

Secretary

15



PRIME MINISTER

FOR MEDIA

WEDNESDAY, 20 MAY, 1981

DROUGHT AID TO THE STATES

I have written today to all Premiers and to the Chief Minister of the Northern Territory about ways of improving the provision of assistance to primary producers affected by prolonged drought.

At the Premiers' Conference on 4 May I drew attention to the serious continuing drought situation and suggested there was a need for officers to meet and to discuss problems of drought assistance in a frank and open way leaving political considerations aside to be dealt with by Premiers and me.

Premiers agreed to this approach.

However, the outcome of a subsequent meeting of officers held in the context of an overall review of the natural disaster financial assistance arrangements, suggests that officers were constrained in their consideration of drought relief.

I have therefore written to the Premiers, the Chief Minister and the relevant Commonwealth Ministers stressing the need for officers to develop proposals from first principles.

I am particularly concerned about the burden of debt on many producers and the problem they will face in restocking when the drought finally breaks.

We will be looking to officers to put definite proposals to the Conference to be held on 19 June.