

COPY OF LETTER FROM THE PREMIER OF QUEENSLAND
TO THE PRIME MINISTER DATED 28TH OCTOBER, 1959

My dear Prime Minister,

My Government gratefully accepts the offer to finance the construction of the Mount Isa Railway Project as outlined in your letter of the 26th instant.

In order that there be no delays in reaching final agreement on all points, we have already commenced to prepare the details as set out in paragraphs one to three in the annexure to your letter. At this stage, all our advices are that the Project will broadly encompass the full scheme as outlined in the Ford Bacon and Davis reports.

We are firmly of the opinion that Mount Isa Mines Limited should complete a freight agreement with my Government and have no doubt that they will acquiesce in completing such an agreement, substantially along the lines tentatively agreed on previously.

I agree with you that minor matters can be clarified later when your proposal is being written into agreement form.

You will be pleased to know that Ford Bacon and Davis will be asked by my Government to not only act as Engineer-Managers, but also to prepare an operating schedule for our northern line. Additionally, they will be asked to make a review of the entire operation of our complete railway system.

This project will, I believe, be of tremendous benefit not only to Queensland but to the whole of Australia, as it will open wide to development one of the richest mineral and pastoral areas of the Commonwealth. It is particularly significant that this agreement should have been brought to fruition in Queensland's ~~Centenary Year.~~

My colleagues and I deeply appreciate your Government's interest, and particularly the part played personally by yourself and your Treasurer in making such a material contribution to the successful conclusion of the lengthy and difficult negotiations that have taken place in connection with the Project. Please accept our sincere thanks.

I would suggest that you be responsible for the release to the Press, but would appreciate it if you would advise me when you are making such release.

Kind regards,

Yours sincerely,

Frank Nicklin

Premier