



## PRIME MINISTER

FOR MEDIA

February 4, 1986

The widespread damage and human suffering caused by cyclone Winifred have shocked all Australians and on behalf of the Federal Government I again extend sympathy to all those affected.

The Federal Government is concerned about the impact of Winifred and will extend immediate aid under the Natural Disaster Relief Arrangements to those affected by cyclone Winifred.

Queensland has already expended disaster relief funds above the required base amount for 1985-86, \$10.48 million.

Further outlays will be shared by the Commonwealth and State Governments on a dollar-for-dollar basis, to a further \$7 million. Thereafter three Commonwealth dollars will be provided for every State dollar made available.

I have today received a report from the Minister for Primary Industry, Mr Kerin, whom I had asked to visit the disaster area on behalf of the Federal Government.

During his tour Mr Kerin discussed the area's special needs in the wake of the cyclone with local government officials, cane and banana growers and sugar-mill operators.

He was told that the area's 213 banana growers had lost all their crops.

The crop will rehabilitate by October 1986 if plantations are cleared of fallen trunks quickly.

But the losses due to cyclone damage could mean a reduction by half in Australia's banana production.

The cyclone will also compound the already critical state of the sugar industry in the area.

While some crops escaped and late-cut cane will rehabilitate, there are many areas so knocked down that there will be no crop this year and no availability of plant cane next year.

It now becomes imperative that the Queensland Government acts to adopt our offer of \$150 million assistance to the industry.

Growers supplying seven of Australia's 33 sugar mills have been affected by wind with flood effects yet to be felt and assessed in the Ingham area, where there are a further two mills.

The Federal Government is particularly concerned by the unemployment aspects of the disaster.

The narrow economic base in the affected area means unemployment is likely to be more pronounced than otherwise.

For example, the probable dismissal of most of the banana industry's workforce of between 600 and 800 people, plus unemployment in the supporting infrastructure industries, would cause severe problems in the Tully area.

The Social Security Department has acted quickly to ensure it can handle claims for assistance.

The Australian defence forces along with those services responsible for communications and transportation have also moved rapidly and efficiently to render assistance to the ravaged areas.

Federal Cabinet will consider Mr Kerin's report on Monday and take any further action that is considered necessary.

I will also have the mop-up monitored to ensure that any necessary additional Federal Government assistance is promptly provided.