reason, a tolerably close comparison is not possible for all major Irish import items. Table A does cover a sufficiently wide range of commodities, however, to serve as a reasonable guide to the greater part of Ireland's import trade.

Fourthly, it is important to remember that the Common Market agricultural proposals envisage that the major instrument of agricultural protection will be a system of minimum import prices, or variable levies on imports, which will almost certainly be of greater significance in practice than the tariff. Further, as has already been stressed, *quantitative* restrictions on imports are often of greater practical importance than tariffs, especially in connection with agricultural products; this is likely to be increasingly true as the Common Market agricultural régime is established. The table, of course, can take no account of these restrictions on trade.

Finally, it will be appreciated that it is not always easy to distinguish between duties imposed for protective purposes—the main subject of interest in the present context—and those imposed for purely revenue purposes. In many countries, however, it is obvious that the tariffs on some

commodities are primarily of the nature of excise duties, especially in the cases of alcoholic liquors, hydrocarbon oils and tobacco. These commodities have therefore been excluded from Table A. At the same time, it will be appreciated that the substitution of the E.E.C. Common Tariff for the existing Irish tariff would inevitably have consequential effects on government revenue as well as on the structure of Ireland's foreign trade and the prosperity of many of its domestic industries; it may therefore be of some interest if this aspect is investigated in some detail.

#### 4. Revenue aspects of the Common Tariff

During the year ended March 31st, 1960, net receipts from customs duties accounted for £45.3 million of the government's total current revenue of £131.1 million—that is to say, about 35 per cent. The distribution of these customs receipts amongst the major commodities concerned may be seen in Table B appended. This allows an impression to be gained of the actual rates of duty levied on major categories of imports as contrasted with the nominal rates set out in the comparative tariff table; it also illustrates the relative importance of different commodities from the revenue point of view. So far as the former is concerned, differences arise because of the practice of granting duty concessions or exemptions and also because of the fact that although tariffs may be related to general categories of imports a duty is often levied only on particular types of commodity within those categories;<sup>7</sup> differences may arise in the contrary direction because the specific duty emerges as greater than the *ad valorem* rate in cases where alternative bases for duty are provided, and hence becomes the effective rate. In connection with the latter point, it will be observed that the major revenue-earners (apart from the classic tax-bearers tobacco, alcohol and oil) are motor-vehicles, fruit (fresh, dried and canned) and clothing which, together with parcel post, account for about a half of the duties classified as "tariff-type" in the table.<sup>8</sup> At the same time it is worth

<sup>7</sup>For example, the duty on photographic apparatus (tariff item 171/5) is defined in terms of cameras and enlargers using films within specified sizes; in effect it applies only to equipment of the type used by amateur photographers.

<sup>6</sup>The more or less continuous rise of world prices over the years makes this a reasonable procedure, since in a situation of price inflation specific duties tend to sink into insignificance. A striking example of the differences which may be involved, however, is provided in Table B appended by the item "safety razor blades and blanks". The *ad valorem* rate is 75% but the alternative specific rate is £1 4s. od. per gross, which becomes the operative rate if higher than 75 per cent. The actual average rate in 1959-60, however—excluding the Special Import levy—worked out at 160%, which suggests that the *ad valorem* rate is seldom applicable in this particular case.

<sup>8</sup>Apologies are called for in respect of the ugly nomenclature adopted in Table B because of the virtual unworkability of the distinction between "protective" and "revenue" duties. By "tariff-type" duties are meant those which are likely to be modified by adoption of the Common Tariff and free trade within E.E.C.; by "excise-type" are meant those which have little or no protective effect and which are likely to be consistent with membership of E.E.C. with little more than a change of nomenclature. Even here, of course, the distinction is one of degree rather than kind and cannot be drawn in any rigorous way.

noting that duties classified in Table B as "excise-type duties"—i.e. those which seem likely to continue to be permissible under the E.E.C. régime—account for no less than £36.6 million out of the total of £45.3 million.

Entry into the E.E.C. would involve the abandonment of Customs duties on imports from other member countries and the substitution of the common tariff for existing rates on other imports—as may be seen from the comparisons in Table A this would generally, although not invariably, imply a reduction of rates. (It will also involve the application of duties to many commodities which are currently imported duty-free, of course.) It should be stressed immediately, however, that in the case of major revenue-earners in the current Irish tax-structure this will require little more than a change of nomenclature; the Rome Treaty does not forbid the imposition of taxes on imports from member countries provided that the same taxes are levied on comparable domestic products:—

A member State shall not impose, directly or indirectly on the products of other Member States any internal charges of any kind in excess of those applied directly or indirectly to like domestic products.

Furthermore, a Member State shall not impose on the products of other Member States any internal charges of such a nature as to afford indirect protection to other products.<sup>9</sup>

There would be no difficulty, therefore, in retaining the duties on the traditional tax-earners shown in Table B under the heading "excise-type duties" provided that they were classified as excise duties. They are in fact so regarded, *de facto* if not *de jure*, in the existing and prospective E.E.C. countries. Furthermore, although the first paragraph of Article 95 quoted above speaks of "like domestic products", it is universally accepted that duties on such commodities cannot be regarded as contravening the free-trade principle even though there is *no* domestic production of the commodity concerned (as with wine or tobacco in the Irish case) so that the tax consequently falls wholly on imports.

The matter is not quite without its complications for Ireland, however. The first paragraph of Article 95 quoted above expressly forbids the use of an excise duty (or purchase tax) in such a way as to afford protection to domestic production. Now although as a general rule the rate of excise duty on importable commodities in Ireland is equal to the

corresponding customs duty, this is not completely or universally true. The details of the commodities liable to both Customs and Excise duties are shown in Table III. In terms of revenue the major items are, of course, beer, oil, spirits and tobacco, which together bring in a total of some £57 million.

It is clear that in general no problem could arise with unmanufactured tobacco, since the excise revenue is nil; the slight preferential element in the duty on unmanufactured tobacco is therefore of only academic interest.<sup>10</sup> The element of protection on manufactured tobacco, on the other hand, takes two forms. In the first place there is a preferential margin on imports from the Commonwealth—for example, 10s./2d. per lb. on cigarettes and 10s./6d. per lb. on cigars; very few tobacco products are imported at the preferential rate, however, so that in effect the home manufacturer enjoys a protective margin represented by the difference between the rate levied on his imports of unmanufactured tobacco (£2 9s. 7½d.) and that levied on imported products (£3 1s. 0d.). Secondly, a rebate of duty on unmanufactured tobacco is payable to manufacturing companies which are Irish-owned and Irish-controlled. In the financial year 1959–60 this amounted to some £89,000 on about 4¼ million lbs., equivalent to about 5d. per lb.<sup>11</sup> The abolition of these protective elements in the tobacco duty, i.e. the ending of the rebate and the reduction of the non-preferential customs duty to the preferential rate—would actually raise revenue by about £82,000 over the 1959–60 level, assuming a constant level of consumption.<sup>12</sup>

The duties on spirits are also of a wholly revenue nature; the case is of much greater importance than that of unmanufactured tobacco, however, since home production is very considerable. The excise rate is virtually identical with the preferential rate, while the margin over non-Commonwealth imports is only 2s./6d. per gallon, or about 1.4 per cent.

