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JOINT MEDIA RELEASE

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FEDERAL GOVERNMENT SUPPORTS FUTURE OF TOWNSVILLE

Bill Shorten continues to prove he is incapable of handling the nation's finances with any sense of propriety following wildly inaccurate claims about the Turnbull government's commitment to the north Queensland city of Townsville.

Federal Minister for Resources and Northern Australia Matt Canavan and Minister for Urban Infrastructure and Cities Paul Fletcher said the city was an important part of the state's economy and rejected Labor's assertions that the Commonwealth was not willing to support the channel capacity upgrade at the Port of Townsville.

"It's a complete lie to say that the federal government is not interested in the development of places like Townsville. Unlike Labor, we have an entire policy outlining \$6.2 billion in commitments to developing our north, and the Prime Minister has appointed the first ever Minister for Northern Australia," Senator Canavan said.

"The federal government wants to see the port channel widening project go ahead. That's why, as a responsible government, we have set up the NAIF to help economically viable projects get off the ground. It's a flexible, long-term and concessional \$5 billion loans facility to encourage private investment. It aims to assist with building infrastructure that can help to grow communities and the economy, as well as provide public benefit across northern Australia."

Minister Fletcher said the 15-year commitment to Townsville in Australia's first ever City Deal was providing an important boost to community confidence and is crucial for the north Australian economy which has undergone significant structural change in recent years.

"On my visit to Townsville this week, the message was clear. The community has had enough of the political games and wants governments to work together. That is certainly what we are doing. It is very disappointing to see both State and Federal Labor continue politicising important infrastructure projects that will reinvigorate the economy.

"We are certainly interested in the economic corridor through to the Port. But before any financial commitment can be made we must see a detailed business case. Bill Shorten has

forgotten this important step in the process before committing millions of tax payers funds.”

The Port of Townsville is a state government owned corporation. According to the port’s latest annual report, the organisation has a current total equity of \$435 million and its net operating profit in 2017 was \$15.1 million.

Senator Canavan accused the Queensland Labor Government of also ‘playing games and trying to milk the taxpayer’ when it was already banking profits from state-owned infrastructure in Townsville.

“State Labor wants taxpayers to bail out its own wasteful spending. The Townsville Port is a great asset and will produce income for decades. Why won't they back the Port by agreeing to an investment from the Northern Australia Infrastructure Facility? It seems to me they are putting political games ahead of the economic interests of Townsville,” Senator Canavan said

Minister Fletcher said the Queensland Labor government continues to demonstrate its lack of vision and leadership for the region.

“We know that the rail network servicing the port has endured years of neglect. This is costing the region important jobs all the way out to Mt Isa. Projects in regional Queensland including the Port of Townsville depend on an efficient path to market. Otherwise viable projects remain stagnant and others at risk of closure.

“In comparison, the Turnbull Government has made a \$150 million commitment to Townsville’s Eastern Access Rail Corridor (TEARC) subject to seeing a successful business case, while State Labor has sat on their hands and seen companies and jobs leave region,” Mr Fletcher said.

Under its push to develop Northern Australia the federal government has backed many key projects that support the growth of Townsville, including:

- \$100 million (creating up to 750 jobs) towards a new North Queensland sports stadium in Townsville under its ‘smart cities’ program.
- \$150 million commitment to Townsville’s Eastern Access Rail Corridor (TEARC) subject to seeing a business case
- \$12.8 million Far North Queensland regional jobs package and is expected to create over 1000 over various future projects.
- \$75 million to set up a Cooperative Research Centre (CRC) for Developing Northern Australia which benefits Townsville.
- And more than \$5.6 million to fund feasibility studies into developing other new dam and water infrastructure including \$2.2 million for a study into Hell’s Gate (Upper Burdekin).

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