

P.M. No. 43/1961LOCOMOTIVES AND ROLLING STOCK FOR THE
PORT PIRIE-COCKBURN LINEStatement by the Prime Minister, the Rt. Hon. R.G. Menzies

The Prime Minister, Mr. Menzies, announced that he had written to the Premier of South Australia, Sir Thomas Playford, to inform him that the Commonwealth was willing to provide South Australia with finance not exceeding £1,325,000 for the purchase by the State of twelve '900' h.p. Diesel-Electric Locomotives, and one hundred 55-Ton capacity cre waggons for operation on the existing Port Pirie-Cockburn line. This offer is on the basis that the State shall repay in full to the Commonwealth over a period of 50 years, 30% of the expenditure incurred by the State for this purpose, together with interest at the long term bond rate.

Mr. Menzies stated that he had made it clear in conveying this offer of Commonwealth assistance that it would be quite separate from assistance under the 1949 Standardisation Agreement. However, in making the offer, the Commonwealth recognised that new and efficient locomotives and rolling stock, which would be capable of conversion to standard gauge operation, would be most advantageous on standardisation of the line.

CANBERRA,

27th August, 1961.