<sup>10</sup>A modest amount of home-manufactured tobacco appears in the Excise returns for the years ended March 31st, 1956 and 1957, but the totals shown for the years ending March 31st, 1959 and 1960 were 6 lb. and nil respectively.

<sup>11</sup>In 1958, raw materials, fuel and containers accounted for about 89 per cent. of the value of the gross output of the tobacco manufacturing industry, so that the two concessions referred to in the text would give the Irish manufacturer a price advantage of some 19–20 per cent. over his non-Commonwealth competitor.

<sup>12</sup>There is also a rebate of more impressive magnitude—about £988,000 in 1959–60—on hard-pressed tobacco sold within Ireland. This is by way of being an income-redistributor and would hardly be affected by adoption of the Common Tariff; the concession would have to be extended to tobacco imported from other member countries, however, and this might cause some substitution between the domestic and imported product.

<sup>9</sup>Treaty establishing the European Economic Community, (English text), Brussels, 1957, Chapter 2, Article 95.

In 1959 about 265,000 gallons of spirits were imported into Ireland, of which 209,000 were from Britain. Even if it were assumed that the entire difference of some 56,000 gallons represented non-Commonwealth imports, therefore, a reduction of both Customs rates to the Excise rate would have involved a revenue loss of only about £11,000 in comparison with 1959-60.<sup>13</sup>

Although the gap between customs and excise duties on hydro-carbon oils is very small—one penny only—its revenue effects would be very substantial if the trade pattern of 1959-60 were assumed to continue. In that year a total of 144 million gallons of oil were subject to customs duties, including oil retained for home use but partly or fully relieved of duty. Leaving aside for the moment the revenue gains from a partial or complete abandonment of all rebates, the loss resulting from a reduction of a penny in customs duty would appear to amount to some £600,000. The commencement of operations by the Whitegate refinery in mid-1959, however, has drastically altered the pattern of Ireland's petroleum imports; in 1958 virtually all such imports were refined products, whereas in 1960 over 60 per cent. consisted of crude or partly refined petroleum attracting excise rather than customs.<sup>14</sup> If future domestic needs can be met wholly from internal capacity, therefore—and this seems likely to be the case—there would be no significant revenue loss from an equalisation of customs and excise duties.

The question of rebates, however, is a fairly complicated one. Two types of exceptions are currently made to both customs and excise duties on light oils, especially petrol. First, oil imported for use in the dyeing or cleaning of textiles by way of trade or as an ingredient in the manufacture of articles (other than petroleum-type products) is relieved of excise duty; secondly, a rebate of 1s./1½d., or about 40 per cent., is paid on petrol used in agricultural tractors and farm engines. In 1959-60 the value of the latter was £47,641; about 1·3 million gallons were duty-free under the former

<sup>13</sup>This, of course, ignores the possible effect of such duty reductions on the volume of imports and the total level of consumption. The price changes in question would be so small, however, that this is probably a fairly realistic procedure. It should be noted that a rebate of duty is permitted on spirits destined for artistic or scientific use or in manufacture, and this involves a slight protectionist element—home spirits become duty free while a duty of 3s./4d. is levied on imports. In 1959-60 the duty on such imports amounted to only £7.

<sup>14</sup>See *A review of external trade in 1960*, Central Statistics Office, March 1961, Table 14, p. 15. It should be added that the excise duty on oil was so adjusted as to maintain total revenue when domestic refining commenced. The differential of 1d. on imports of refined products is thus wholly protective in character; provision exists, in any case, for this differential to be waived if imports become "essential".

heading, representing a revenue equivalent of about £190,000. The rebates or exemptions in connection with heavier oils—diesel, gas, fuel and lubricating oils—were as follows:—

- (a) rebate of 6d. per gallon on oil used in passenger road transport;
- (b) complete exemption on tractor vaporising oil; and
- (c) effective rate of 1d. per gallon on all other heavy oils not used as fuels in road motor vehicles.

In 1959-60, 21·6 million gallons were classified as fully rebated, representing a revenue loss of about £2,420,000. About 137 million gallons were partly rebated; it is difficult to estimate the revenue loss involved, but a reasonable figure would be around £15 million.<sup>15</sup>

To what extent all these rebates would be retained after entry into the E.E.C. is very much a matter of conjecture. The relief of oil used as an industrial raw material or in agriculture is a fairly common practice and would quite possibly be continued as the member countries moved towards a harmonised fiscal system. The discriminating levels of taxation on motor fuel so as to favour a particular section of an industry, however—road passenger transport in the Irish case—might well prove much more difficult to retain. If this rebate were abolished, the effect (in comparison with 1959-60) would be to raise total excise revenues from oil by something of the order of £125,000.

The fourth great revenue-earner—beer—involves less difficulty. Once again the difference between Customs and Excise rates is negligible—6d. per 36 gallons, or 0·24 per cent. The rebate of about 20 per cent. payable on the first 5,000 standard barrels produced by home manufacturers using at least 80 per cent. home-malted or home-roasted cereals, however, would clearly be inconsistent with Article 95 of the Rome Treaty. In 1959-60 the amount involved in the rebate was about £79,000 and the abolition of the rebate would increase revenue accordingly. The problem presented by the duties on table waters is also a very small one. While the protective differential between Customs and Excise—33½ per cent.—is larger in relative terms, the

<sup>15</sup>Vehicle miles run in omnibus passenger road services in 1959 amounted to about 51 million miles, and at an assumed average of 10 miles to the gallon this would involve about 5 million gallons. The remainder of the 137 million gallons must be assumed to be dutiable only under (c) above.

