

STATEMENT BY THE PRIME MINISTER  
THE RIGHT HONOURABLE SIR ROBERT MENZIES, K.T., C.H., Q.C., M.P.,  
IN THE HOUSE OF REPRESENTATIVES, TUESDAY 7TH DECEMBER, 1965.

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DROUGHT ASSISTANCE

In reply to a question by the Honourable Member for Bendigo on 30th November I said that I hoped to be in a position shortly to let the House know of the results of the Commonwealth Government's consideration of recent approaches we have had from the States of New South Wales and Queensland for financial assistance to enable them to undertake additional relief measures for primary producers who are suffering because of the present unfortunate drought in those States. The Premier of New South Wales and the Premier of Queensland both wrote to me on 26th November advising me of relief measures in those States.

I had previously advised both of the Premiers that they could take it that Commonwealth financial assistance would cover whatever deficit they ultimately might have in their budgets as a result of drought measures that might be taken. Both Premiers have instituted schemes to help relieve the situation. In both States there are schemes of concessional loans of up to £3,000 for essential carry-on purposes for drought affected primary producers who are in necessitous circumstances and are unable to finance their essential carry-on requirements from their own resources or through ordinary commercial channels. These loans will be at 3% interest per annum and advances are repayable over a maximum period of seven years with repayment of interest and principal deferred for the first two years. In addition, the States have instituted other schemes which include such measures as advances through the banks for fodder purchases, grants to local councils for special purposes associated with drought problems in particular areas, local unemployment relief work and rebate and subsidy schemes for the carriage of fodder and stock by road and rail.

I can now inform the House that the Premiers have been advised that the additional measures will come within the scope of the Commonwealth's undertaking to provide financial assistance in respect of the cost to their States of drought relief measures.

I have also informed the Premier of Queensland that the Commonwealth agrees to a request his State has made for an immediate interim advance of £1million to Queensland on account of drought costs. The request was made in accordance with a previous assurance by the Commonwealth Government that it would be prepared to consider making interim payments if the States so desired. The Premier of New South Wales had previously told me that he considers that it would be preferable for his State to wait until the results of the first half of the financial year are available before making formal application for an interim payment.

As I have said previously, the Commonwealth's undertaking to provide financial assistance to the two States in respect of the cost of their drought relief measures is unprecedentedly generous. The additional relief measures now being taken by the two States will, I am sure, be of great assistance in enabling drought affected primary producers in necessitous circumstances to carry on.