

MT. ISA RAILWAY INTERNATIONAL BANK LOAN PROPOSAL

Statement by the Acting Prime Minister, the Rt. Hon. J. McEwen, M.P.

The Acting Prime Minister (Mr. McEwen) said today the Prime Minister (Mr. Menzies) while in Washington had interviewed the Chairman and Board of Directors of the International Bank to explore further the Mt. Isa railway loan proposal which the Commonwealth and Queensland Governments had been sponsoring for some time.

Mr. McEwen said that as an outcome of Mr. Menzies' discussions with the Bank, a proposal had emerged that the appropriate Queensland Minister, who would no doubt be the Treasurer, and Mr. G.R. Fisher, Chairman of Mt. Isa Mines Ltd. should go to Washington for explicit discussions with the International Bank on points involved in any loan arrangements which had hitherto not been resolved to the satisfaction of the various parties.

Mr. McEwen said he had conveyed this suggestion, received from Mr. Menzies, to Mr. F. Nicklin, Premier of Queensland, who had intimated his willingness that his Treasurer should visit Washington in the near future. He had also conveyed the suggestion directly to Mr. Fisher who immediately expressed his willingness to go to Washington as soon as it was convenient to the Queensland Minister.

Mr. McEwen said he was sure that through these arrangements, Mr. Menzies had now established a basis of personal contact for the Queensland Government and the Mt. Isa Company with the International Bank officials.

This would no doubt lead to an identification of the issues which were decisive to the whole proposal.

As the Commonwealth Government was the principal, as ultimate guarantor of any loan, the Federal Treasurer (Mr. Holt) had agreed to arrange for an appropriate official of the Commonwealth Treasury to be present at Washington also.

CANBERRA, A.C.T.
28th May, 1959.