The text describes the situation existing in 1959-60; the 1960 Budget, however, restored a complete exemption for heavy oils other than those used as a fuel in road motor vehicles.



value of imports involved is very small. In 1959-60 they amounted to a little over 8,000 gallons, yielding only about £540 in duty.<sup>16</sup> Once again, however, the rebates payable to domestic manufacturers on the first 100,000 gallons produced (*see note (d)* to Table III) would contravene the provisions of the

Rome Treaty and would have to be abandoned. The exact amount involved in this rebate is not shown in the Revenue Commissioners' report; it is known, however, that in 1959 there were 64 large and 15 small manufacturers of aerated and mineral waters employing three or more persons in Ireland;<sup>17</sup> it

TABLE III: COMMODITIES BEARING BOTH CUSTOMS AND EXCISE DUTIES

Commodity	Definition for specimen rates shown	Reference Numbers		Excise duty	Corresponding Customs duty		Total revenue 1959-60, £000		
		Excise List	Customs List		Full	Preferential	Customs	Excise	Total
<i>Beer</i>	36 gallons of worts of s.g. 1055 degrees	400/1	18/11	£ s. d. 10 5 6 (a)	£ s. d. 10 6 0	£ s. d. 10 6 0	188.3	8,687.7	8,876.0
<i>Cider or Perry</i>	Per gallon	401/2	54/3	1 0	5 0	3 0 (b)	10.3	37.1	47.4
<i>Matches</i>	Per gross boxes containing 21-50 matches, wood.	402/2	147/1	10 3	11 10	11 10	17.2	442.9	460.1
<i>Hydrocarbon oils</i>	(a) Mineral hydrocarbon, light: Per gallon (c).	403/2	164/2	2 9½	2 10½	2 10½	5,797.9	5,495.4	11,293.3
	(b) Other sorts, the gallon (c)	404/2	164/10	2 2	2 3	2 3	929.4	1,152.4	2,081.8
<i>Spirits</i>	Unenumerated, unsweetened spirits warehoused for 5 years or upwards. Per proof gallon:	405/1	214/1	8 16 0	8 18 11	8 16 5	2,015.5	5,192.0	7,207.5
<i>Table Waters</i>	Per gallon	410	246	1 0 (d)	1 4	1 4	0.5	310.7	311.2
<i>Tobacco</i>	Unmanufactured—unstripped, unstemmed and containing 10 lb. or more of moisture per 100 lb. Per lb.	411/8	251/9	2 8 6½ (e)	2 9 7½ (e)	2 9 7½ (e)	27,214.8	—	27,214.8
	Manufactured—cigarettes per lb.	—	251/9	—	3 1 0	2 10 10	251.5	—	251.5
<i>Tyres</i>	For use on motor cars. Each:	412/1	154	7½ per cent (f)	37½ per cent	37½ per cent	49.6(g)	393.3	442.9(g)
	Total						36,475.0	21,711.5	58,186.5

(a) Rebate of £2 per standard barrel on first 5000 barrels produced each year if at least 80 per cent. of the cereals used were malted or roasted in Ireland.

(b) Applicable to imports from U.K. and Canada only.

(c) For details of the somewhat extensive system of rebates, see text.

(d) Rebate of 8d. per gallon payable on first 20,000 gallons and 4d. per gallon on next 80,000 gallons.

(e) Rebate of 13/4d. per lb. is payable on home-manufactured hard-pressed tobacco in certain circumstances, and of 5d. per lb. to Irish-owned companies (see text).

(f) Probably equivalent to 10 per cent. on wholesale price, assuming a 33½ per cent. retail mark-up. The duty is defined as 7½% of retail price.

(g) Customs revenue not shown separately; estimate derived by applying official rate to imports of tyres and tubes in 1959-60. It should be noted that a Customs rate of 50% would become applicable in the event of the termination of quota restrictions.

Source: *Customs and Excise Tariff*, as amended to 29 June 1961; *Thirty-Seventh Annual Report of the Revenue Commissioners*, Year ended 31st March 1960. (Pr. 5698), Tables 3 and 5.

is believed that, assuming unchanged domestic output, the revenue gain from the withdrawal of the rebate would amount to something of the order of £75,000.

The three remaining duties listed in Table III—cider, matches and tyres—clearly involve protective elements which would be inconsistent with the Rome Treaty. Virtually all the cider and perry imported into Ireland in 1959 originated in Great Britain; assuming a constant total rate of consumption, therefore, the abolition of the protective margin of 2s. od. per gallon would result in a revenue loss of some £3,400. The protective margin of rs./7d. per gross on the typical box of imported matches is equivalent to about 16 per cent. of the excise duty;<sup>18</sup> assuming an unchanged total consumption, the application of the standard excise rate to imports as well as domestic output would involve a revenue loss of about £3,300 in comparison with 1959-60. Finally, the abolition of the discriminatory rate on imported tyres, and the use of a single duty of 7½ per cent. on the retail value of both domestic and imported products, would reduce the revenue on imported tyres by about three-quarters, or by about £36,000 on the 1959-60 level of imports.<sup>19</sup>

Summing up the position of the existing excise-duty commodities in Ireland, then, it seems likely that the abolition of protective margins in the corresponding customs rates would not involve any revenue problem. On the contrary, while the reduction of discriminatory tariff duties would result in a loss (on the assumption of unchanged total consumption) of about £60,000 to the revenue in comparison with the 1959-60 level, the abolition of the various rebates whose disappearance has been postulated would raise it by about £360,000 leaving the revenue a net gainer to the extent of some £300,000. The effects of all this on the Irish industries involved are, of course, very much another matter; many of the rebates discussed above might well be subjected to a description of concealed subsidies. It should be remembered that a great deal turns on the treatment of the various rebates; if the negotiations leading up to member-

<sup>18</sup>Before the raising of the duties to their existing level, however, imports were often quite considerable, so that the reduction of the rate of duty could conceivably result in a substantial substitution of imports for home products.

<sup>19</sup>See *Irish Trade Journal and Statistical Bulletin*, Vol. XXXVI, No. 1, March 1961, p. 24.

<sup>20</sup>On matches made of materials other than wood, on the other hand, the margins can be even higher.

<sup>21</sup>Although the customs rate for tyres shown in Table III was 48½% for 1959-60, this has since been reduced to 37½%. Assuming a 33½ per cent. retail mark-up, this is probably equivalent to about 28% on retail value.

ship of the E.E.C. should result in an outcome significantly different from that assumed in the preceding paragraphs the revenue position could be substantially effected in either direction.

The problem posed by the remaining duties—i.e. those on commodities currently bearing no excise duties—is more straightforward. The customs revenue accounted for by the commodities included in Table III amounted to £36.5 million in 1959-60. To this can be added the customs duties on wines, a commodity which is not produced internally on any significant scale and the tax on which is generally treated as an excise duty<sup>20</sup>; this totalled £449,000 in 1959-60. Hence customs revenues totalling about £8.4 million in 1959-60 would be unambiguously import taxes subject to adjustment as a result of membership of the E.E.C.

