



PRIME MINISTER

16 January 1975

PRESS STATEMENT BY THE ACTING PRIME MINISTER, DR. J.F. CAIRNS
STATE RAILWAYS

The Australian Government will start negotiations on the transfer of responsibility for the operation of the South Australian and Tasmanian railway systems from the States to the Federal Government.

The Federal Cabinet meeting in Sydney decided this today.

After the meeting, the Acting Prime Minister, Dr. J.F. Cairns, said that Cabinet had decided to inform the two State Governments that the Australian Government was ready to start high level negotiations on the transfer.

Dr. Cairns said that detailed proposals would be put before the State Governments with a view to an early conclusion.

"Today's Cabinet decision resulted from discussions yesterday between myself, as Treasurer, and the Premier of South Australia, Mr. Dunstan, and the Premier of Tasmania, Mr. Reece."

"Cabinet has made an immediate response to the proposals put by Mr. Reece and Mr. Dunstan."

In his 1972 policy speech, the Prime Minister, Mr. Whitlam said: "A Labor Government will accept the offers of the New South Wales and Victorian Premiers for a transfer of their State railways systems and will accept such an offer from any other State."

South Australia, Western Australia, Tasmania and New South Wales agreed to discussions without commitment. Victoria and Queensland refused to discuss it.

SYDNEY