

**WORLD TRADE
ORGANIZATION**

English only

**Supporting Tables Relating to Commitments on Agricultural Products
in Part IV of the Schedules**

This document contains supporting material relating to commitments on agricultural products contained in Schedule I - Australia.

Anglais seulement

**Tableaux explicatifs concernant les engagements relatifs aux
produits agricoles repris dans la Partie IV des Listes**

Le présent document contient les données explicatives concernant les engagements relatifs aux produits agricoles inscrits dans la Liste I - Australie.

Solamente inglés

**Cuadros justificantes relativos a los compromisos sobre productos
agropecuarios consignados en la Parte IV de las Listas**

En el presente documento figura la documentación justificante relativa a los compromisos sobre productos agropecuarios consignados en la Lista I - Australia.

Supporting Table 1

MARKET ACCESS: AUSTRALIA

Tariff Equivalents: Tariff Equivalents Calculated Directly from Price Comparisons

Tariff item number	Description of products	Current rate of duty (U/B)	Non-tariff measure(s) tariffied	Internal price	External price	Quality/variety adjustment	Tariff Equivalent		Data sources	Comments	
1	2	3	4	5	6	7	8 (5-6 adjusted by 7) \$/tonne	9 (8/6) %	10	11	
		\$/tonne		\$/tonne	\$/tonne						
0406.10.00	Cheese	96 (B), 2100 (H)	Cheese Quota								
0406.20.00											
0406.30.00											
0406.40.90											
0406.90.90											
				1986/87			5169	3740		1429	38
	1987/88			5210	3908		1302	33			
	1988/89			5485	3897		1588	41			
	AVERAGE			5288	3848		1440	37			

Notes:

- Column 3. The lower rate of duty only applies to imports inside the current tariff quota (11,500 tonnes), other imports enter at the higher rate of duty.
- Column 4. At the base date a quota covering imports of these types of cheeses was in force.
- Column 5. The internal price is the average price for domestic sales of Gouda, Edam and Swiss style cheese. This is a derived price using Neilson SAMI Warehouse Withdrawal data and modified using ABS Input-Output Margins for retail dairy sales.
- Column 6. The external price is the average landed price of imported Gouda, Edam and Swiss style cheeses. This includes the fob import price recorded by the Australian Bureau of Statistics plus an annual average freight charge of \$260 per tonne and a trader margin of 12 percent.

Supporting Table 1

MARKET ACCESS: AUSTRALIA

Tariff Equivalents: Tariff Equivalents Calculated Directly from Price Comparisons

Tariff item number	Description of products	Current rate of duty (U/B)	Non-tariff measure(s) tariffied	Internal price	External price	Quality/variety adjustment	Tariff Equivalent		Data sources	Comments	
							Specific	Ad valorem			
1	2	3	4	5	6	7	8 (5-6 adjusted by 7) \$/tonne	9 (8/6) %	10	11	
		\$/tonne		\$/tonne	\$/tonne						
1701.11.00	Sugar	76 (U)	Sugar Embargo								
1701.12.00											
1701.91.00											
1701.99.90											
1702.90.10											
1703.10.10											
1703.90.10											
	1986			382.95	233.62		149.33	64			
	1987			412.25	246.18		166.07	67			
	1988			435.45	322.77		112.68	35			
	AVERAGE			410.22	267.52		142.69	55			

Notes:

Column 3. \$55/tonne has applied since 1 July 1992.

Column 5. The internal price is the Home Consumption price from the Sugar Board, Annual Report 1988/89 (Appendix D), adjusted to allow for domestic freight and handling \$25.30/tonne (ABARE calculation).

Column 6. The external price is a derived cif import price from fob Caribbean prices (ISO yearbook) converted to \$A, adjusted for quality and freight and handling charges of \$29.00/tonne added (ABARE estimate).

Supporting Table 1

MARKET ACCESS: AUSTRALIA

Tariff Equivalents: Tariff Equivalents Calculated Directly from Price Comparisons

Tariff item number	Description of products	Current rate of duty (U/B)	Non-tariff measure(s) tariffied	Internal price	External price	Quality/ variety adjustment	Tariff Equivalent		Data sources	Comments
							Specific	Ad valorem		
1	2	3	4	5	6	7	8 (5-6 adjusted by 7) \$/kg	9 (8/6) %	10	11
		\$/kg		\$/kg	\$/kg					
2401.10.12	Unmanufactured	0.47 (B), 1.42 (B)	Tobacco							
2401.10.13	Tobacco	0.33 (B), 1.07 (B)	Local							
2401.20.12		0.47 (B), 1.42 (B)	Content							
2401.20.13		0.33 (B), 1.07 (B)	Scheme							
2401.30.00)		0.47 (U), 1.99 (U)								
2401.30.00)		0.33 (U), 1.99 (U)								
	1986/87			5.34	4.70		0.64	14		
	1987/88			5.57	4.16		1.41	34		
	1988/89			5.74	4.02		1.72	43		
	AVERAGE			5.55	4.30		1.25	30		

Notes:

- Column 3. The lower rate of duty is a concessional rate which applies to imports under the Local Content Scheme, other imports are at the higher rate.
- Column 5. The internal price is the average realised tobacco price from the Australian Tobacco Board Annual Reports.
- Column 6. The external price is a derived price from the average per unit value of tobacco imports (fob) from non-USA sources during Jan-Oct selling season, adjusted by 12% to convert the fob values to a landed (CIF) price. The CIF import price is divided by 1.3 to deflate the value to account for moisture loss in the transition from green to dry leaf as well as other processing costs.

