

JOINT STATEMENT

By the Prime Minister, the Rt. Hon. R.G. Menzies, and  
the Hon. G. Nicklin, Premier of Queensland

Last night we conferred at Canberra. Those present included, apart from ourselves, Mr. Morris (Deputy Premier of Queensland), Mr. Hiley (Treasurer of Queensland) Mr. McEwen, Mr. Holt, Senator Spooner, Mr. McMahon, Mr. Davidson, Sir Garfield Barwick, Mr. Adermann, Dr. Cameron, Mr. Hulme.

The first purpose of our conference was to discuss the Commonwealth's financial assistance to the Mount Isa-Collinsville railway in the light of the recent agreement between the Commonwealth and Western Australia regarding the Kalgoorlie-Kwinana industrial development and standardisation and of a dieselisation offer recently made to the Premier of South Australia.

These matters and the special features attaching to each were fully explained by the Prime Minister and closely discussed. In the result, the Queensland Ministers are fully satisfied with the proposals for Commonwealth finance as being fair and reasonable. It will be recalled that these proposals for the Mount Isa line involved the making of repayable advances by the Commonwealth up to an amount of £20,000,000 as requested by the State to help to finance the total cost. On the most competent advice, it is agreed that the traffic on the new line should readily amortize the cost of the line and the repayment of the advances over a period of 20 years. The Government of Queensland will now sign the proposed agreement, which has been awaiting signature. This will enable Queensland to take up in the current financial year the sum of £4.6 million which the Commonwealth has stood willing to find in 1961-2 as the first instalment of its advances.

Both of us attach great importance to this railway project, one of the biggest undertaken in Australia in this century. It will facilitate the full development of the great Mount Isa Mine and will also serve substantial developmental ends in both the mineral and pastoral industries of North Queensland. We are, for these reasons, both happy that all misunderstandings have been removed and that the project may go "full steam ahead". For both the State of Queensland and Australia as a whole, this is a most significant event.

An opportunity was also taken of discussing beef roads in Queensland. As is well known, the Commonwealth Government has displayed active interest in this matter having regard to the need for exports and the great possibilities of their increase by increasing the effective marketing of beef cattle in the North.

Mr. Menzies recalled that in a statement on February 21st on developmental prospects he had referred to the development of roads in the North. Mr. Holt had also specifically referred to this matter in his Budget Speech indicating a willingness to provide additional funds for these purposes in Queensland and Western Australia. In the existing Commonwealth Budget, provision is made for the Commonwealth to find £650,000 for the Julia Creek-Normanton road with a matching arrangement on the part of Queensland.

In our conference last night, we all agreed that it would be more satisfactory from the point of view of effective planning if a longer programme could be worked out. The Prime Minister, recalling the special arrangements that had been made

some years back to find £5,000,000 for the State of Western Australia for northern development, said that the Commonwealth would be prepared to find, in respect of Queensland, £5,000,000 for beef roads over the five-year period to June 1966. This £5,000,000 will include the £650,000 already agreed upon this year. But in respect of £4,350,000 representing the balance of the proposed £5,000,000, the State will not be obliged to undertake matching expenditure. This offer, which we agree should do much to help this important industry, is willingly accepted by Queensland. As in the earlier case of Western Australia, the offer provides that the State will submit to the Commonwealth for its approval details of the projects upon which it proposes to spend the Commonwealth grant. It was also made clear, as Mr. Holt had indicated in the Budget, that part of the additional sum could be made available to the State during this financial year. It should also be made clear that the total sum of £5,000,000 need not necessarily be spent at an even million a year, but is a five-year's sum..

The Premier said that for its part the Queensland Government would lose no time in submitting to the Commonwealth details of further road projects, the planning of which was already far advanced.

We are very conscious of the fact that additional traffic will be attracted to the Mount Isa line as a result of the joint arrangements that we have just described for a more intensive development of the beef industry in North Queensland. This we are glad to observe will strengthen the capacity of the Mount Isa railway line to pay for its total cost in the period of 20 years.

Our discussions were frank and searching, but most harmonious. On behalf of our respective governments, we express our pleasure at the conclusions arrived at, which will enable great and important work to go on without interruption.

CANBERRA,  
1st September, 1961.