

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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Notification Pursuant to Article XVI:1

United Kingdom

The following changes should be made to update the information contained in document L/4622/Add.12 of 1978 as updated by documents L/4763/Add.7 and Corr.1 of 1979.

AGRICULTURE

Paragraph 2 should be amended to read as follows:

"2. Previously the basic system of agricultural support in the United Kingdom was provided by guaranteed prices and deficiency payments.

The Agriculture Act of 1957 still makes provision for guaranteed prices for potatoes, sheep and wool. Guaranteed prices for these products are determined annually by the Government after a review of the economic condition and prospects of the agricultural industry. The wool guarantee is not, however, listed below as a subsidy because its purpose is to prevent excessive fluctuations in prices and not to subsidise producers."

The following should be added as paragraph 3:

"3. Additional assistance is also given to the industry in the form of grants. These accord with EEC directives designed to promote capital investment in order to improve productivity, to increase incomes where these are below average earnings outside agriculture, and to assist less favoured areas."

PRICE GUARANTEES

Fat Sheep

(c) Amount of subsidy in 1979/80

Sheep: £10.2 million (estimate).

(d) Amount of subsidy per unit

Sheep: 6.6p (estimate) per kg. dressed carcass weight.

Note: This is the average unit rate paid on animals certified for the guarantee payment in 1979/80. If related to total marketings, the unit rate would be lower.

Potatoes

(c) Amount of subsidy

The cost of implementing the price guarantee for the 1977 crop was £17.8 million.

(d) Amount per unit

£2.7 per tonne for the 1977 crop.

Forestry

I(c) Amount of subsidy

The amount paid in grants for the year ended 31 March 1979 was £2,142,914. The amount of subsidy paid in the year ended 31 March 1980 was £2,583,929.

