

COMMONWEALTH OF AUSTRALIA

SPEECH

BY

The Rt Hon. J. G. GORTON, M.P.

ON

DROUGHT RELIEF

Ministerial Statement

[From the 'Parliamentary Debates', 26 September 1968]

Mr GORTON (Higgins—Prime Minister)—by leave—I recently received representations from the Premiers of New South Wales and Victoria requesting the continuation of Commonwealth reimbursement of State expenditures on drought relief measures. The Premier of New South Wales asked for a continuation of Commonwealth payments for drought relief measures in the south east corner of the State and in the Cobar district. The Premier of Victoria asked for the continuation of drought assistance for financing employment grants in Victoria.

Honourable members will recall that, in my statement of 20th August 1968 in this House, I pointed out that, contrary to the normal arrangements in relation to natural disaster relief assistance, the Commonwealth has been meeting virtually the whole cost of State expenditure on drought relief measures. These arrangements have undoubtedly been the most generous ever designed to meet such a situation. I also announced that, as the drought which has been affecting most of the eastern half of the Australian continent had virtually ended, certain cut-off dates for this assistance had been set. I added that, if a State felt it necessary to continue any particular measure after the cut-off date for Commonwealth assistance, it would be reasonable for the State to meet the limited expenditure likely to be involved. At the same time, I made it

clear that, if drought conditions were to re-emerge on a large scale, the Commonwealth would be prepared to consult with the States regarding the need for any new arrangements which might be necessary.

Very favourable seasonal conditions exist in most of eastern Australia and the areas which are still drought affected make up only a small proportion of that area. The drought has not re-emerged generally on a large scale. The Commonwealth therefore does not feel able to continue the existing scheme. We have decided however, that the Commonwealth should make a contribution towards meeting the special problem which exists in New South Wales where the south east corner and Cobar districts are still very seriously affected by continuing drought and which might be regarded as areas of natural disaster. In order to help the State Government alleviate hardship being experienced by the people of these regions, I have therefore informed the Premier of New South Wales that the Commonwealth will be prepared to meet half the cost in this financial year of relief measures which his Government may find it necessary to continue in these areas, until the drought breaks.

Victoria is not drought stricken and the seasonal outlook in that State is generally very good. There is no doubt that drought conditions have disappeared over virtually the whole of the State. Because this is the

situation, I have informed the Premier that we cannot meet his request for the continuation of drought assistance for financing employment grants beyond the end of this month. However, I would remind honourable members that, under existing arrangements, the Commonwealth will be reimbursing the States during the whole of 1968-69 for the cost of certain other relief measures incurred after 30th September. I refer here, in particular, to carry-on loans to farmers who have established a case for such assistance before 30th September and to restocking loans to farmers who established a case for such assistance before 31st December. In addition, the Commonwealth will be reimbursing the States for freight concessions given prior to the end of December on the transport of stock back from agistment or for restocking purposes. Under these arrangements a further ad-

vance of \$1m is now being made to Victoria bringing our total payments to that State to \$13m including \$5m this financial year.

I would repeat that the four States which suffered from the drought have been informed that the Commonwealth will be prepared to consider new arrangements if drought conditions re-emerge on a large scale. I am sure we all hope that this will not be necessary and that the pockets of drought which still remain in New South Wales will be relieved—and that soon—by good general rains in those areas.

I present the following paper:

Drought Assistance—Ministerial Statement, 2
September 1968—

and move:

That the House take note of the paper.