The following changes are advised in the information contained in L/2601/Add.1.

I. Wheat

1. (c) Incidence

In 1965/66 the guarantee was $1.517 per bushel and for 1966/67 $1.55 per bushel.

V. Sulphate of ammonia

1. (a) Background and authority

Bounty is now paid by authority of the Sulphate of Ammonia Bounty Act 1962-66. The Act is due to expire on 31 December 1969.

(b) Incidence of subsidy

The limitation on the maximum amount of bounty payable on annual sales has been raised to $1 million.

(d) Amount per unit

The rate is $8 per long ton of sulphate of ammonia. The reduction by reference to annual profits no longer applies.

VI. Sulphuric acid

1. (a) Background and authority

The relevant Act is now the Sulphuric Acid Bounty Act 1954-1966.
(d) **Amount per unit**

(1) **On acid produced from iron pyrites**

The rate of bounty in respect of sulphuric acid of strength of 100 per cent is $5 per ton while the rate in respect of acid of a strength of less than 100 per cent is an amount per ton ascertained by multiplying $5 by the strength of the acid expressed as a percentage.

(2) **On acid produced from lead sinter**

The rate of bounty in respect of sulphuric acid of a strength of 100 per cent is $2.20 per ton, varying inversely by 17.5 cents for each 50 cents or part thereof by which the landed duty-free cost of imported brimstone rises or falls from $32 per long ton. The bounty is subject to a reduction if profits exceed 12½ per cent.

VIII. **Copper and brass strip**

This item is to be completely deleted as the Act expired on 18 March 1965 and was not renewed.

IX. **Copper**

This item is to be completely deleted as the Act expired on 31 December 1966 and was not renewed.

X. **Superphosphate and ammonium phosphate**

1. (a) **Background and authority**

The subsidy on superphosphate and ammonium sulphate is paid by authority of the Phosphate Fertilizers Bounty Act 1963-66. This Act expires on 31 October 1969.

XI. **Tractors**

1. **Nature and extent of the subsidy**

(a) **Background and authority**

The Tractor Bounty Act 1939-66 has been replaced by the Agricultural Tractors Bounty Act 1966. Under the new Act a bounty is payable at a rate determined by the relevant schedule in the Act on wheeled tractors of twenty and upwards power take-off horsepower of the engine.
The bounty is paid in respect of tractors produced in Australia in accordance with prescribed conditions and which are to be sold for use in Australia or in a Territory of the Commonwealth. The Act expires on 30 June 1971.

(b) Incidence

The bounty is payable to the manufacturer of the tractor. Under the new Act no profit limit or annual ceiling figure applies.

(c) Amount per unit

The rate of bounty per tractor rises from $520 to $800 according to the power take-off horsepower of the engine but is reduced if the proportion of the factory cost of the tractor represented by materials and parts of Australian origin is less than 90 per cent; no bounty is payable if this proportion falls below 55 per cent.

XII. Vinyl resins, uncompounded

This item is to be completely deleted as the Act expired on 25 October 1966 and was not renewed.

XIII. Cellulose acetate flake (rayon grade)

1. (a) Background and authority

   (ii) Bounty is paid under the Cellulose Acetate Flake Bounty Act 1956-66.

XIV. Acetate rayon yarn

This item is to be completely deleted as the Act expired on 30 June 1965 and was not renewed.

XVI. Nitrogenous fertilizers (new item)

1. Nature and extent of the subsidy

   (a) Background and authority

   The Nitrogenous Fertilizers Subsidy Act 1966 provides for payment of subsidy on goods consisting of a manufactured nitrogenous substance or of natural sodium nitrate, sold for use in Australia as a fertilizer or stock food supplement up to 31 October 1969. Subsidy benefits are available on all locally produced fertilizers and on imported fertilizers to the extent that local requirements exceed local production.
(b) **Incidence**

The bounty is payable to the producer and/or the importer of the goods. The Act requires that the full benefit of the subsidy received must be passed on to purchasers of the fertilizer.

(c) **Amount of subsidy paid**

An amount of £6,460,000 has been provided for the period 17 August 1966 to 30 June 1967.

(d) **Rate of subsidy**

The rate of subsidy is $80 per ton of nitrogen content of the fertilizer.

2. **Effects of subsidy**

(a) **Quantitative effect**

The purpose of the subsidy is to assist agricultural end users in industries which are already major users of fertilizers (e.g. sugar growing and fruit and vegetable producing). It is expected to promote productivity in newer fields of usage particularly in grain crops and grazing pastures.

(b) **Statistics**

Nitrogenous fertilizers are not separately recorded in relevant statistics.

XVII. **Urea (new item)**

1. **Nature and extent of the subsidy**

(a) **Background and authority**

Bounty on urea is paid by authority of the Urea Bounty Act 1966 which commenced on 29 October 1966. The bounty is paid to assist local producers to meet competition from imports and follows consideration by the Government of a recommendation made by the Tariff Board after public enquiry. The Act is due to expire on 31 December 1969.
(b) **Incidence**

The bounty is payable in respect of urea produced at registered premises and sold for use as a fertilizer within Australia.

(c) **Amount of subsidy paid**

An amount of $68,000 has been provided for the period 26 October 1966 to 30 June 1967.

(d) **Rate of subsidy**

The rate of subsidy is $16 per ton with a maximum annual limit of $400,000.

2. **Effects of subsidy**

(a) **Quantitative effect**

The subsidy is being paid during the initial stages of urea production as a form of protection for local producers against imports of urea for use as a fertilizer. It is likely to be only temporary in nature.

(b) **Statistics**

Urea is not separately recorded in relevant statistics.