



Secretary

Senator Barry O'Sullivan
Chair
Rural and Regional Affairs and Transport Legislation Committee
Senator for Queensland
Parliament House
CANBERRA ACT 2600

Dear Senator

I write in regard to statements made at the Additional Estimates hearing on Tuesday, 8 February 2016.

I have been advised that, at the hearing, the Department provided an incomplete response to a question regarding round two of the National Stronger Regions Fund (NSRF). The Hansard excerpt is as follows:

Date: Tuesday, 8 February 2016

Pages: 103-104

Lines: 34-39 of page 103 & 1-8 of page 104

Senator BULLOCK: That makes sense. Are you aware of projects that were not recommended for funding that received funding?

Mr McCormick: Yes

Senator BULLOCK: How many?

Mr McCormick: Two

Senator BULLOCK: What were they?

Mr McCormick: The two Queensland projects. The Doomadgee to Burketown Fibre Link project and connecting remote communities in Central West Queensland to fibre optics - indigenous community projects.

Senator BULLOCK: Did you knock those two back on a value-for-money basis?

Mr McCormick: No

Mr Mrdak: We found the value for money. We ranked them. The ministers made the decision that while they were found to be ranked as value for money they felt they deserved a higher assessment in certain categories than what the department had given them.

I would like to correct the advice provided to the Committee. I am advised that it was only after the NSRF Ministerial Panel adjusted the Department's assessment score, that the two applications were assessed as Value with Relevant Money. Prior to this revised assessment, as provided for in accordance with the programme guidelines, both applications had been assessed by the Department as not representing Value with Relevant Money.

I would be pleased if you could note this advice for the information of the Committee.

Yours sincerely

Mike Mrdak AO

November 2016