



PRIME MINISTER

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URBAN PUBLIC TRANSPORT

The Prime Minister, Mr Fraser, gave details today of new Government initiatives in the urban public transport area. The new initiative, which provides for a non-repayable grant to the States of \$60 million a year over the next five years will commence from 1 July 1978.

The Prime Minister said that he had written to all State Premiers informing them that the Commonwealth assistance programme will provide grants equal to two-thirds of the approved cost of projects. Cities eligible for assistance under the new scheme are those with a population of no less than 40,000.

Legislation will be enacted during the Autumn Sittings to give effect to new arrangements which substantially reduce Commonwealth involvement in the implementation phase of the programme and which will provide greater flexibility to the States in the ordering of expenditure. The legislation will contain provisions allocating an annual minimum entitlement to each State, which in total will be \$40 million a year. Allocations to States from the balance of \$20 million will be determined annually in accordance with needs as reflected in States' submissions.

The Prime Minister added that the new programme initiative by the Commonwealth would make a substantial contribution to the upgrading of urban public transport in Australia.

The Commonwealth Minister for Transport will shortly be seeking from State Transport Ministers initial programme submissions within the guidelines of the new scheme.
