

*100 years of service 1901-2001*

# Centenary of federation and Customs

As well as the centenary of federation, 2001 marked 100 years since Customs was established as one of the first Commonwealth Government departments.

Initially part of the Department of Trade and Customs, Customs has been linked over the years with portfolios such as trade, excise, business, consumer affairs, science, industry, commerce and justice. Customs was established in its current form in 1985 through the *Customs Administration Act 1985*.

Many of the powers of Customs are set out in the *Customs Act 1901*, which came into force on 4 October 1901. Originally 47 pages long, it has grown to over 850 pages with more than 180 amendments made. While the Act itself has grown, it has also been supplemented by over 20 other pieces of legislation.

Some of the significant milestones of Customs during the past 100 years include:

- collecting Commonwealth revenue (see Revenue raising below)
- detecting and deterring smuggling (see Border protection below)
- enforcing controversial policies such as the 'white Australia' policy dictation test and seizing doubtful publications under censorship operations
- extending Customs controls to air freight in 1923
- introducing the world's first computer system for clearing air and sea cargo in 1972
- establishing the world's first drug-detector-dog-training program during the late 1970s
- taking on the Coastwatch surveillance role in 1988
- participating with the United Nations initiative in East Timor in 2000.

## Revenue raising

Throughout Australia's history, Customs has played an important role in collecting revenue. Before federation, colonial Customs administrations were essential revenue raisers. As early as 1800 fees and regulations were introduced in the colony of New South Wales to control the rum trade.

At federation, the Customs administrations of the colonies transferred to the Commonwealth. The new Commonwealth Government had exclusive control over the tariff - customs and excise duties on imported goods. While this brought an end to collecting inter-colonial revenue, it began a united approach to controlling smuggling in Australia.

Revenue milestones over the years include:

- in the early years of Federation, Customs raised the majority of Commonwealth revenue
- an excise of twopence a gallon was introduced on petrol in 1927, together with higher duties on imported tyres, to fund the construction of roads
- during World War II the tariff provided significant funding for the planes, ships, munitions and troops involved in the war effort
- after the war trade grew rapidly, as did the number of items being assessed for tariffs – in 1950 an international convention proposed a common system of tariff classification so that goods could be easily identified

- during the 1960s levels of tariff protection increased greatly – since then, successive governments have gradually lowered tariff rates
- responsibility for excise was transferred to the Australian Taxation Office in 1998
- today Customs raises more than \$6 billion in Commonwealth revenue each year.

## Border protection

Customs has also played a role in ensuring the integrity of Australia's borders since the time of federation. When the tariff was introduced in 1901 some tariff rates were so high, such as alcohol duty at 14 shillings a gallon, that smuggling became an attractive money-making venture. Opium, prohibited now but legal then, was also smuggled through most ports.

Over the years, smuggling techniques have adapted, as has Customs. The time-consuming physical searches of the early 1900s are now supplemented by modern techniques such as x-ray, ionscan and detector dogs.

Some comparisons of early smuggling efforts with those of today are outlined below.

### Smuggling 'dirt'

While it is now prohibited, imports of opium used to be legal, provided the high rates of duty were paid. One group of early smugglers imported their opium in tea crates. To tell the crates apart from normal ones, they were marked with Chinese writing saying 'dirt'. Customs officers, who could not read Chinese, could not detect the difference. When the scheme was discovered, Customs took to searching every crate and over £70 000 worth of opium was seized.

Smugglers of today are not that different. In February 2000 Customs seized approximately 115kg of black cocaine concealed in a consignment of air freight. Black cocaine, which looks like lumps of dirt, is normal cocaine camouflaged with chemicals to change its appearance in the hope of avoiding detection by Customs.

### Physical searches

Women's crinolines – stiff hooped petticoats for skirts that were fashionable in the 19th century – had pockets. This was a relatively safe method for smugglers as searches of women's clothing were extremely rare. Women smuggled opium, cigars and other drugs in their pockets.

Today Customs has many female staff and searches of women's clothing are just as likely as men's. Modern technology, such as body x-ray machines, can also be used to detect prohibited goods concealed in clothing without the need to physically search travellers.

## Celebration of federation

Customs was involved in a number of activities to celebrate the centenary of federation and of Customs, including:

- an exhibition at the National Maritime Museum focussing on drugs, seized goods, illegal immigration and the role of Customs in Federation
- a smaller exhibition to tour all states and the ACT over the next two years
- a number of regional events organised in cooperation with regional authorities
- issuing commemorative plaques for significant colonial buildings used for Customs purposes
- issuing commemorative medallions to all Customs staff employed on 1 January 2001.

### Customs on show at the National Maritime Museum

The *Smugglers, Customs and Contraband 1901-2001* exhibition was on display at the Australian National Maritime Museum in Sydney during January – June 2001.

The exhibition was developed by the museum with financial support and practice assistance from Customs and a Centenary of Federation grant. Various aspects of Customs over the past 100 years were covered, including:

- the issues that were debated in the lead-up to federation, including the history and background of customs tariffs
- the role of Customs in deterring and intercepting illegal entrants
- illicit drugs and other prohibited imports, including how Customs conducts surveillance, search and detection operations, and methods of concealment.

At least 1200 historical and current items were on display, many lent by Customs.

Interactive displays were used throughout the exhibition, aimed at stimulating the interest of younger visitors. The centrepiece was a scaled-down version of the ship-search simulator at the Customs Marine Centre at Neutral Bay in Sydney. Children could clamber through the concealed cubes to find packages of 'drugs'. A schools program aimed at older students was also developed linking into centenary of federation studies.

A smaller version of the exhibition will go on tour to a number of centres around Australia during 2001-02. Venues will include Canberra, Echuca in Victoria, Adelaide and Hobart.

*Some of the information presented in this section relies on research undertaken by Dr David Day for his book Customs and Contraband, which traces the history of Customs in Australia from 1901.*