

PROVISION OF COMMONWEALTH FINANCIAL ASSISTANCE
FOR DEVELOPMENTAL PROJECTS IN THE KIMBERLEY
REGION OF WESTERN AUSTRALIA

Statement by the Acting Prime Minister, Senator the Hon.
W. H. Spooner

The Acting Prime Minister, Senator Spooner, announced today that the Commonwealth Government has agreed to extend beyond the current financial year the provision of financial assistance to the State of Western Australia for developmental projects in the Kimberley region.

Senator Spooner recalled that the Commonwealth has for some years been actively participating in the financing of developmental expenditure in the northern part of Western Australia. Under the provisions of the Western Australia Grant (Northern Development) Act 1958-1959, the Commonwealth undertook to provide up to £5 million towards the cost of developmental projects undertaken by the State in the area during the five years commencing 1st July, 1958. Expenditure under the Act to 30th June last amounted to £3,568,000 and a further £1,432,000, to bring the total Commonwealth payments to £5 million, is being provided this financial year. The projects assisted under the Act include the Ord River diversion dam and certain port improvements and investigations.

In addition to the £5 million grant, and also to its regular annual payments to the State under the Commonwealth Aid Roads Act 1959, the Commonwealth made a grant of £500,000 to Western Australia in 1961-62 for the improvement of the Wyndham-Nicholson and Wyndham-Hall's Creek roads for the transport of beef cattle. During the year, the State Government also spent at least an equal amount from its own resources on other beef cattle roads in the Kimberley region. Improvement of road transport facilities in the region is expected to lead to a significant rise in beef production and thus to an increase in export earnings, and Senator Spooner said that the work being carried out has already begun to show tangible results in terms of an increased off-turn of beef cattle. Cattle numbers transported to the meatworks at Wyndham were nil in 1960, 3,902 in 1961 and 11,167 in 1962.

As announced by the Treasurer in his recent Budget Speech, provision was made in the Commonwealth's 1962-63 Budget for a further grant of £700,000 to Western Australia for beef roads purposes, and also for payment of an amount of £300,000 towards the construction of a new jetty at Derby to facilitate particularly the shipment of cattle from the region served by that port.

Senator Spooner said that inter-governmental arrangements in respect of the further assistance measures provided for in the 1962-63 Budget were recently discussed between representatives of the two Governments. The Commonwealth was represented at these discussions by Senator Spooner as Acting Prime Minister and Senator Paltridge as Acting Treasurer, and the Western Australian Government was represented by Mr. C.W. Court, the State Minister for the North-West.

At the discussions, Mr. Court on behalf of the State Government emphasised in particular that, to enable the State to go ahead with the construction and improvement of beef cattle roads and the Derby Jetty project on a properly planned basis, it was highly desirable for the Commonwealth's position in relation to the future financing of the two projects (i.e. subsequent to 1962-63) to be determined.

With regard to beef cattle roads, Senator Spooner said the Commonwealth Government has now agreed to provide to the State, in addition to the grant of £700,000 this financial year and the grant of £500,000 last financial year, further grants of £750,000 for each of the three years 1963-64, 1964-65 and 1965-66. In effect, the scheme of Commonwealth assistance will be extended to take the form of grants of up to £3,450,000 over the five year period 1961-62 to 1965-66 inclusive, on the understanding that over the period the State will from its own resources spend at least an equal amount on the construction and improvement of beef cattle roads in the area.

Senator Spooner said it is intended that the Commonwealth grant of £700,000 in 1962-63 will be spent on the same two roads as the grant of £500,000 last year (namely the Wyndham-Nicholson and Wyndham-Hall's Creek roads). As to the future, the State Government has prepared a general programme of road works covering the five year period, and the roads on which the Commonwealth grants after 1962-63 are spent will be subject to the Commonwealth's approval.

Senator Spooner commented that there will now be a comprehensive scheme of Commonwealth financial assistance totalling £13 million for beef roads covering broad areas of northern Australia. In addition to the grants of £3.45 million to Western Australia, the Commonwealth has already undertaken to provide grants of £5 million for the construction of beef cattle roads in Queensland over the five year period from 1961-62, while in the Northern Territory a programme of beef roads to cost £4.57 million over three to four years is under way.

With regard to the Derby Jetty, the project is scheduled by the State for completion by the end of 1963-64 at a total estimated cost of £800,000. Senator Spooner said the Commonwealth Government has now agreed to provide to the State financial assistance of up to the full amount of £800,000, of which up to £300,000 is to be provided in 1962-63. One half of the assistance will be in the form of a grant and one half in the form of an interest-bearing loan repayable by the State over 15 years.

Senator Spooner added that legislation to approve the arrangements for the provision of Commonwealth financial assistance for beef cattle roads in the Kimberley region and for the Derby Jetty project will be introduced during the forthcoming sittings of Parliament.

CANBERRA,

27th September, 1962.