Supporting Table 4

DOMESTIC SUPPORT: AUSTRALIA

Measures exempt from the Reduction Commitments

Measure name	Measure Type	Description (including ref to criteria where appropriate)	Monetary value of measure	Data sources	Comments
1	2	3	4	5	6
COMMONWEALTH GOVERNMENT			\$A '000	(a) = Industries Commission Annual Report 1990/91 (b) = Department of Primary Industries And Energy Annual Report 1990/91 (c) = Commonwealth Government Budget Statements 1990/91 - Budget Paper No. 1	FY 1990/91
Australian Animal Health Laboratory	Pest & disease Control	Diagnosis of exotic animal diseases	10,707	(a) p. 185 (b) pp. 193, 247 & 390 (c) p. 3.319	
Bovine Brucellosis & Tuberculosis Eradication	Pest & Disease Control	Disease eradication and detection	11,054	(a) p. 185 (b) p. 29, 34 & 360 (c) p. 3.231	
CSIRO Institute of Animal Production and Processing	Research		69,000	(a) p. 185 (c) p. 3.318	
Exotic Disease Preparedness Programs	Pest & Disease Control	Training & programs to control exotic disease outbreaks	1,384	(a) p. 185 (b) pp. 310, 311 & 360	
Chicken Meat Research	Research		514	(a) p. 185 (b) p. 359	
Dairy Research & Development Corporation	Research		3,203	(a) p. 185 (b) p. 359	

DOMESTIC SUPPORT: AUSTRALIA

Measures exempt from the Reduction Commitments

Measure name	Measure Type	Description (including ref to criteria where appropriate)	Monetary value of measure	Data sources	Comments
1	2	3	4	5	6
Eggs Research & Development Corporation	Research		559	(a) p. 185 (b) p. 359	
Honeybee Research & Development Corporation	Research		158	(a) p. 185 (b) p. 359	
Meat & Livestock Research & Development	Research		13,647	(a) p. 185 (b) p. 357	
Pig Research & Development Corporation	Research		1,607	(a) p. 185 (b) p. 359	
Wool Research	Research		11,661	(a) p. 185 (b) p. 359 (c) p. 3.229	
Wool International Promotion	Marketing & Promotion	Promotion activities, including contributions to generic wool promotion by the International Wool Secretariat	22,917	(a) p. 185 (b) p. 360 (c) p. 3.229	
Australian Horticultural Corporation	Marketing & Promotion	Provision of market information and promotion services	1,030	(a) p.185 (b) pp. 307 & 367	
Australian Plague Locust Commission	Pest & Disease Control		838	(a) p.185 (b) pp. 151-153 & 387	
CSIRO Institute of Plant Production & Processing	Research		84,100	(a) p. 185 (c) p. 3.318	
Barley Research	Research		55	(a) p. 185 (b) p. 364	
Cotton Research	Research		1,601	(a) p. 185 (b) pp. 364 & 365	

Supporting Table 4

DOMESTIC SUPPORT: AUSTRALIA

Measures exempt from the Reduction Commitments

Measure name	Measure Type	Description (including ref to criteria where appropriate)	Monetary value of measure	Data sources	Comments
1	2	3	4	5	6
Dried Fruits Research	Research		483	(a) p. 185 (b) p. 364	
Grain Legumes research	Research		611	(a) p. 185 (b) p. 365	
Grains (non-wheat) Research	Research		1,866	(a) p. 185 (b) p. 366	
Grapes & Wine Research	Research		1,124	(a) p. 185 (b) p. 365	
Horticulture Research	Research		3,073	(a) p. 185 (b) pp. 364 & 367	
Oilseeds Research	Research		354	(a) p. 185 (b) p. 365	
Sugar Research	Research		1,834	(a) p. 185 (b) p. 365 & 366	
Tobacco Research	Research		591	(a) p. 185 (b) p. 366	
Wheat Research	Research		11,507	(a) p. 185 (b) p. 365 & 366	
Farm Management Advisory Skills Program	Training	Training & Advisory to improve farm financial management skills	200	(a) p. 186 (b) pp. 115 & 383	
Innovative Agricultural Marketing Program	Marketing & Promotion	Provision of grants to industry to undertake innovative projects to improve the marketing of rural products	4,100	(a) p. 186 (b) pp. 116-7	

DOMESTIC SUPPORT: AUSTRALIA

Measures exempt from the Reduction Commitments

Measure name	Measure Type	Description (including ref to criteria where appropriate)	Monetary value of measure	Data sources	Comments
1	2	3	4	5	6
Land & Water Resources Research & Development Corporation	Research		8,736	(a) p. 186 (b) p. 379 (c) p. 3.235	
Murray-Darling Basin (Salinity and Drainage Strategy and Natural Resources Management)	Environment and Infrastructure (General Services)	Resource Surveys, revegetation projects, salt interception scheme	8,630	(b) p. 380	
National Soil Conservation Program	Environment (General Services)	Environment: provision of funding for soil conservation projects	21,448	(a) p. 186 (b) p. 379 & 380	
Primary Industries marketing Skills	Training	Training to improve marketing skills	1,767	(a) p. 186 (b) pp. 115 & 383	
Quarantine & Export Inspection Services	Inspection services	Inspection, pest & disease control	26,000	(a) p. 186 (c) p. 3.233	
Rural Adjustment Scheme PART A	Income Safety-net program	Provision of financial support on a case-by case basis to farmers in severe short-term financial difficulties. Provided in the form of concessional finance (interest subsidy, loans or grants) for a time-bound period for measures to improve the recipient's income prospects through farm improvement, training and acquisition of new skills or capital restructuring	49,384	(a) p. 186 (b) p. 383 (c) p. 3.233 (d) Rural Adjustment Scheme Draft Annual Report 1990/91	

Supporting Table 4

DOMESTIC SUPPORT: AUSTRALIA

Measures exempt from the Reduction Commitments

Measure name	Measure Type	Description (including ref to criteria where appropriate)	Monetary value of measure	Data sources	Comments
1	2	3	4	5	6
PART B	Income safety-net program	Carry-on assistance in the form of interest subsidies to farmers in financial difficulties in industries or regions experiencing a short-term downturn due to e.g. drought, pesticide residue contamination	35		
PART C	Household support and reestablishment assistance for producer retirement	Structural adjustment assistance through producer retirement program. Household support payments and re-establishment assistance through a means-tested grant to assist farmers leave farming. Household support payments are available for one year and are repayable if the farmer ultimately decides not to leave the land.	7,799		
Rural Counselling Program	Training		1,158	(a) p. 186 (b) p. 112, 114, 210 & 383	
Rural Industries Research & Development Corporation	Research		6,000	(a) p. 186 (b) p. 188 & 391	
Water Resources - assessment and research grants	Research		2,706	(a) p. 186 (b) p. 379	

