



THE HON JULIE BISHOP MP

Minister for Foreign Affairs

Dr Dennis Jensen MP
Chair
Standing Committee on Petitions
Parliament House
CANBERRA ACT 2600

Dear Dr Jensen

Thank you for your letter dated 24 February 2014 on a petition submitted to the Standing Committee on Petitions regarding the foreign aid budget.

As part of its election commitments in September 2013, the Australian Government announced it would reduce growth in official development assistance (ODA) by \$4.5 billion over the forward estimates to 2016-17; focus aid on the Indo-Pacific region; and emphasise effectiveness across the aid program, including through the development of rigorous performance benchmarks.

The 2013-14 aid budget as announced on 18 January 2014 is the first step in delivering on this election commitment. It is vital that any increases to the aid budget are considered in the current budgetary context and are sustainable in the long term.

In its final fifteen months in office, the previous government had removed \$5.7 billion from the forward estimates of the aid budget. The 0.5 per cent ODA to gross national income target was deferred twice from 2015-16 to 2016-17 and then to 2017-18. In the 2013 Economic Statement, the former government slowed the rate of growth further.

This Government is keen to ensure that foreign aid spending is responsible, affordable and effective.

I trust this information is of assistance.

Yours sincerely

Julie Bishop
18 MAR 2014