



PRIME MINISTER

FOR MEDIA

THURSDAY 26 JUNE 1980

THE BURDEKIN DAM PROJECT

The Prime Minister, Mr. Malcolm Fraser, announced today that the Commonwealth Government had decided in principle to assist the Queensland Government in the construction of the Burdekin Dam.

The project involves the conservation of waters of the Burdekin River and their use for irrigation of suitable lands adjacent to the present Burdekin River Irrigation Area for sugar, rice and horticultural and field crop production. When complete it will provide for the irrigation of an additional 45,125 hectares annually and will lead to the creation of about 660 new farms to be served from the scheme.

This project, which will involve public expenditure estimated at \$155 million (1977 prices) has important financial implications. The Prime Minister has therefore suggested to Mr. Bjelke-Petersen that Commonwealth and State officials should participate in early consultations in relation to possible methods of financing the project. These consultations would give particular attention to the contribution proposed to be made by the Commonwealth and Queensland Governments to the project's funding. They will also examine the possibility of funding some parts of the project's cost through the special infrastructure borrowing arrangements of the Loan Council; and assess the possible contribution of the National Water Resources Program to the proposal.

The Prime Minister recalled that proposals to develop the Burdekin had been advance for many years. Mr. Fraser went on to say that the Commonwealth Government had already given careful and detailed consideration to the proposed project. It was assisted in this task by a joint Commonwealth and Queensland Report on "the Resources and Potential of the Burdekin River Basin, Queensland". This report identified the options for development of the Burdekin Basin and indicated that the principal physical constraint on development is the availability of water supplies. It concluded that further water supplies will be necessary if continued growth for agriculture and other purposes is not to be retarded.

Mr. Fraser went on to say that the environmental considerations associated with the proposal had not been overlooked. With the agreement of Mr. Bjelke-Petersen, an ecology study of the Burdekin was at present in progress and a report was expected to be

submitted both to the Commonwealth and Queensland Governments by the end of August. The results of that report will be studied carefully by both governments to ensure that the impact of the proposal on the environment is monitored carefully.

Mr. Fraser concluded by indicating that the proposed Burdekin project was well placed to provide an additional stimulus to the substantial resource and other development which was centred on Townsville and the surrounding region.

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