



Doc. 574

18 October 1956

Increased use of fertilisers

Report

Committee on Agriculture and Rural Development

Rapporteur: Sir Anthony C. ESMONDE, Ireland



A. Draft Recommendation

The Assembly,

Believing :

- a. That agricultural production can be increased through a wider use of fertilisers;
- b. That the use of fertilisers can be developed if their price to farmers is reduced and if farmers acquire a better knowledge of fertilisers and how to use them in order to obtain the best results,

Recommends that the Committee of Ministers should request Member States :

1. to co-ordinate their efforts with a view to reducing the price of fertilisers and lime supplied to farmers by the following means :
 - a. re-organisation of the supply of raw materials and of fertiliser production; the encouragement, by technical assistance and other means, of improvements in production and processing techniques and the modernisation of plants; and the institution, if necessary, of control over monopolistic production;
 - b. the promotion of co-operative buying, storage and distribution of fertilisers;
 - c. the reduction or removal of duties and taxes on chemical fertilisers;
 - d. the extended grant of subsidies;
 - e. the subsidising or reduction of transport costs;
2. to develop the use of fertilisers and lime by extending to farmers technical assistance and advice in order to enable them to improve their knowledge and make greater and better use of fertilisers.

B. Explanatory Memorandum

1.

1. All Governments are disinclined to allow the price of foodstuffs to increase. The policy in most countries is to maintain present prices by subsidies.

2. The farmers' costs are rising all the time. There is on an average a 4 % annual increase in gross agricultural production in most countries. Markets have not been as stable as in the past, a fact which has created difficulties for farmers, who must accordingly adopt the most efficient methods of production possible.

3. Stability among the agricultural community as also the security of Member States require that agriculture be geared to the fullest production. To ensure this, two essential factors must operate:

- a. a stable market for all agricultural produce;
- b. a reduction of overhead costs to the farmer.

4. Higher production can be stimulated by the greater use of fertilisers. This will be encouraged if they are available at cheaper rates. In some cases the fertiliser market is controlled by an industrial group which is indifferent to the difficulties confronting farmers.

5. If we could get Member Governments interested and committed to guaranteeing the supply of fertilisers at lower prices by subsidising them, if necessary, to reducing transport costs and to promoting farmers' co-operatives, it would help largely towards the solution of the problem. Even though this might at the outset cost money to Member Governments it would in the long run benefit the community. Increased production per hectare would mean cheaper food. This might mean less subsidising of food and consequently a lighter burden for the taxpayer.

6. The establishment or promotion of agricultural co-operatives in member countries would safeguard farmers against pressure from industrial groups. Elimination of the middleman would reduce the price of fertilisers.

7. It should be noted that the agricultural community represents 25 % of the total population of all member countries. Agricultural production represents 13 % of the gross national production in member countries.

8. These facts show that industrial groups concerned in the manufacture and dissemination of fertilisers stand to gain much from the proper organisation and increased purchasing power of the agricultural groups.

9. Every section of the community will benefit from an increase in agricultural production. It means increased purchasing power for that community. Greater production will mean lesser burdens on the taxpayer.

10. Expenditure by Member Governments to place technical experts at the disposal of farmers is necessary to ensure that farmers derive the fullest benefit from the use of fertilisers. Many of the demonstrations given at present have a commercial basis; while they may be beneficial, they are specially designed for the purpose of advertising some particular commercial product.

11. Finally, with the ever-increasing costs imposed on the farming community, and in the absence of some stimulus to increase the production per hectare, the flight from the land will continue, to the detriment of all Member States. This will ultimately turn a small surplus of food into a deficit, with a further overall rise in the cost of foodstuffs.