- This is the biggest railway project which has been undertaken in Australia since the Fisher Labor government commenced the East/ West Railway in 1912, but I think the significance of this occasion doesn't just depend on commencing this very large project -\$100 million, 830 kilometers long from the East/West Railway here at Tarcoola up to Alice Springs. Sure, it'll be important for the pastoral and mineral and tourist industries in the whole of Central Australia. But in this week there have been several very important things happen. On Wednesday, my colleague Mr. Jones, the Minister for Transport, was able to table in the House of Representatives the terms of the Agreement under which the Commonwealth Railways acquire the South Australian Railways, the A.N.R., and on Thursday night Mr. Jones brought in a Bill to establish the Interstate Commission, which is mentioned in the Constitution and is designed to co-ordinate transport systems throughout the continent. So it is a very big week.
- Q. Do you eventually hope Sir that the line will go all the way through to Darwin?
- A. That will depend on the economic need for it, certainly. The Centre requires a regular traffic means, and as you know, only two years ago the existing railway to Alice Springs was out of service through floods for nine weeks. So it just became crucial to have an all weather railway and a railway, moreover, which was part of a national system, and of international standard.
- Q. Is it going to speed up the development of the Territory greatly?
- A. I feel certain it will pastoral, mineral, tourist industries all depend on a dependable form of transport and this will be such a form.
- A. Getting back to the take-over of the South Australian Railways, will there be a great change in the service once the Commonwealth takes over the South Australian Railways?
- Q. I believe that now the Australian Government has acquired the South Australian Railways, they will be able to have the amount of capital which they require. Any modern railway, modern because it has good rolling stock and a good signalling system, can be a good economic enterprise. There is nothing to compare with railways in long distance travel, and the tragedy has been that the Australian State railways have never been given enough capital since the War to provide proper rolling stock and proper signalling systems. Now the Australian Government has greater financial resources than the State Governments and just after the War the Chifley Labor Government placed orders completely to re-equip this East/West Railway. And in the early fifties it became the first railway in

Australia which had all its locomotives diesels, which had all its carriages air conditioned and which had all its trucks running with bogies, and accordingly it became a very fast, safe, dependable and in fact profitable service. Now I think by amalgamating the Commonwealth Railways and the South Australian Railways we will see that the whole of the core of the Australian railway system in national terms is modernised, because this railway system works with those of Victoria, New South Wales and Western Australia direct. It's central to the whole nation.

- Q. South Australian Railways are running at quite a loss at the moment. Do you feel you will be able to overcome that now?
- A. We believe that the non-metropolitan railways which are the ones which the Australian Government is acquiring through the new A.N.R. will with the new equipment, which will become available, become an economic proposition.

Thank you very much.