In so far as these duties were levied on imports from member countries of the E.E.C. (assuming the United Kingdom and Denmark to be amongst these), they would eventually have to be abolished altogether. As may be seen from Table B, about £1.2 million was derived from imports of foodstuffs. The analysis of the pattern of Irish imports in 1960 shown in Table II indicates that the U.K. and the existing E.E.C. countries accounted for only about 30 per cent. of these, but the removal of tariffs and establishment of the E.E.C. agricultural régime would undoubtedly result in a substantial switch of Irish imports to E.E.C. sources, including the dependent overseas territories of the E.E.C. It seems unlikely, in fact, that any of the foodstuffs listed in Table B would be imported from non-E.E.C. countries in any magnitude, with the possible exceptions of hard wheat and some tinned fruits and fish. A revenue loss of about £1 million, in comparison with 1959-60, would thus seem to be ultimately likely.

The remaining £7.4 million customs duties fall almost wholly on manufactured products of various types. Table II shows that the United Kingdom and existing E.E.C. countries currently account for about 80 per cent. of manufactures imported into Ireland (i.e. S.I.T.C. groups 5-8), and this proportion also is bound to rise substantially as free trade is approached within the E.E.C. Furthermore, the comparative tariff table shows clearly that the Common Tariff on non-E.E.C. manufactures will

<sup>20</sup>About 40,000 gallons of domestically-produced wines are apparently retained for home use at the present time, in comparison with imports amounting to about 570,000 gallons. Application of an excise duty equivalent to the prevailing customs duty to this indigenous production (assuming it to possess the same average alcoholic content as imported wines—which it probably does not) could (theoretically) bring in about £30,000.

be almost invariably substantially lower than the existing Irish tariff, and in view of the fairly comprehensive nature of the latter it seems rather unlikely that any significant revenue would be forthcoming from duties on commodities currently imported into Ireland free of duty. Anything up to £7 million of the £7.4 million customs revenue on imports of manufactures in 1959-60 could therefore be expected to disappear as the Common Market approached its full establishment.<sup>21</sup>

In comparison with the 1959-60 rates of receipts, therefore, entry into the E.E.C. would possibly involve an ultimate loss of nearly £8 million for the Irish revenue. If the Community made substantial progress towards the aim of a harmonisation (and presumably equalisation) of excise duties, of course, this loss might be changed in either direction. This latter contingency is so far removed from attainment in the foreseeable future, however, that no useful purpose would be served in attempting to predict its consequence.

A comparative revenue deficiency of £8 million would not appear to pose any insuperable problems. It would represent only about 6 per cent. of the government's current revenue in 1959-60, and would of course be spread over a transitional period of anything up to 10 years. During this period compensating increases would almost certainly be occurring in other revenue sources—

<sup>21</sup>Most of the existing duties on imports of motor vehicles and components are regarded as being revenue duties in Ireland; protection of the domestic assembly industry is said to be secured through import quotas rather than duties. This does not affect the point made in the text, however; nor can the discrimination between completed vehicles and aggregates of parts in the Irish tariff be entirely fortuitous.

during the six years 1954/5 to 1959/60, current revenue other than customs duties have risen by about £19 million, or 29 per cent.<sup>22</sup> Alternatively, in 1959 personal expenditure in Ireland on commodities *other* than food, beverages or fuel and power, amounted to some £92 million, so that a sales or purchase tax of less than 10 per cent. on a relatively limited range of goods would be more than sufficient to remedy a revenue deficiency of £8 million.

## Conclusion

As was stated earlier, the primary aim of this paper has been to assemble and present the facts relating to the Irish tariff and the proposed Common Tariff of the E.E.C. rather than to attempt any full analysis of the likely consequences for Irish industry of a movement from the one to the other. The significance of the differences emerging from the comparative tariff table, it has been argued, can be assessed only by a detailed study of particular industries in the light of a good deal of technical information.<sup>23</sup> It is clear, however, that if entry into the E.E.C. and the adoption of the Common Tariff would involve major problems at all, they would not be formidable revenue problems for the government.

<sup>22</sup>From £65.9 million in 1953/54 to £84.9 million in 1959/60—*Statistical Abstract of Ireland, 1960*, (Pr. 5492), Stationery Office, 1960, Table 248, p. 264. About £7 million of this increase was due to the transfer of revenue from oil in 1959-60 from Customs to Excise. The rest, of course, represents the combined outcome of tax changes, on the one hand, and a growing tax base on the other.

<sup>23</sup>An investigation along these lines is in fact currently proceeding in the Institute.

## NOTES TO TABLE A

1. *Irish Tariff references.* The numbers and rates shown are derived from the *Customs and Excise Tariff* as amended by various amendments up to 29 June, 1961. Account has also been taken of Imposition of Duties Orders Nos. 114 and 117 of August and October 1961 respectively.

2. *Value of Irish imports, 1960.* Where shown, data are taken from the official foreign trade statistics. Several of the items included in the table are not shown separately in these statistics; in general it may be taken that the magnitude of imports of such items is relatively small. It should also be remembered that, as stated in the text, a large number of differences exist in the commodity classifications adopted by the Irish Tariff List, the Irish import statistics and the Brussels Nomenclature. The comparisons presented are aimed at indicating broad orders of magnitude, therefore; they have no pretensions to exactitude of definition or scope.

3. *Nature of Tariff.* Duties expressed as particular sums are denoted by S (specific). Duties expressed as percentages are denoted by AV (*ad valorem*). Except where indicated otherwise, specific duties have been converted to an *ad valorem* basis by expressing the duty as a percentage of the average import value in 1960. The letters S/AV denote a duty defined as the greater of a specific and an *ad valorem* duty; the latter only is shown in each case (see footnote 3 to text).

Certain commodities are subject to a combination

of both specific and *ad valorem* duties; such cases are indicated by the expression AV+S.

In certain cases, the prevailing rates shown in the table are conditional on the application of quota licensing or other import restrictions. Where alternative rates become applicable in the event of the removal of quota restrictions, these are shown in brackets immediately underneath the current rates.

4. *Irish Tariff: Preferential.* In principle this rate is applicable to imports from all countries of the British Commonwealth although in recent years preferential treatment has not been accorded to Commonwealth imports in respect of new duties. Where the rate is marked by an asterisk, however, it is applicable only to imports from the United Kingdom or Canada, and unless otherwise indicated the full rate is chargeable on imports of such commodities from other Commonwealth countries.