DOMESTIC SUPPORT: AUSTRALIA

Measures exempt from the Reduction Commitments

Measure name	Measure Type	Description (including ref to criteria where appropriate)	Monetary value of measure	Data sources	Comments
1	2	3	4	5	6
Water Resources Assistance Program	Infrastructure & Environment (General Services)	Salinity mitigation projects; ecologically sustainable drainage works; flood mitigation projects	29,312	(b) p. 380	
TOTAL			422,753		

Supporting Table 4

DOMESTIC SUPPORT: AUSTRALIA

Measures exempt from the Reduction Commitments

Measure name	Measure Type	Description (including ref to criteria where appropriate)	Monetary value of measure	Data sources	Comments
1	2	3	4	5	6
STATE GOVERNMENTS			\$A '000	Information provided by the State Governments and:	
GENERAL SERVICES					
Research Assistance	(i) Research	The funding of research programs which develop and improve efficient and sustainable practices in Agriculture	208,574	ACT Department of the Environment, Land and Planning NSW Department of Agriculture Annual Report 1990/91	FY 1990/91
Pest & Disease Control	(ii) Pest & Disease Control	Programs for the eradication and control of pests and diseases impacting on the agricultural sector	87,622	Tasmanian Department of Primary Industry Annual Report 1990 NT Department of Primary Industry and Fisheries Annual Report 1990/91	
Training services	(iii) Training	The provision of training to agricultural producers to encourage the use of improved agricultural practices and adoption of recent innovations	5,611	Queensland State Govt. Budget papers 1990/91 South Australia Dept of Agriculture Auditor's Report 1991	
Extension and Advisory	(iv) Extension & Advisory Services	The provision of advice concerning farm management, finance and general agriculture and the dissemination of results from research programs	81,390	Western Australian Consolidated Revenue Fund papers 1991/92 Victorian Department of Agriculture Annual Report 1990/91	

DOMESTIC SUPPORT: AUSTRALIA

Measures exempt from the Reduction Commitments

Measure name	Measure Type	Description (including ref to criteria where appropriate)	Monetary value of measure	Data sources	Comments
1	2	3	4	5	6
Inspection Services	(v) Inspection Services	Inspection services for quarantine, export/import and pest and disease control	24,168		
Marketing and Promotion	(vi) Marketing & Promotion Services	The provision of policy advice, marketing and economic research, marketing and promotion information and advice for the development of the trade	1,070		
Infrastructural Services	(vii) Infrastructural Services	Assistance in the provision of rural infrastructure and associated services to ensure the continued development of efficient and sustainable agriculture	23,767		
Environmental Management	(viii) Environmental schemes	The provision of services to agricultural producers to limit environmental damage and to encourage sound practices to minimise soil erosion, salination and water damage	38,248		

Supporting Table 4

DOMESTIC SUPPORT: AUSTRALIA

Measures exempt from the Reduction Commitments

Measure name	Measure Type	Description (including ref to criteria where appropriate)	Monetary value of measure	Data sources	Comments
1	2	3	4	5	6
NATURAL DISASTER RELIEF	Relief from drought, flood & fire	Disaster relief provided in the form of concessional loans and assistance for water, fodder and livestock cartage to alleviate losses and to meet essential carry-on expenses and replace lost or damaged structures.	23,499		
TOTAL			493,949		
C'WLTH + STATE TOTAL			916,702		

COVER NOTE TO SUPPORTING TABLES 6 TO 9

DESCRIPTION OF BASIC PRODUCT	PRODUCT SPECIFIC AMS OR EQUIVALENT MEASUREMENTS OF SUPPORT			CALENDAR/MARKETING YEAR APPLIED
	1986-88 average	Credit allowed	Reductions Base	
Dried Vine Fruit	16.11		16.11	Marketing Year - March to February
Eggs	35.97	26.56	62.53	Financial Year - 1 July to 30 June
Milk	352.50	32.08	384.58	Financial Year - 1 July to 30 June
Rice	6.15		6.15	Financial Year - 1 July to 30 June
Sugar	64.49		64.49	Marketing Year - May to April
Wheat	55.96		55.96	Marketing Year - October to September
TOTAL AMS (\$A million)	531.18	58.64	589.82	

Supporting Table 6

DOMESTIC SUPPORT: AUSTRALIA

Aggregate Measurements of Support: Market Price Support

Description of Basic Products	Measure Type(s)	Applied Administered Price	External Reference Price	Eligible Production	Associated fees/levies	Total market Price support	Data Sources and Comments	
1	2	3	4	5	6	7 (3-4)*5-6	8 & 9	
Wheat	Administered prices for domestic sales of wheat for human consumption.		\$/t	\$/t	'000 tonnes		\$ mn	Data source: Australian Bureau of Agricultural and Resource Economics, Commodity Statistical Bulletin 1991 (Canberra: November 1991), pages 70-72: Table 87 for the administered price; Table 85 for the reference price ² (the fob unit value of exports); Table 86 for eligible production (domestic sales of each class of wheat).
	1986 a	188.92	147.15	1,210	0	50.54		
	1987 b	193.46	144.98	1,343	0	65.11		
	1988 c	221.07	202.34	1,145	0	21.45		
	AVERAGE d	201.15	164.82	1,233	0	44.78		
	Administered prices for domestic sales of wheat for industrial uses.							
	1986 a	164.96	147.15	318	0	5.66		
	1987 b	185.42	144.98	307	0	12.42		
	1988 c	217.30	202.34	345	0	5.16		
	AVERAGE d	189.23	164.82	323	0	7.89		
	Administered prices for domestic sales of wheat for stock feed.							
	1986 a	170.12	147.15	73	0	1.68		
	1987 b	189.54	144.98	65	0	2.90		
	1988 c	221.84	202.34	202	0	3.94		
AVERAGE d	193.83	164.82	113	0	3.29			
TOTAL AVERAGE						55.96		

