



PRIME MINISTER

FOR MEDIA

WEDNESDAY OCTOBER 27 1982

DROUGHT RELIEF MEASURES - QUEENSLAND AND SOUTH AUSTRALIA

I have today written to the Premiers of Queensland and South Australia indicating that the Commonwealth has approved for inclusion in the natural disaster relief arrangements certain new relief measures requested by those States.

Under the arrangements, expenditure by the State on approved measures above its base amount for a financial year (\$4 million for Queensland and \$3 million for South Australia) is eligible for Commonwealth assistance on a \$3 Commonwealth to \$1 State basis.

For Queensland the Commonwealth has agreed to provide financial assistance under the arrangements for the construction by local authorities of simple bulk storage facilities for molasses in drought affected areas in Western Queensland. These facilities, to be constructed adjacent to railway lines, will enable more efficient bulk transport of molasses to be used as fodder for livestock in remote areas. This measure will also have longer term benefits extending beyond the duration of the current drought.

In addition, the Commonwealth has agreed to provide financial assistance under the natural disaster relief arrangements for a measure to provide low interest loans for horticultural crop growers in the Mundubbera-Gayndah area, where severe losses have been caused by frost damage in association with low rainfall.

The Government has also agreed to a request by the South Australian Government that expenditure on relief measures for frost damage in the SA Riverland in June be considered as eligible for Commonwealth assistance under the natural disaster relief arrangements.

Assistance to orchardists for frost damage has not previously been an eligible measure under the arrangements, but the Commonwealth has agreed to it in these instances as a special measure because of the severity of the frost damage and in recognition of the serious difficulties facing rural industries at the present time. It is not to be seen as a precedent for the future.

These measures are additional to those previously announced for the current drought. I am pleased to note that both States have substantially implemented the proposals made by the Commonwealth for extensions to the range and levels of the relief measures under the natural disaster relief arrangements.