

FOR PRESS :

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BELL BAY PROJECT

Joint Statement by the Prime Minister (Mr W. McMahon)
and the Premier of Tasmania (Mr W. A. Bethune)

The Prime Minister (Mr McMahon) and the Premier of Tasmania (Mr W. A. Bethune) this morning discussed the financing of the Bell Bay Railway Project

This project is being planned by the Tasmanian Government to serve the development in Northern Tasmania of a wood chip industry based on large export contracts with Japan. The improvement in rail services will also assist more generally the development of the Bell Bay region.

Today's discussions were against the background of Commonwealth assistance already approved towards the construction of a new rail link between Nelson's Creek and Bell Bay at an estimated cost of \$3.5 million.

In the light of further submissions now made by the Premier, the Commonwealth has agreed to extend this assistance so as to relate to a total cost of \$5 million to take in the upgrading of the Nelson's Creek/Launceston sector of the existing line and certain minor associated works.

It was understood that responsibility for arranging the provision of the necessary additional rolling stock would lie with the Tasmanian Government.

CANBERRA,
17 June 1971