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PRIME MINISTER

FOR MEDIA

THURSDAY, 20 JANUARY 1983

DROUGHT RELIEF: COMMONWEALTH ASSISTANCE FOR MOLASSES SHIPMENT TO BUNDABERG

The Prime Minister announced today that the Government had agreed to a request by Queensland that State expenditure on transporting by sea a bulk shipment of molasses from far north Queensland to Bundaberg be considered as eligible for Commonwealth assistance under the Natural Disaster Relief Arrangements. This is a special measure in recognition of the severity of the drought.

The molasses is to be used for stock fodder in drought affected areas. Current usage for this purpose is high and existing supplies at Bundaberg are expected to be exhausted by early February.

The cost to the State of transporting 10,000 tonnes by ship, which is the most cost effective means, is estimated to be \$268,000. This will be eligible for Commonwealth assistance on a \$3 to \$1 basis under the arrangements. Similar assistance was provided to Queensland in 1980.

This is a further example of the Commonwealth's willingness to co-operate with the State Governments in providing measures of real assistance to the nation's hard pressed primary producers.

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