

CHOWILLA DAM

Statement by the Prime Minister, the Rt. Hon. R.G. Menzies

In Canberra today, it was agreed between the Governments of the Commonwealth, New South Wales, Victoria and South Australia that the construction of the Chowilla Dam on the River Murray in South Australia would be undertaken forthwith as a work under the River Murray Waters Agreement.

The estimated cost of the work is approximately £14 million and this will be shared equally between the Commonwealth and the three States.

The Chowilla storage will be of benefit to all three States but is regarded as having quite vital importance to South Australia, which necessarily has to rely on the River Murray for a significant part of its water requirements.

Legislation to amend the River Murray Waters Agreement will be necessary but, pending this, the River Murray Commission will be requested to proceed with plans for the dam construction.

Because New South Wales regards construction of Chowilla as having a lower priority than a number of other projects in its water conservation and irrigation programme and therefore is not in a position to provide funds during the next few years when the Chowilla works will be under construction, the Commonwealth has agreed to provide temporary finance to New South Wales to cover its share of the capital cost of Chowilla. Advances will be made by the Commonwealth to New South Wales as the work proceeds and these will carry interest at the long-term bond rate. Repayment of each advance will begin ten years from the date on which it is made and will be spread over a further period of ten years.

The Commonwealth and State representatives also agreed on an arrangement for the use of part of the water available in the Menindee storage on the Darling over a period of seven years to commence on 1st January, 1963. The object of this is to provide additional protection against drought to users of water from the River Murray system during the period in which Chowilla is under construction and until it has been filled.

A basic amount of the water available in the Menindee storage will be reserved by New South Wales. Victoria and South Australia will acquire rights to a share in the remainder of the Menindee water.

During the seven-year period of the arrangement, debt charges on an amount equal to three-quarters of the net capital cost of Menindee will be shared equally between the Commonwealth and the three States.

I regard the outcome of the discussions as having first-rate importance. It marks a great step forward

in the effective utilisation of the waters of the River Murray system and in providing safeguards against drought for irrigation farming and other industries along the River Murray and especially along its lower reaches.

Senator W.H. Spooner who, as Commonwealth Minister for National Development, has the role of President of the River Murray Commission and who has conducted preliminary negotiations in the matter, and I represented the Commonwealth. The New South Wales Government was represented by Mr. J.B. Renshaw and Mr. A.G. Enticknap, Victoria by the Premier, Mr. Henry Bolte and South Australia by Sir Thomas Playford.

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CANBERRA,

19th November, 1962.