5. *General.* It should be borne in mind that the aim of both Tables A and B is to present a broad comparison of tariffs on representative commodities and *not* to present a precise and definitive statement of either the Irish or E.E.C. tariff on the articles listed. In many cases, therefore, the tariffs shown may not apply to specialised, and relatively unusual, species of the commodity concerned. For example, the Irish tariff shown for "Knitted outerwear" refers to cardigans, pullovers, jerseys, blouses and similar articles if made of wool; somewhat higher rates apply to articles of knitted outerwear not falling in any of these categories.

TABLE A : COMPARATIVE TARIFF RATES ON SELECTED COMMODITIES

Reference Nos.		Irish imports 1960 £,000	Type of Tariff	Commodity	Tariff Rates %			Remarks	
Irish Tariff	Brussels Nomen- clature				Irish		E.E.C.		
					Full	Pref.			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
<b>I : LIVE ANIMALS</b>									
7	01·02	2,356	S	Bovine animals	6	*Nil	16	8% on Irish imports from Commonwealth countries other than U.K. and Canada.	
9	01·04	1,126	S	Sheep and lambs	12	*Nil	15		
<b>II : FOOD, DRINK AND TOBACCO</b>									
<b>IIA : FOODSTUFFS OF ANIMAL ORIGIN</b>									
3/2 (a)	02·01		S	Beef and veal	22	15	20	Irish rates calculated on average export price, 1960.	
3/2 (b)	02·02		S	Poultry (dead)	37	*Nil	18		
5/1	02·06		S	Bacon	31	*Nil	25	21% on Irish imports from Commonwealth countries other than U.K. and Canada, rates calculated on average export price, 1960.	
74	04·05	1	S	Eggs in shell	27	*Nil	12-15		
146	15·13	29	AV	Margarine	50	*33½	25	Irish rates calculated on average export price, 1960.	
194	16·01		S	Sausages	27	18	21		
86	16·04	427	AV	Fish in containers	30	*20	20		
<b>II B : CEREALS AND FEEDING-STUFFS</b>									
—	10·01	3,355	—	Wheat	Nil	Nil	20	16% E.E.C. tariff on glazed or polished rice.	
—	10·03	265	—	Barley	Nil	Nil	13		
—	10·05	2,920	—	Maize	Nil	Nil	9		
—	10·06	117	—	Rice	Nil	Nil	12		
—	23·01	179	—	Fish meal	Nil	Nil	5	Certain soya bean products subject to duty in Irish tariff.	
—	23·04	1,640	—	Oilseed cake and meal	Nil	Nil	Nil		
<b>II C : FRUIT, NUTS AND VEGETABLES</b>									
256	07·01		S	Potatoes	11	8	15-21	Irish rates calculated on average wholesale price, 1960.	
256/5	07·01	670	S	Tomatoes	42	*28	18		
—	08·01	385	—	Bananas (fresh)	Nil	Nil	20	Rates for June 1-Oct. 31.	
—	08·02	847	—	Oranges (fresh)	Nil	Nil	15		
—	08·02	114	—	Other citrus fruit (fresh)	Nil	Nil	12	E.E.C. rate 20% between Oct. 1 and March 14.	
93	08·04	177	S	Currants	2	1½	18-22		
93, 93/1	08·04	586	AV+S	Raisins and sultanas	20	15½	9	E.E.C. rate for almonds.	
1/2, 161/5	08·05	323	AV	Edible nuts	10	*6½	7		
94	08·06	615	S	Apples (fresh)	14	14	8-14	E.E.C. rate varies seasonally.	
94	08·06	286	S	Pears (fresh)	11	*Nil	10-13		
98	20·06	464	S	Canned fruit in syrup	34	*28	23	E.E.C. rate for oranges, cherries, etc. ; Irish preferential rate extends to S. Africa and Australia also.	
<b>II D : MISCELLANEOUS FOODSTUFFS</b>									
—	09·01	263	—	Coffee	Nil	Nil	16	E.E.C. rate of 23% on packages of 6 lbs. or less.	
248/1	09·02	4,451	S	Tea	4	Nil	18		
—	17·01	710	—	Unrefined sugar	Nil	Nil	80		
—	18·01	1,366	—	Cocoa beans	Nil	Nil	9		

TABLE A: COMPARATIVE TARIFF RATES ON SELECTED COMMODITIES—continued

Reference Nos.		Irish imports 1960 £000	Type of Tariff	Commodity	Tariff Rates %			Remarks
Irish Tariff	Brussels Nomen- clature				Irish		E.E.C.	
					Full	Pref.		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
—	18·04	930	—	Cocoa butter and paste	Nil	Nil	22	Cocoa paste liable to duty of 3/- per lb. (full) or 2/- per lb. (preferential) under heading of cocoa prepara- tions.
24/1, 244/1	19·08	101	S	Biscuits	63	*13	40	Weighted average of Irish rates on sweetened and unsweetened; average rate on non-U.K. and Canada Commonwealth 43%.
244/1	19·08		S AV	Cakes	76 (75)	*25 (*50)	40	Based on average export prices 1960; rate on non- U.K. & Canada Common- wealth 51%. Biscuits and cakes also subject to duty on cocoa preparations.
<b>III: OTHER RAW MATERIALS AND MANUFACTURES</b>								
<b>IIIA: NON-METALLIFEROUS MINE AND QUARRY PRODUCTS</b>								
58/3	27·01	8,194	S	Coal	3	*Nil	Nil	European coal subject to E.C.S.C.
236/1 1/4	68·02 68·06		AV AV	Marble Abrasive powder or grain	100 45	66½ *30	10-15 11	
233/2 10/3	68·10 68·12	184	AV AV	Statues Asbestos manufactures	75 30	50 20	10 10	Excludes asbestos pressure pipes, which bear special duty.
47/4	69·11	55	S/AV	China and porcelain tableware	75	50	27	
102/05 (a)	70·04-5	301	S	Unworked glass sheet	66	*44	10	
102/05 (c)	70·06	154	S	Plate glass	50	*33½	10	
102/05 (d)	70·09	16	AV	Mirrors	60	*40	22	
31/3 (ii)	70·10	138	AV	Glass bottles and jars	90	*60	24	
103/05	70·13	74	AV	Domestic glassware	55	*40	24	
<b>IIIB: IRON AND STEEL</b>								
125/4	73·10	2,165	S/AV	Bars, rods and sec- tions, not fabricated	37½	*25	10	E.E.C. rate for cold-rolled steel rods, angles shapes and sections.
130/6 125/01	73·12 73·13	200 643	AV AV	Strip and Hoop Plates and sheets, other than universals	50 37½	*33½ *25	10 10	E.E.C. rate for cold-rolled sheet and plate.
125/4 (b) 125 (c)	73·14 73·21	373 220	S/AV AV	Single wire Constructional assemblies	37½ 50	*25 *33½	10 14	
126/10 (a)	73·22	369	AV	Tanks, cisterns, drums	33½	33½	15	E.E.C. rate for barrels and drums.
120/1	73·32	214	AV	Bolts, nuts, screws	75	75	16	E.E.C. rate for iron and steel bolts.
<b>IIIC: NON-FERROUS METALS</b>								
180/7 180/7	71·12 71·16	173 244	AV AV	Jewellery Imitation jewellery	60 60	*40 *40	9-12 22	E.E.C. rate for base-metal jewellery.
110/5	74·18	26	AV	Domestic hollow-ware	60	*40	17	
—	76·01	630	—	Unwrought aluminium	Nil	Nil	10	
—	79·01	219	—	Unwrought zinc	Nil	Nil	24	E.E.C. rate S; AV based on average import value into E.E.C. during Jan.- Sep. 1960, but system of tariff-free quotas will apply.

