

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/3029/Add.2

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Notifications Pursuant to Article XVI:1

Addendum

AUSTRALIA

The following information supplements and brings up to date that contained in L/2601/Add.1 as revised by L/2742/Add.6.

III. DAIRY PRODUCTS

1. (a) In 1967 the Dairying Industry Act was amended to extend, for a further period of five years, the bounty payments on butter and butter-fat products.

The period for application of the bounty on exports of processed milk products has also been extended to 30 June 1972.

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- (b) The annual maximum amount of bounty on processed milk products continues at \$800,000 per annum until the end of the current five-year scheme in 1972.

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- (c) The estimated amount of subsidy per unit of production in 1967/68 is expected to be 5.2 cents per lb. for butter and 1.7 cents per lb. for cheese. From 1968/69, it is proposed to make equal payments on a butter-fat basis, to butter and cheese producers.

2. UNDERWRITING OF RETURNS

For 1967/68 the minimum return to factories underwritten by the Commonwealth Government was raised to 34.0 cents per lb., commercial butter basis. While not a price support measure, this enables factories to advance to producers a part of the anticipated return, up to the underwritten level.

IV. COTTON

1. (a) The current scheme operates under the Raw Cotton Bounty Act 1963/65, which expires on 28 February 1969.

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(b) Growers receive a bounty on raw cotton, above Strict Good Ordinary in grade, sold for use in Australia. The basic rate of bounty is 13.4375 cents per lb. for raw cotton of the grade known as Middling White and having a staple length of one inch, with appropriate premiums and discounts for other grades and staples to be fixed annually. There is an annual ceiling of \$4 million on bounty payments, and the bounty is therefore reducible as production increases.

XIII. CELLULOSE ACETATE FLAKE (RAYON GRADE)

1. (a) The effective duration of the bounty has been extended to 31 December 1969.

XVII. UREA

1. (d) The rate of subsidy is \$16 per ton, with a maximum annual limit of \$500,000.

