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PRIME MINISTER

FOR MEDIA

THURSDAY, 19 FEBRUARY 1981

BUNDABERG IRRIGATION PROJECT

The Commonwealth is prepared to join with the Queensland Government in financing the completion of the Bundaberg Irrigation Scheme over the next eight years.

I have written to the Queensland Premier to advise him that, based on the present estimated cost of completion of \$80 million, the Commonwealth is prepared to provide \$4 million in each of the next eight years provided the Queensland Government provides \$6 million each year.

Mr Bjelke-Petersen has advised me that the Queensland Government is very appreciative of this offer. He has asked that Commonwealth and State officials discuss this proposal before he gives a commitment. I have asked Commonwealth officials to arrange discussions as soon as possible so that both Governments are able to arrive at an early decision in relation to this important project.

In 1978-79, under the National Water Resources Program, the Commonwealth Government allocated \$2.5 million to Queensland for the project - the largest allocation for a rural water supply project. In the current financial year a similar allocation of \$2.5 million was also made. In total, the Commonwealth has provided grants to Queensland amounting to \$24.65 million for the project.

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