

FOR PRESS :



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SOUTH AUSTRALIAN GAS PIPELINE FINANCING SCHEME

Statement by the Prime Minister, Mr. Harold Holt

As a result of discussions that have been going on for some time between the Commonwealth and the Government of South Australia, followed by a decision at the Loan Council meeting today, agreement has been reached between the Commonwealth and South Australia on a scheme to finance the construction of a pipeline to carry natural gas from Gidgealpa in the North-East of South Australia to Adelaide.

On present estimates, the amount of finance required for the project is \$35 million spread over a period extending to mid-1972. Expenditure will be heavily concentrated in the financial years 1967-68 and 1968-69.

South Australia is to arrange semi-governmental borrowings for the purpose of the pipeline authority which is to be established up to a total of \$20 million.

The Loan Council agreed today to a special addition of \$20 million being made to the semi-governmental borrowing programme of South Australia for the period to 1971-72. The purpose of this is to cover the proposed borrowings for the pipeline authority.

Over the same period the Commonwealth will make loans to South Australia to an amount of \$15 million.

These loans will be repaid by South Australia over the years 1972-73 to 1979-80. It is expected that for this purpose finance will be sought by way of further semi-governmental borrowings by the pipeline authority.

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CANBERRA,  
16th February, 1967.