Supporting Table 7

DOMESTIC SUPPORT: AUSTRALIA

Aggregate Measurements of Support: Non-Exempt Direct Payments

Description of Basic Products	Measure Type(s)	Applied Administered Price	External Reference Price	Eligible Production	Total price-related direct payments	Other non-exempt direct payments	Associated fees/levies	Total direct payments	Data sources & comments
1	2	3	4	5	6 (3-4)*5	7	8	9 (6+7-8)	10 & 11
Dried Vine Fruit	Statutory equalisation arrangements on sultanas, raisins and currants (equalisation payments funded by a levy on domestic sales) and government underwriting of a guaranteed minimum return for sultanas.	\$/t	\$/t	'000 tonnes		\$mn		\$mn	See annex attached for Column 7 calculations and notes below.
	1986 a	889.74	1,556.98	87.14	No payment	19.24		19.24	
	1987 b	1,021.02	1,903.61	57.53	No payment	12.41		12.41	
	1988 c	1,270.02	1,654.00	71.77	No payment	16.68		16.68	
	AVERAGE d	1,060.26	1,704.86	72.15	0*	16.11	0	16.11	

Explanatory Notes:

Data source: Australian Dried Fruits Corporation Annual Reports as follows:

Column 3	1986-7	1987-88	1988-89	1989-90	Guaranteed minimum export return rate
Column 4	n.a.	page 23	page 24	page 21	Average export return rate
Column 5	n.a.	page 23	page 24	page 21	Total production of sultanas
Column 6	page 6	page 6	page 6	n.a.	
Column 7	n.a.	page 42	page 42	page 38	

Columns 3, 4, 5 and 6 refer to the Dried Sultana Underwriting Scheme. Payments under the Scheme are made on total production when the average export return rate is lower than the guaranteed minimum export return rate. Column 7 refers to the Dried Vine Fruits Equalization Scheme.

*The measured support is shown as nil as the fixed reference price is higher than the average applied administered price.

Annex Table to Supporting Table 7: Dried Vine Fruit

Calculation of Non-Exempt Direct Payment (Equalisation Payment)

Sultanas

		1986	1987	1988	Average
A. Equalisation Payment	\$/t	190.48	141.25	206.53	
B. Eligible production	'000 tonnes	87.14	57.53	71.77	
C. Total payment (BxC)	\$ mn	16.60	8.13	14.82	13.18

Currants

		1986	1987	1988	Average
A. Equalisation Payment	\$/t	367.79	348.62	391.9	
B. Eligible production	'000 tonnes	7.19	5.83	4.74	
C. Total payment (BxC)	\$ mn	2.64	2.03	1.86	2.18

Raisins

		1986	1987	1988	Average
A. Equalisation Payment	\$/t	0	348.23	0	
B. Eligible production	'000 tonnes	6.6	6.47	2.27	
C. Total payment (BxC)	\$ mn	0.00	2.25	0.00	0.75

COMBINED TOTAL

C. Total payment	\$ mn	19.24	12.41	16.68	16.11
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Explanatory Notes:

Row A: Final equalisation payment made on total production of each variety subject to equalisation in that year. The payment is funded by a levy on domestic sales. Advance payments are made during a season with final payments being made in the following year (and sometimes beyond).

Row B: Total production of each variety in the year to which the final equalisation payment applies.

Supporting Table 8

DOMESTIC SUPPORT: AUSTRALIA

Aggregate Measurements of Support: Other Product-Specific Support and Total AMS

Description of Basic Products	Measure Type(s)	Other product specific budgetary outlays	Other product specific support	Associated fees/levies	Total other product specific support	Market price support (Supporting Table 6)	Non-exempt direct payments (Supporting Table 7)	Total AMS	Data Sources and Comments
1	2	3	4	5	6	7	8	9 (6+7+8)	10 & 11
Dried Vine Fruit						\$ mn	\$ mn	\$ mn	
	1986	a					19.24	19.24	
	1987	b					12.41	12.41	
	1988	c					16.68	16.68	
	AVERAGE	d	0	0	0	0	16.11*	16.11*	
*Including non-exempt price-related direct payments calculated using a fixed reference price of \$1705 per tonne.									
Wheat									
	1986	a				57.88	202	259.88	
	1987	b				80.43	No Payment	80.43	
	1988	c				30.55	No Payment	30.55	
	AVERAGE	d	0	0	0	55.96	0*	55.96*	
*Including non-exempt price-related direct payments calculated using a fixed reference price of \$166 per tonne.									

Supporting Table 7

DOMESTIC SUPPORT: AUSTRALIA

Aggregate Measurements of Support: Non-Exempt Direct Payments

Description of Basic Products	Measure Type (s)	Applied Administered Price	External Reference Price	Eligible Production	Total price-related direct payments	Other non-exempt direct payments	Associated fees/levies	Total direct payments	Data sources & comments
1	2	3	4	5	6 (3-4)*5	7	8	9 (6+7-8)	10 & 11
		\$/t	\$/t	'000 tonnes	\$ mn			\$ mn	
Wheat	Guaranteed Minimum Price System								See explanatory note.
	1986 a	139.83	126.64	15,310	202			202	
	1987 b	144.29	164.32	10,740	No payment			No payment	
	1988 c	153.37	205.97	12,954	No payment			No payment	
	AVERAGE d	145.83	165.64	13,001	0*			0*	

Explanatory Note:

The guaranteed minimum price provided support through government payouts if market returns were less than the applied administered price and reduced interest charges, due to the implicit government guarantee, on borrowings by the Australian Wheat Board to fund initial payments to growers made on delivery.

Data sources: Commonwealth Government, Budget Papers, for the amount of the 1986 direct payments. Other data from Australian Bureau of Agricultural and Resource Economics, Commodity Statistical Bulletin 1993 (Canberra: November 1993), pages 97-99:

Table 102 for the applied administered price: the Final Guaranteed Minimum Price.

Table 104 for the reference price (updated in Commonwealth Gazette, September 1993): the amount distributed to growers. This is the net pool return for each year. Direct payments are made when the net pool return is less than the applied administered price, which becomes the amount distributed to growers in years when direct payments are made. The reference price for 1986 is the applied administered price less the per tonne direct payments (\$202 mn divided by eligible production of 15,310 mn tonnes).

Table 103 for eligible production (wheat receivables by the AUstralian Wheat Board).

*The measured support is shown as nil as the fixed reference price is higher than the average applied administered price.