TABLE A: COMPARATIVE TARIFF RATES ON SELECTED COMMODITIES—continued

Reference Nos.		Irish imports 1960 £000	Type of Tariff	Commodity	Tariff Rates %			Remarks
Irish Tariff	Brussels Nomen- clature				Irish		E.E.C.	
					Full	Pref.		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>IIID: CUTLERY, HARDWARE, IMPLEMENTS AND INSTRUMENTS</b>								
171/7	37·02	289	AV	Photographic film	22½	*15	20	
194/6	82·02	1	AV+S	Saws, non-mechanical	144	*96	15	
83/3	82·03	11	AV+S	Files and rasps	195	*130	13	
68 (a)	82·09	8	S/AV	Knives	100	75	17	
141	83·01	92	AV	Locks and keys	75	*50	17	
207/6	90·01,04	59	AV	Spectacles and lenses therefor	50	33½	17-19	
171/5	90·07/8	113	AV	Cameras	22½	*15	16-19	
—	90·17	192	—	Surgical instruments	Nil	Nil	16	
57/1 (a)	91·01	224	S/AV	Watches	33½	*22½	13	E.E.C. minimum of \$0.50 each.
56/1	91·02/04	92	AV	Clocks	50	*33½	13-15	
<b>IIIE: MACHINERY AND ELECTRICAL GOODS</b>								
182/7	84·10	442	AV	Pumps for liquids and parts	50	*33½	12-16	
184	84·12/15	604	AV	Air conditioning and refrigerating equipment	60	*40	12-13	Irish rates 60% and 40% respectively on domestic refrigerators.
142	84·24	194	AV	Agricultural machinery:— For soil preparation	37½	*25	11	
142	84·24	167	AV	Sowers and spreaders	37½	*25	11	
—	84·25	393	—	Combine harvesters	Nil	Nil	11	
142	84·25	529	AV	Mowers and harvesters	37½	*25	11	Irish tariff limited to certain types only.
145/2 (b)	84·40	284	AV	Domestic washing-machines	60	*40	19	Import statistics relate to domestic washing machines for textiles only.
145/2 (c)	84·40	316	AV	Other washing machines	20	20	13	
—	84·41	1,408	—	Sewing machines and parts	Nil	Nil	12	
—	84·43-5	472	—	Metal-working machinery	Nil	Nil	4-13	
—	84·52	523	—	Accounting and cal- culating machines.	Nil	Nil	11	E.E.C. rate of 14% on elec- tronic computers.
78/9	85·01	470	AV	Electric motors and generators.	60	*40	12-14	
77/3 (a)	85·06	81	AV	Vacuum cleaners, domestic.	60	*40	19	
(i)								
77/3 (a)	85·07	10	AV	Electric shavers and hair clippers.	60	*40	13	
(iv)								
266/4	85·15	238	S/AV	Radio and T.V. sets	75	50	22	Preferential rate on T.V. sets applies U.K./Canada only.
266/4	85·15	233	S/AV	Radio and T.V. valves	75	50	22	
77/4	85·19	369	AV	Electrical switchgear	75	*50	14-16	
78/1	85·23	767	AV	Insulated cable and wire.	50	50	17	
<b>IIIF: VEHICLES</b>								
154d	84·06	529	AV	Engine parts	37½	37½	19	E.E.C. rate for motor-vehicle engine parts.
—	87·01	1,738	—	Agricultural tractors	Nil	Nil	12-18	
154 (b)	87·02	98	AV	Motor Cars	37½ (75)	37½ (75)	25-29	
154i	87·02	55	AV	Commercial Vehicles	37½ (75)	37½ (75)	28	E.E.C rate for vehicles with internal combustion engines.
154(t)	87·04-6	11,660	AV	Motor vehicle body and chassis aggreg- ates	20	20	19-29	

