GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
L/4932/Add.6
9 October 1980
Limited Distribution

Original: English

SUBSIDIES

Notifications Pursuant to Article XVI:1

AUSTRIA

The following communication has been received from the Permanent Mission of Austria.

With reference to document L/4932 of 25 January 1980 I am submitting herewith the Austrian notification pursuant to Article XVI/1 on grains.

The producer price subsidy for bread grains (wheat and rye), granted since 1952, was practically abolished after the 1979 harvest. Only for quality wheat the additional subsidy of S 7.00 per 100 kg. was paid for the 1979 harvest. In case of durum wheat of the 1979 harvest the subsidy of S 17.00 per 100 kg. as well as the additional subsidy of S 48.00 per 100 kg. was retained. As from the 1980 harvest these subsidies will also be abolished.

As from 1 July 1979 the system of corresponsibility was introduced. In accordance with their individual production of bread grains, farmers now pay a contribution amounting to S 9.00 per 100 kg. for the crop year 1979/80. Furthermore, also for feed grains a contribution was fixed, amounting to S 4.00/100 kg. for feed barley and feed oats and S 9.00/100 kg. for feed maize and feed millet. The above mentioned amounts are deducted from the respective producer prices and are adjusted annually.

Official basic prices exist for bread grain. They are fixed following a hearing of the Price Commission. Mills have to take over the grains at these prices.

As of July 1979 these basic producer prices without value-added tax are graduated monthly in the course of the crop year (July to June) as follows:

for rye S 279.00 to S 315.00/100 kgs.

for wheat S 299.50 to S 329.50/100 kgs.

For domestic durum wheat an official basic price without value-added tax is fixed, which has remained unchanged at S 446.32 per 100 kg. since July 1977.

In order to secure a smooth absorption of the marketed quantities and to prevent any deviation from the officially fixed producer price, an intervention system financed out of public means is operated by the grain marketing board.

Facts prescribed above underline the continued effort for abolishing subsidies and also show the increasing importance attached to the element of responsibility for the producers.