Supporting Table 9

DOMESTIC SUPPORT: AUSTRALIA

Equivalent Measurement of Support

Description of Basic Products	Measure Type(s)	Applied Administered Price (AAP)	Production eligible to receive the AAP	Market price support budgetary outlays	Non-exempt direct payments	Other product specific support	Data Sources and Comments
1	2	3	4	5	6	7	8 & 9
Milk	Market price support through the market support levy and product levies used to fund market support payments and supplementary market support payments on exports of prescribed dairy products.	\$/'000 litres	mn litres			\$/'000 litres	Calculation of equivalent measurement of support explained in the annexed tables.
	1986 a	77.56	6,176	-	-	-15.29	Table 1: The price support provided to dairy products measured as the increase in prices due to market support and supplementary market support payments on product exported.
	1987 b	80.60	6,127	-	-	-17.40	
	1988 c	64.78	6,291	-	-	-19.62	
	AVERAGE d	74.31	6,198			-17.44	Table 2: The conversion of the price support to dairy products to a milk equivalent basis.
	Total market price support is the increase in milk prices due to the support arrangements, less the market support levy paid by milk producers, multiplied by total milk production. The increase in milk prices is measured as the increase in domestic prices of prescribed dairy products above fob export prices converted to a milk equivalent basis. This milk equivalent price increase (including the levy) is the applied administered price reported in Column 3. The net increase in milk prices is the AAP less the market support levy reported in Column 7.						
	Table 3: The calculation of total market price support.						
	Table 4: The calculation of milk utilisation shares used in Table 2.						

Annex Tables to Supporting Table 9: Milk

Table 1: Price Support for Prescribed Dairy Products

1986-87				1987-88			
Product	A Total MSP (\$m)	B Volume for MSP Payments tonnes	C Price Gap (\$/t) (A/B)	Product	A Total MSP (\$m)	B Volume for MSP Payments tonnes	C Price Gap (\$/t) (A/B)
Butter/butteroil	13.53	23402	578	Butter/butteroil	28.37	51960	546
Cheese (Cheddar)	13.41	19719	680	Cheese (Cheddar)	29.40	40558	725
Skim milk powder	33.60	76895	437	Skim milk powder	36.83	69495	530
Wholemilk powder	24.86	40691	611	Wholemilk powder	23.70	42253	561
Butter milk powder	2.06	4714	437	Butter milk powder	2.30	4341	530
Whey powder	0.54	2669	202	Whey powder	0.71	4273	166
Casein	7.66	6999	1094	Casein	9.67	7426	1302

1988-89			
Product	A Total MSP (\$m)	B Volume for MSP Payments tonnes	C Price Gap (\$/t) (A/B)
Butter/butteroil	18.38	51881	354
Cheese (Cheddar)	16.94	29533	574
Skim milk powder	29.26	64758	452
Wholemilk powder	19.83	42473	467
Butter milk powder	1.16	2577	450
Whey powder	1.49	8185	182
Casein	6.55	5615	1166

Explanatory Notes:

MSP: Market Support Payments (including Supplementary Market Support Payments) paid on exports of prescribed dairy products.

Volume for MSP payments: the volume of exports on which payments were made.

Price Gap: this is the per tonne amount by which domestic prices are raised above the fob export price for each of the prescribed dairy products. The calculation method assumes that domestic prices of the individual dairy products are increased by the same amount as export returns on product exported are increased by the MSP payments.

Data Sources:

Columns A and B: Australian Dairy Corporation, Annual Reports, 1986-87, 1987-88 and 1988-89, supplemented by additional information supplied by the Corporation.

Annex Tables to Supporting Table 9: Milk

Table 2: Price Support for Prescribed Dairy Products Converted to a Milk Equivalent Basis

1986-87					1987-88				
Product Line	A Price Gap from Table 1 (\$/t)	B Product Yield (Tonnes of Product from 1000 litres of Milk)	C Increase in Milk Prices \$/'000 lt (AxB)	D Utilisation Share (% of Manufacturing Milk used in each product)	Product Line	A Price Gap from Table 1 (\$/t)	B Product Yield (Tonnes of Product from 1000 litres of Milk)	C Increase in Milk Prices \$/'000 lt (AxB)	D Utilisation Share (% of Manufacturing Milk used in each product)
Butter/SMP					Butter/SMP				
Butter	578	0.0528	30.52		Butter	546	0.0525	28.67	
SMP	437	0.0884	38.63		SMP	530	0.0883	46.80	
BMP	437	0.0053	2.32		BMP	530	0.0053	2.81	
Subtotal			71.47	45.9	Subtotal			78.27	44.1
Butter/Casein					Butter/Casein				
Butter	578	0.0528	30.52		Butter	546	0.0525	28.67	
Casein	1094	0.0297	32.49		Casein	1302	0.0296	38.54	
BMP	437	0.0053	2.32		BMP	530	0.0053	2.81	
Subtotal			65.33	8.2	Subtotal			70.01	9.2
Wholemilk Powder					Wholemilk Powder				
WMP	611	0.1258	76.86		WMP	561	0.1257	70.52	
Butter	578	0.0137	7.92		Butter	546	0.0135	7.37	
BMP	437	0.0014	0.61		BMP	530	0.0014	0.74	
Subtotal			85.39	15.4	Subtotal			78.63	15.5
Cheese					Cheese				
Cheddar	680	0.1018	69.22		Cheddar	725	0.1016	73.66	
Whey Powder	202	0.0618	12.48		Whey Powder	166	0.0618	10.26	
Butter	578	0.0070	4.05		Butter	546	0.0069	3.77	
BMP	437	0.0007	0.31		BMP	530	0.0006	0.32	
Subtotal			86.06	30.5	Subtotal			88.00	31.2
Weighted Average Increase in Milk Prices			77.56	100	Weighted Average Increase in Milk Prices			80.60	100

