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## PRIME MINISTER

FOR MEDIA

9 OCTOBER 1983

Air Queensland flights from Brisbane to the towns of Alpha, Barcaldine and Longreach in the west of the State will receive a subsidy from the Federal and Queensland Governments.

Agreement in principle had been reached by the two governments for payment of a subsidy from 1 September to 31 December 1983.

The Commonwealth has made available an amount of \$50,000 to be provided on the basis of a matching dollar-for-dollar contribution by the Queensland Government.

The subsidy would offset the losses being incurred by Air Queensland in providing services to the three locations.

Specific subsidy payments will be decided following discussions between Federal and State officials in consultation with the airline, having regard for the level of losses being experienced.

Agreement has also been reached for a review of subsidy arrangements to be undertaken later this year.

This review will aim to identify longer-term arrangements for meeting the air transport needs of western Queensland communities.

BRISBANE