



PRIME MINISTER

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AUSTRALIAN GOVERNMENT ASSISTANCE FOR NEW SOUTH WALES FLOODS

The Prime Minister today released details of further Australian Government proposals for assistance to New South Wales for the purpose of assisting victims of the widespread floods in that State.

Mr. Whitlam announced on 11 January that he had informed the Premiers of New South Wales and Queensland that the Australian Government was prepared to join in the normal way with their Governments in providing financial assistance on a dollar for dollar basis for financing the relief of personal hardship and distress in the affected areas. He had also referred to the co-operation of the Australian defence services with the State Civil Defence and Emergency Services in providing assistance in flooded areas, and said that this co-operation would continue. He had informed the two Premiers that his Government was prepared to consider quickly and sympathetically State proposals for other assistance.

Mr. Whitlam said that, following discussions between officials of the Australian and New South Wales Governments, the Australian Government had agreed to assist the State with a comprehensive range of measures to provide relief and to assist in the restoration of essential public services and facilities. He had written to the Premier of New South Wales to inform him of this.

The assistance which the State Government had agreed to provide would include:-

Special assistance through the Rural Bank of New South Wales to primary producers affected by the floods, covering advances at concessional rates of interest and favourable repayment terms to meet carry-on requirements such as the purchase of household stores and other essentials; for the replacement of stock and plant lost; and for the replacement of essential improvements destroyed, excluding dwellings.

- . Rail freight rebates on donated food, fodder, clothing, etc., for distribution to flood victims.
- . rail freight concessions on the carriage of fodder purchased for starving stock and the transport of stock from flood-affected properties for agistment in respect of approved districts.
- . Grants to Councils to enable them to undertake emergency repair works of a temporary nature in order to restore essential services such as water supply and sewerage.
- . Grants for the restoration of Council roads, bridges, etc., and for the restoration of Council electricity and water supply undertakings where the authorities are unable to finance these from their own resources. In these cases, Councils will be expected to make a contribution to the cost of the necessary works commensurate with their own resources.
- . Grants for costs of repairing flood-damaged railway lines and facilities, and for repairs to roads and bridges under the control of the Department of Main Roads.

Mr. Whitlam said that the New South Wales Government would be expected to meet expenditure on the foregoing measures up to a specified maximum annual amount of \$5 million. Any expenditure beyond that amount would be accepted in full by the Australian Government, thus ensuring that the contribution by New South Wales was limited and known in advance.

Mr. Whitlam pointed out that the funds provided by the Australian Government would take the form of grants where the New South Wales Government provided grants, and interest-free loans where the funds were provided by the State by way of loans. The Australian Government had given a similar assurance in broad terms to the Queensland Government - whose specified maximum commitment is \$2 million - but had not yet received any information on measures contemplated by that Government, apart from the immediate relief of personal hardship and distress.

The Prime Minister said that the Commissioner of Taxation had advised that in cases where, because of adverse financial circumstances caused by the floods, a taxpayer is experiencing difficulty in paying his tax, sympathetic consideration would be given to extending the time for payment. Any taxpayer so affected should make an individual application to the Deputy Commissioner in his or her State for additional time to pay.

The Commissioner had also confirmed that income tax deductions are allowable for gifts of \$2 or more if made to any public fund established and maintained for the relief of persons in Australia who are in necessitous circumstances as a result of the floods.