SMP: Skim milk powder
WMP: Whole milk powder
BMP: Butter milk powder

Annex Tables to Supporting Table 9: Milk

Table 2 Continued

1988-89

Product Line	A Price Gap from Table 1 (\$/t)	B Product Yield (Tonnes of Product from 1000 litres of Milk)	C Increase in Milk Prices \$/'000 lt (AxB)	D Utilisation Share (% of Manufacturing Milk used in each product)
Butter/SMP				
Butter	354	0.0526	18.62	
SMP	452	0.0883	39.91	
BMP	450	0.0053	2.39	
Subtotal			60.92	43.8
Butter/Casein				
Butter	354	0.0526	18.62	
Casein	1166	0.0296	34.51	
BMP	450	0.0053	2.39	
Subtotal			55.52	7.1
Wholemilk Powder				
WMP	467	0.1256	58.66	
Butter	354	0.0136	4.81	
BMP	450	0.0014	0.63	
Subtotal			64.10	16.5
Cheese				
Cheddar	574	0.1016	58.32	
Whey Powder	182	0.0618	11.25	
Butter	354	0.0069	2.44	
BMP	450	0.0007	0.32	
Subtotal			72.32	32.6
Weighted Average Increase in Milk Prices			64.78	100

SMP: Skim milk powder
WMP: Whole milk powder
BMP: Butter milk powder

Explanatory Note:

The per tonne price support for prescribed dairy products has been converted to a milk equivalent basis using the four main product lines for manufacturing milk: butter/skim milk powder; butter/casein; whole milk powder; and cheese. The price support for the dairy products used in each of these product lines has been converted into the equivalent increase in milk prices by multiplying the price support per tonne (Column A) by the product produced from 1000 litres of milk (Column B). The subtotal for each product line is the increase in the price of each 1000 litres of milk used in production of that line due to the support arrangements. The subtotals for each product line is then weighted by the share of each line in total utilisation of manufacturing milk to estimate the average increase in milk prices.

Product yields. These are the amount of each product produced from 1000 litres of milk based on the following recorded milk solids contents:

	Fat	Protein
1986-87	4.37%	3.29%
1987-88	4.35%	3.28%
1988-89	4.36%	3.28%

Data sources:

Product yields derived from Australian Dairy Corporation (ADC), Dairy Compendium 1991 (ADC, November 1991), pages 76-78 and ADC, Milk and Dairy Products Conversion Book (ADC, November 1989).
Milk utilisation shares taken from Table 4.

Annex Tables to Supporting Table 9: Milk

Table 3: The Calculation of Total Market Price Support

	A Applied Administered Price \$/'000 litres	B Market Support Levy \$/'000 litres	C Net Price Support (A-B) \$/'000 litres	D Total Milk Production mn litres	E Total Market Price Support (CxD) \$ mn
1986-87	77.56	15.29	62.27	6176	384.58
1987-88	80.60	17.40	63.20	6127	387.23
1988-89	64.78	19.62	45.16	6291	284.10
Average	74.31	17.44	56.87	6198	352.50

Data Sources:

Column A: Annex Table 2.

Column B: Australian Dairy Corporation, Annual Reports, 1986-87, 1987-88 and 1988-89 (Total amount of levy collected divided by total milk production).

Column D: Australian Bureau of Agricultural and Resource Economics, Commodity Statistical Bulletin 1991 (Canberra, November 1991), page 55.

Annex Tables to Supporting Table 9: Milk

Table 4: The Calculation of Milk Utilisation Shares used in Annex Table 2

Product line	A Production Tonnes	B Product Yield	C Milk Equivalent (A/B) mn litres	D Share of Milk Used in Product Lines in Total Manufacturing Milk Production (%)
1986-87				
SMP/Butter	136907	0.0884	1548.7	45.9
Casein/Butter	8236	0.0297	277.3	8.2
WMP	65308	0.1258	519.1	15.4
Cheddar/Whey	104875	0.1018	1030.2	30.5
Total			3375.4	
1987-88				
SMP/Butter	127848	0.0883	1447.9	44.1
Casein/Butter	8954	0.0296	302.5	9.2
WMP	63743	0.1257	507.1	15.5
Cheddar/Whey	103960	0.1016	1023.2	31.2
Total			3280.7	
1988-89				
SMP/Butter	126829	0.0883	1436.3	43.8
Casein/Butter	6870	0.0296	232.1	7.1
WMP	68038	0.1256	541.7	16.5
Cheddar/Whey	108717	0.1016	1070.0	32.6
Total			3280.2	

Explanatory Notes and Data Sources:

Column A: Australian Dairy Corporation, Dairy Compendium 91 (ADC, November 1991), Tables 1.9-1.11. The production figure for SMP (which includes butter milk powder) has been used to represent the SMP/butter product line, and the production figure for casein has been used for the casein/butter line, as butter is derived from the same milk input as SMP and casein. Production of cheddar cheese has been used to represent the cheddar/whey product line.

Column B: See explanation of product yield in Annex Table 2.

Supporting Table 9

DOMESTIC SUPPORT: AUSTRALIA

Equivalent Commitments

Description of Basic Products	Measure Type(s)	Applied Administered Price (AAP)	Production eligible to receive the AAP	Market price support budgetary outlays	Non-exempt direct payments	Other product specific support	Data Sources and Comments
1	2	3	4	5	6	7	8
Eggs	Market price support provided through State Government marketing and price regulation.	\$/dozen	million dozen				Data is compiled by the Industry Commission based on information provided by States' egg marketing authorities.
	1986 a	1.49	175.2	-	-	-	During the implementation period it is expected that the equivalent commitment will be calculated using the Australian average farm gate price (the local unit value of production) as the administered price; the New South Wales average farm gate price as the reference price; and total Australian production as eligible production. The date source will be the Australian Bureau of Statistics. This change in calculation is due to the deregulation of the New South Wales egg market in 1989.
	1987 b	1.58	174.0	-	-	-	
	1988 c	1.58	174.0	-	-	-	
	AVERAGE d	1.55	174.4				

Annex Table to Supporting Table 9: Eggs

Calculation of Equivalent Measurement of Support

		1986	1987	1988	Average	
A.	Applied administered price	\$/dozen	1.49	1.58	1.58	
B.	Reference price	\$/dozen	0.98	1.27	1.27	
C.	Price Support (A-B)	\$/dozen	0.51	0.31	0.31	
D.	Eligible production	million doz	175.2	174	174	
E.	Total (CxD)	\$ mn	89.35	53.94	53.94	
F.	Producer levies	\$ mn	26.82	31.25	31.25	
G.	Total Support (E-F)	\$ mn	62.53	22.69	22.69	35.97

Explanatory Notes:

Row A: The weighted average domestic wholesale price for shell and manufacturing eggs (domestic prices in each of the States weighted by the State's share in total domestic sales).