TABLE A: COMPARATIVE TARIFF RATES ON SELECTED COMMODITIES—continued

Reference Nos.		Irish imports 1960 £,000	Type of Tariff	Commodity	Tariff Rates %			Remarks
Irish Tariff	Brussels Nomen- clature				Irish		E.E.C.	
					Full	Pref.		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
154 (q)	87·04	438	AV	Non-agricultural tractor chassis	37½	37½	29	E.E.C. rate of 18% on gliders.
154 (p)	87·05		S/AV	Non-agricultural tractor bodies	50	50	24	
—	88·02/3		2,572	—	Aircraft and parts	Nil	Nil	
<b>III G: WOOD, TIMBER AND CORK</b>								
267/1	44·14/15	83	AV	Wood veneer sheets	50	50	15	
267/5(c)	44·18	125	AV	Reconstituted wood	37½	*25	10	
266/9	44·19-28	332	AV	Wood manufacturers, n.e.s.	50	*33½	7—18	
<b>III H: TEXTILES, EXCLUDING CLOTHING</b>								
276/5-6	51·01/56·05	1,826	AV	Synthetic yarns	50	*33½	15	Most woven woollen fabrics imported into Ireland only under quota licence but free of duty.
277/1	53·06/10	1,621	AV	Yarn of wool or hair	33½	33½	5—11	
272/12	53·11	1,157	S/AV	Woollen fabrics	Nil (75)	Nil (*50)	16—20	
274/1	54·03	157	AV	Flax yarn, single in ball form	60	*40	6—10	Import statistics relate to all forms of yarn.
273/6	55·05	749	AV	Cotton yarn, single in ball form	60	*40	10	
272/12	55·07-9	4,212	S/AV	Cotton fabrics	Nil (75)	Nil (*50)	15—19	Most woven cotton fabrics imported into Ireland only under quota licence but free of duty.
90/2	58·01-2	211	AV	Wool and hair floor coverings	60	40	23—40	Irish rates of 37½% and 25% respectively on elastic of 1"—2" width and nil over 2".
83	59·02	114	AV	Roofing felt	33½	*20	16—19	
64/1	59·04	112	AV	Cordage	60	*33½	16	
76/5	59·13	188	AV	Elastic	80	80	18	
17/2(a)	62·01	56	AV	Wool blankets	50	*25	19	
17/2(b)-(d)	62·02	88	S/AV	Bed Linen	50	50	22	E.E.C. rate on new bags and sacks.
269/5	62·03	6	AV	Cotton bags	50	50	19	
188	62·03	566	S/AV	Jute bags and sacks	50	50	23	
<b>III I: CLOTHING AND FOOTWEAR</b>								
57/10 (2)(c)	60·05	231	AV	Knitted outerwear	60	*40	21	E.E.C. rate for articles more than 50% wool, cut to shape.
57/10(10)	61·02	291	AV	Female outerwear, not knitted	75	*50	20-22	E.E.C. rate of 19% on fur or fur-lined footwear. Footwear generally imported into Ireland only under quota licence but free of duty.
57/10(10)	64·02	346	AV	Footwear	Nil 75	Nil *50	20	
<b>III J: HIDES, SKINS AND LEATHER</b>								
137/1	41·02-5	1,290	S/AV	Leather	75	50	6-10	Excludes chamois, reptile etc. leathers.
<b>III K: RUBBER</b>								
196/6	40·08	297	AV	Vulcanised rubber plates and sheets	50	*33½	17-18	Irish rates on sheets for footwear manufacture.
154	40·11	132	AV	Tyres and tubes for motor vehicles	37½ (50)	37½ (50)	22	Irish imports only under a quota licence.
<b>III L: PAPER AND CARDBOARD</b>								
169/8	48·01	1,140	AV	Paperboard	37½	*25	15	
169	48·03	142	AV	Greaseproof paper	5	5	14	



TABLE A : COMPARATIVE TARIFF RATES ON SELECTED COMMODITIES—continued

Reference Nos.		Irish imports 1960 £000	Type of Tariff	Commodity	Tariff Rates %			Remarks
Irish Tariff	Brussels Nomen- clature				Irish		E.E.C.	
					Full	Pref.		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
232/1	48·14-5	104	AV	Envelopes, notepaper and writing pads	50	*25	19-20	Irish rate of 33 1/3% on non- U.K./Canada Common- wealth imports. Irish rate of 33 1/3% on non- U.K./Canada Common- wealth imports.
41/2	48·16	221	AV	Boxes, cases, cartons	50	*25	20-21	
<b>III O : CHEMICALS, PERFUMERY, DYES AND COLOURS</b>								
103/2	35·03	105	AV	Gelatine	75	50	15	E.E.C. rate of 18% on surface-worked gelatine.
229	35·05	301	S	Inedible starches and dextrin	9	9	26	
196/4	39·01-6	1,214	AV	Artificial plastic in sheet form	50	33½	10-23	
<b>III P : MISCELLANEOUS ARTICLES</b>								
140/2	42·02	95	AV	Travel goods	60	*40	19-21	Genuine or imitation leather or skin or unhardened plastic.
15/2	46·03 49·01	379	AV	Baskets, chip Books	37½ Nil	*25 Nil	18 Nil	
159/1	49·02	347	S	Newspapers	70	70	Nil	E.E.C. rate of 9% on leather- bound books. Rate for daily newspapers.
165/5	67·02	43	AV	Artificial flowers	60	*40	18-21	
156	92·01-11, 92·13	312	AV	Musical instruments	33½	22 2/9	13-22	
99	94·01-3	36	AV	Wooden furniture	75	50	12-18	Irish rate of 50% on toy perambulators, wooden toys and soft toys not of rubber or plastic.
252/05	97·01/3	142	AV	Rubber or plastic toys.	60	*40	21-25	
224-226/2	97·06	142	S/AV	Sports goods	50-75	40-75	19	Rates for main accessories for open-air sports and games.
40/1	98·01	47	S/AV	Buttons	75	75	18	
231/3	98·05	26	S/AV	Pencils	50	33½	14-17	
175/1	98·11	35	AV	Pipes, smoking wood	37½	25	6-18	

## NOTES TO TABLE B

- (a) A duty of £2 per ton was imposed on wheat between 15 November, 1958 and 9 August, 1959.
- (b) The levy on these items was revoked in April 1960; the bulk of these fabrics is now admitted duty-free.
- (c) Parcel post importations only; goods liable to package duty may be otherwise imported. Goods imported by parcel post are subject to the same rate of duty as if imported otherwise.
- (d) It should be remembered that duty on these commodities is mainly collected at the time of clearance from bond for home consumption. The quantities so cleared in the course of a year may differ substantially from the quantities imported during the same year.
- (e) In 1959/60 considerable quantities of cider and perry were charged with spirits duty; a realistic average rate of duty is therefore not obtained by relating imports to duty receipts in respect of cider and perry only.
- (f) Net receipts allow for drawbacks and rebates, the tobacco corresponding to which is of course included in the import figures. Gross receipts of duty in 1959/60 were £31.25 million, or 88.6 per cent of the value of imports.

*Sources :* Col. 2 *Finance Accounts* for the financial year 1959-60, (Pr. 5585), Account No. 111, Parts I and II, pp. 8-10, and *Thirty-seventh Annual Report of The Revenue Commissioners*, Year ended 31st March, 1960, (Pr. 5698), Table 3, Parts I and II, pp. 33-43; col. (3), *Trade Statistics of Ireland*, Year 1959, March, 1959 and March, 1960, Table VI. For both columns these publications have been supplemented with data from official sources.

TABLE B: THE STRUCTURE OF IRISH CUSTOMS DUTIES, YEAR ENDING 31 MARCH, 1960.

Note: As was stressed in the notes to Table A, an exact concordance between the official revenue classifications and those of the trade statistics is frequently impossible. The table thus attempts a broad comparison only.

