



PRIME MINISTER

PRESS STATEMENT NO. 184

15 February 1974

PHOSPHATE FERTILIZERS BOUNTY

The Prime Minister, Mr Whitlam, today announced that the Government had decided that the Phosphate Fertilizers Bounty should be allowed to expire at 31 December 1974. Mr Whitlam said that the decision was being announced well before the ending of the bounty to give primary producers and the fertilizer industry time to make appropriate adjustments to their planning.

Mr Whitlam said that the phosphate fertilizers bounty meant the payment to the fertilizer manufacturers of \$12 a ton of standard superphosphate and an equivalent amount in respect of available phosphorus in other fertilizers produced and sold for use as fertilizer in Australia. The bounty is paid with the intention that the full benefit be passed on to the end-user. Total payments under the bounty to 30 June 1973 amounted to just over \$337 million and in 1972/73 to \$56.6 million. Most of the benefit of these payments goes to users in the more prosperous rural industries.

The bounty was introduced in 1963 to emphasise the benefits arising from the use of superphosphate. This aim has been well met and it is no longer appropriate for this expensive charge to be carried by the taxpayer.

Canberra. A.C.T.