

PRICE OF SUGAR

Statement by the Acting Prime Minister, Rt. Hon. J. McEwen

The Acting Prime Minister, Mr. McEwen, announced today that the Commonwealth Government had closely studied the case submitted by the Premier of Queensland, Mr. Nicklin, on behalf of his Government and the sugar industry for an increase in the domestic price of sugar.

Mr. McEwen said that the Commonwealth Government had agreed that :

- (1) the Sugar Agreement should be amended to increase the wholesale price of refined sugar by an amount equivalent to an increase in the retail price of 1d. 1b.; this would make the new retail price 11d. 1b. in capital cities;
- (2) having in mind the problems of the canning fruit industry and the link of almost 30 years between it and the sugar industry, the domestic sugar rebates should be increased from £2.4. 0 to £5. 0. 0. per ton
- (3) the Sugar Agreement should be amended to empower the Export Sugar Committee to vary option rates for export sugar rebate in accordance with the alteration in the wholesale sugar price and in the domestic rebate rate.

Mr. McEwen said that these three amendments would operate during the remaining period of the Sugar Agreement 1956/61. The price increases would operate from Monday, 16th May, and the introduction of the changed rates of rebates would operate from 1st June.

Mr. Nicklin had concurred in these proposals.

Mr. McEwen added that as the present Sugar Agreement would expire in August, 1961, and as renewal of the agreement would require a prior examination of the industry, the Government had decided that in due course a committee of inquiry would be appointed similar to the 1952 Sugar Industry Committee to investigate the circumstances of the sugar and fruit industries and their relationship with a view to preparation of a report before the end of the period of the present agreement.

CANBERRA,
15th May, 1960.