Row B: The weighted NSW average export price of shell and manufacturing eggs (weighted by the share of shell and manufacturing eggs in total domestic sales). A contemporaneous and not a fixed reference price is used in the calculation.

Row D: Total domestic sales.

Row F: Levies paid by egg producers to fund the State marketing schemes.

Because of the deregulation of the New South Wales egg market on 26 July 1989, data is not available for 1988. Therefore, in calculating the equivalent measurement of support it has been assumed that support in 1988 was identical to that in 1987.

Supporting Table 9

DOMESTIC SUPPORT: AUSTRALIA

Equivalent Measurement of Support

Description of Basic Products	Measure Type(s)	Applied Administered Price (AAP)	Production eligible to receive the AAP	Market price support budgetary outlays	Non-exempt direct payments	Other product specific support	Data Sources and Comments
1	2	3	4	5	6	7	8
Rice	Market price support provided through domestic prices of rice for human consumption being higher than export parity due to the market power conferred by statutory marketing arrangements in the States of New South Wales and Queensland.	\$/t	tonnes				N/A - not available
	1986 a	N/A	65,310	-	-	-	Calculation of equivalent measurement of support explained in annexed table. The commitment has been calculated using 1988/89 data due to the lack of comparable price data for previous years.
	1987 b	N/A	70,250	-	-	-	
	1988 c	506	73,244	-	-	-	
	AVERAGE d	506	69,601				

Annex Table to Supporting Table 9: Rice

Calculation of Equivalent Measurement of Support

	A Applied Administered Price \$/t	B External Reference Price \$/t	C Price Support (A-B) \$/t	D Eligible Production '000 tonnes	E Total Market Price Support (CxD) \$ mn
1988/89	506	422	84	73.244	6.15

Explanatory Notes:

The method of calculation is based on that adopted by the Industry Commission, the Australian Government's major review and inquiry body on structural economic reform. The Industry Commission's estimate of \$ 6 mn total market price support for 1988/89 is published in its Annual Report 1990-91 (Canberra: Australian Government Publishing Service, 1991), page 211.

Column A: The average ex-mill return for rice supplied to the domestic market for human consumption sales.

Column B: The average ex-mill return for rice supplied to comparable export markets. A contemporaneous and not a fixed reference price is used in the calculation.

The ex-mill returns in Columns A and B are averages of the returns for medium and long grain rice weighted by their percentage shares in domestic sales.

Column D: Domestic sales of rice for human consumption.

Data Sources:

Columns A and B: Information supplied by the Ricegrowers' Co-operative Limited (RCL).

Column D: Total domestic sales consists of 62444 tonnes for sales of New South Wales produced rice (information from RCL) and 10800 tonnes for sales of Queensland produced rice (estimate derived from total recorded paddy production of 18,000 tonnes as almost all Queensland rice is sold domestically; paddy estimate from Australian Bureau of Agricultural and Resource Economics, Commodity Statistical Bulletin 1991 (Canberra, 1991), page 104, and using a paddy to milled yield estimate of 60%).

AGRICULTURAL PRODUCTS : LIST OF COMMITMENTS

Supporting Table 9

DOMESTIC SUPPORT: AUSTRALIA

Equivalent Measurement of Support

Description of Basic Products	Measure Type(s)	Applied Administered Price (AAP)	Production eligible to receive the AAP	Market price support budgetary outlays	Non-exempt direct payments	Other product specific support	Data Sources	Comments
1	2	3	4	5	6	7	8	9
Sugar	Market price support provided through administered pricing arrangements for domestic sales of sugar.	\$/t	'000 tonnes				Australian Bureau of Agricultural and Resource Economics, Commodity Statistical Bulletin 1992 (Canberra: November 1992), page 161, table 161.	Calculation of equivalent measurement of support explained in the annexed table.
	1986	a 374	809	-	-	-		
	1987	b 400	784	-	-	-		
	1988	c 420	848	-	-	-		
	AVERAGE	d 398	814					

Annex Table to Supporting Table 9: Sugar

Calculation of Equivalent Measurement of Support

		1986	1987	1988	Average
A.	Applied administered price \$/t	374	400	420	
B.	Reference price \$/t	250	254	304	
C.	Price Support (A-B) \$/t	124	146	116	
D.	Eligible production '000 tonnes	809	784	848	
E.	Total (Cx D) \$ mn	100.32	114.46	98.37	104.38
F.	Support received by sugar cane producers \$ mn	63.28	70.56	59.65	64.49

Explanatory Notes:

- Row A: Average gross domestic returns to millers.
 Row B: Average gross export returns to millers. A contemporaneous and not a fixed reference price is used in the calculation.
 Row D: Raw sugar acquired for domestic consumption.
 Row F: As the applied administered price is the return to millers, the support passed through to producers is calculated by multiplying Row E by a coefficient that reflects the distribution in the year concerned of total gross returns to the raw sugar industry between millers and cane growers. This coefficient is the gross value of sugar cut for crushing expressed as a percentage of total gross returns to the sugar industry (details published in the data source). The coefficients are: 1986 = .63; 1987 = .62; 1988 = .61 (rounded to 2 decimal places).

SUPPORTING TABLE 11

EXPORT COMPETITION: AUSTRALIA

Export Subsidies: Outlay and Quantity reduction Commitments

Description of Basic Products	Direct export Subsidies	Sale of Stock	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies	Quantity of Subsidized Exports	Data Source	Comments Incl. Measure Description
1	2	3	4	5	6	7	8	9	10
	A\$ m		A\$ m			A\$ m	tonnes		
Pears (Jan/Dec)									
1986/87									
1987/88	1.798					1.798	18083	DPIE	Export Underwriting scheme for pears sold on consignment (a)
1988/89									
1989/90									
1990/91									
1986/90 Average	0.36					0.360	3616.6		

EXPLANATORY NOTES

(a) Payment was made to the Pear industry for pears exported at risk in 1988. Scheme was used on only the one occasion and was discontinued on 31.12.1990.