Import list Grouping	Customs heading	Customs Duty-net receipt £000(a)	Value of imports c.i.f. £000	(2) as % of (3)	Import list items
	(1)	(2)	(3)	(4)	(5)
	I. "TARIFF-TYPE" DUTIES				
IIA	Meat and meat preparations .. .. .	52.1	294.8	17.7	Meat and meat preparations
IIa	Fish .. .. .	10.2	262.1	3.9	Fish, fresh, chilled frozen and cured, not in containers
IIa	Fish in sealed containers	152.8	378.9	40.3	Fish and preparations in airtight containers
IIb	Wheat (a) .. .. .	215.0	6,205.2	3.5	Wheat, unmilled except seed for sowing
IIc	Fruit, dried .. .. .	104.9	795.8	13.2	Dried fruit
IIc	Fruit, raw, including grapes .. .. .	293.8	2,607.8	11.3	Fresh fruit
IIc	Fruit, tinned in syrup .. .. .	164.5	450.3	36.5	Fruit tinned or canned in syrup
IIc	Edible Nuts .. .. .	20.3	229.0	8.9	Edible nuts
IIc	Vegetables—tomatoes .. .. .	66.8	729.2	9.2	Tomatoes
IIc	Other vegetables and preparations .. .. .	79.2	1,215.6	6.5	Other fresh and preserved vegetables and preparations
IIIA	Coal .. .. .	51.0	8,116.6	0.6	Coal
IIIA	Glass and glassware .. .. .	51.1	752.0	6.8	Glass sheet and plate; glass, n.e.s.; domestic glassware; glassware, n.e.s.
IIIC	Precious metals, worked; jewellery etc. .. .. .	102.8	615.4	16.7	Silver etc. gems and jewellery; imitation jewellery
IIID	Safety razor blades and blanks .. .. .	145.4	75.8	191.8	Safety razor blades and blanks
IIID	Photographic equipment .. .. .	33.0	618.0	5.3	Cameras; other photographic and cinematographic apparatus; photographic paper and films
IIID	Clocks and watches .. .. .	116.2	341.3	34.0	Clocks, watches and parts
IIID	Mechanical lighters .. .. .	49.5	126.2	39.2	Mechanical lighters
IIID	Locks and Keys .. .. .	28.1	90.3	31.1	Locks, latches and keys
IIID	Oil heaters .. .. .	42.0	222.7	18.9	Oilstoves and parts
IIIE	Agricultural machinery .. .. .	45.6	2,136.5	2.1	Agricultural machinery and appliances
IIIE } IIIE } IIIF }	Refrigerating, cold-storage and air-conditioning apparatus .. .. .	98.2	709.7	13.8	Air-conditioning and refrigerating equipment; mechanical refrigerators
IIIE	Wireless telegraphy apparatus .. .. .	117.1	1,476.4	7.9	Radio apparatus for telegraphy and television and parts
IIIE	Other electrical appliances .. .. .	149.0	894.9	16.6	Domestic-washing-machines; lamps and tubes; electro-thermic apparatus
IIIF	Motor vehicles and parts .. .. .	2,638.7	13,010.9	20.3	Road motor vehicles and parts other than tyres and tubes
IIIH	Yarn of wool or hair .. .. .	39.4	1,361.4	2.9	Yarn of wool or hair, woollen and worsted
IIIH	Tulle, net fabric and lace (b) .. .. .	28.3	274.2	11.4	Tulle, lace and lace fabrics, including nets and netting
IIIH } IIIK }	Floor coverings .. .. .	171.3	917.1	18.7	Floor coverings and tapestries, rubber floor coverings
IIII	Clothing and apparel .. .. .	426.7	1,536.0	27.8	Clothing and footwear
IIIL	Paper .. .. .	196.9	2,868.0	6.9	Newsprint; other printing paper; wall-paper; tissue paper; cigarette paper; imitation parchment; oiled, waxed, grease-proof and gummed paper.
IIIL	Cardboard boxes .. .. .	25.7	192.1	13.4	Boxes, cases, cartons etc.
IIIO	Soap .. .. .	31.8	241.9	13.1	Soaps, soap flakes and soap powders; soapless detergents
IIIO	Perfumery, cosmetics etc. .. .. .	47.5	51.9	91.5	Perfumery, cosmetics, dentifrices, etc.
IIIP	Furniture, mattresses etc. .. .. .	69.1	161.4	42.8	Furniture and fixtures
IIIP	Musical instruments .. .. .	68.3	434.8	15.7	Musical instruments
IIIP	Advertising cards .. .. .	25.3	50.4	50.2	Printed matter: advertising cards
IIIP	Newspapers and periodicals .. .. .	276.6	815.2	33.9	Printed matter: newspapers and periodicals
IIIP	Toys and games equipment .. .. .	237.7	626.0	38.0	Sports goods; metal and other toys and games

Table B: THE STRUCTURE OF IRISH CUSTOMS DUTIES, YEAR-ENDING 31 MARCH, 1966—continued.

Import list Grouping	Customs heading	Customs Duty-net receipt. £000(a)	Value of imports c.i.f. £000	(2) as % of (3)	Import list items
	(1)	(2)	(3)	(4)	(5)
IIIp	Fountain pens, propelling pencils .. .. .	34.0	102.2	33.3	Fountain and ball-point pens, propelling pencils and parts
IV	Parcel post and package duty .. .. .	504.6	6,237.0 (c)	—	Postal packages
	Other articles .. .. .	1,608.0	142,480.5	—	All other imports excluding those listed below.
	TOTAL "tariff-type"	8,618.5	200,678.5	—	
	2. "EXCISE-TYPE" DUTIES (d)				
IIe	Beer .. .. .	188.3	217.8	86.5	Beer, including ale, stout and porter
IIe	Cider and perry .. .. .	10.3	198.3	(e)	Cider or perry and fermented fruit juices n.e.s.
IIe	Spirits .. .. .	2,015.5	955.3	211.0	Brandy, Geneva, whiskey and other spirits
IIe	Wine .. .. .	449.1	680.3	66.0	Wines, still and sparkling
IIr	Tobacco:				
	Manufactured .. .. .	251.5	143.7	175.0	Manufactured tobacco
	Unmanufactured .. .. .	26,963.3	3,548.1	759.9 (f)	Unmanufactured tobacco
IIIm	Oil .. .. .	6,727.4	8,375.0	80.3	Refined petroleum, kerosene; motor and other spirit; gas/diesel, fuel, lubricating and other oils
	Other .. .. .	81.3	156.3	52.0	Matches; table waters; tyres and tubes.
	TOTAL "excise-type"	36,686.7	14,274.8	257.0	
	TOTAL ALL IMPORTS .. .. .	45,305.2	214,953.3	21.1	