DPIE: Department of Primary Industries and Energy

SUPPORTING TABLE 11

EXPORT COMPETITION: AUSTRALIA

Export Subsidies: Outlay and Quantity reduction Commitments

Description of Basic Products	Direct export Subsidies	Sale of Stock	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies	Quantity of Subsidized Exports	Data Source	Comments Incl. Measure Description
1	2	3	4	5	6	7	8	9	10
	A\$ m		A\$ m			A\$ m	tonnes		
Butter and Butteroil (July/June)								ADC	
1986/87			20.15			20.15	34,776		
1987/88			28.37			28.37	52,439		
1988/89			18.37			18.37	52,344		
1989/90			20.88			20.88	50,627		
1990/91			24.44			24.44	55,550		
1986/90 Average			22.44			22.44	49,149		
1991/92			25.50			25.50	58,940		
1992/93			27.30			27.30	78,424		
1991/92 Average			26.40			26.40	68,682		

EXPORT COMPETITION: AUSTRALIA

Export Subsidies: Outlay and Quantity reduction Commitments

Description of Basic Products	Direct export Subsidies	Sale of Stock	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies	Quantity of Subsidized Exports	Data Source	Comments Incl. Measure Description
1	2	3	4	5	6	7	8	9	10
	A\$ m		A\$ m			A\$ m	tonnes		
Skim Milk Powder (July/June)								ADC	
1986/87			33.72			33.72	82,192		
1987/88			36.83			36.83	72,509		
1988/89			29.26			29.26	68,503		
1989/90			37.37			37.37	87,638		
1990/91			48.56			48.56	117,233		
1986/90 Average			37.15			37.15	85,615		
1991/92			43.80			43.80	108,830		
1992/93			39.00			39.00	119,253		
1991/92 Average			41.40			41.40	114,042		

AGRICULTURAL PRODUCTS : LIST OF COMMITMENTS

SUPPORTING TABLE 11

EXPORT COMPETITION: AUSTRALIA

Export Subsidies: Outlay and Quantity reduction Commitments

Description of Basic Products	Direct export Subsidies	Sale of Stock	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies	Quantity of Subsidized Exports	Data Source	Comments Incl. Measure Description
1	2	3	4	5	6	7	8	9	10
	A\$ m		A\$ m			A\$ m	tonnes		
Cheese (July/June)								ADC	
1986/87			33.49			33.49	62,584		
1987/88			50.84			50.84	75,543		
1988/89			32.87			32.87	62,808		
1989/90			22.53			22.53	52,311		
1990/91			30.11			30.11	62,449		
1986/90 Average			33.97			33.97	63,139		
1991/92			32.40			32.40	68,318		
1992/93			33.00			33.00	84,523		
1991/92 Average			32.70			32.70	76,421		

EXPORT COMPETITION: AUSTRALIA

Export Subsidies: Outlay and Quantity reduction Commitments

Description of Basic Products	Direct export Subsidies	Sale of Stock	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies	Quantity of Subsidized Exports	Data Source	Comments Incl. Measure Description
1	2	3	4	5	6	7	8	9	10
	A\$ m		A\$ m			A\$ m	tonnes		
Other Milk Products (July/June)								ADC	
1986/87			47.94			47.94	17,407 63,149		FATS SNF
1987/88			53.61			53.61	17,297 63,340		FATS SNF
1988/89			41.11			41.11	16,203 60,460		FATS SNF
1989/90			37.30			37.30	15,255 64,970		FATS SNF
1990/91			38.75			38.75	16,472 68,164		FATS SNF
1986/90 Average			43.74			43.74	16,527 64,017		FATS SNF
1991/92			48.20			48.20	20,086 94,227		FATS SNF
1992/93			41.20			41.20	22,666 98,813		FATS SNF
1991/92 Average			44.70			44.70	21,376 96,520		FATS SNF

SUPPORTING TABLE 11

EXPORT COMPETITION: AUSTRALIA

Export Subsidies: Outlay and Quantity reduction Commitments

Description of Basic Products	Direct export Subsidies	Sale of Stock	Producer Financed Subsidies	Cost Reduction Measures	Internal Transport Subsidies	Total Product Specific Export Subsidies	Quantity of Subsidized Exports	Data Source	Comments Incl. Measure Description
1	2	3	4	5	6	7	8	9	10
	A\$ m		A\$ m			A\$ m	tonnes		

EXPLANATORY NOTES:

ADC: Australian Dairy Corporation

SNF: Solids non fats

Butteroil quantities expressed in commercial butter equivalent.

Other Milk Products covers Milk, Buttermilk Powder, Wholemilk Powder, Whey Powder and concentrate (WPC), Milk Protein Concentrate (MPC), Condensed Milk, Lactose and Casein, including when exported in mixture products. Subsidised export volumes of product are reported in the Annex. These volumes have been expressed in terms of their Fat and SNF content for the quantity reduction commitment.

Payments for dairy products under column 4 were funded principally by a levy on all liquid milk deliveries. In 1986/87, 1987/88, and 1988/89 there was also funding from product levies. In 1986/87 payments were made under the Certificate of Authority to Export system for 1985/86 stock remaining from the earlier dairy arrangements.

In 1990/91 an underwriting payment of A\$22.02 million was made to the ADC's Market Support Fund. Underwriting payments are included under those listed in column 4 since they were not allocated on a product basis.

Dairy figures include commercial purchases by government for food aid on which no government financed export subsidy was paid.

EXPORT COMPETITION: AUSTRALIA

Export Subsidies: Outlay and Quantity reduction Commitments

Other Milk Products Export Volumes (tonnes)

Product	1986/87	1987/88	1988/89	1988/90	1990/91	1991/92	1992/93
WMP	51,558	49,664	48,391	42,680	44,605	54,537	63,504
BMP	7,516	7,034	4,942	9,073	8,047	11,854	11,084
Milk	18,410	23,502	24,585	29,910	34,587	39,800	43,828
Casein	8,280	8,343	6,112	4,256	3,393	3,221	3,240
Whey Powder	3,474	5,290	9,128	14,653	16,313	28,941	28,472
WPC, MPC, Lactose	1,483	1,348	1,063	1,156	1,554	3,609	2,420
Condensed Milk	2,045	3,084	2,107	1,834	1,647	1,576	1,737
Milkfat	2,191	2,286	1,739	1,657	2,279	2,604	2,746
SNF	6,242	5,862	4,442	5,341	6,513	6,204	5,976