



Julie Bishop & Partners

9 September 2019

Ann Palmer
Secretary
Senate Finance and Public Administration References Committee

Dear Ms Palmer

I write to provide a supplementary submission to the Senate Inquiry into *Compliance by former Ministers of State with the requirements of the Prime Minister's Statement of Ministerial Standards*.

This is in response to a line of questioning by the committee during its hearings on 5 September 2019 as below:

Senator KITCHING: *Lovely. Thank you. I asked Mr Hirst about the new aid paradigm. That was a shift in policy. It was announced in 2014 that that would include an increased focus on the private sector. That's in Ms Bishop's address to the National Press Club on 18 June 2014. Palladium was one of the direct beneficiaries of the change in approach, wasn't it?*

The premise for these questions appears to be based on a misunderstanding of a speech I delivered on 18 June 2014 titled "The new aid paradigm", where I referred to the need for the International Development program to engage more strongly the private sector^[1].

This has been mistakenly interpreted as Australian private sector contractors delivering services funded by the development program.

My remarks were referring to the private sector in partner or recipient countries with the goal of strengthening their local employment markets and stimulating economic growth, and in partnership with private sources of capital to fund infrastructure.

^[1] https://foreignminister.gov.au/speeches/Pages/2014/jb_sp_140618.aspx

The key sentence in my speech as it related to aid program delivery was:

“The performance framework that I will announce today is agnostic about how aid is delivered, other than to ensure it is effective and efficient and we partner with the most effective organisations that have the capability to achieve the best possible results.”

During my time as Foreign Minister, there was no Ministerial directive to the Department of Foreign Affairs and Trade to change its level of engagement with the Australian private sector or any other contractors in the delivery of development assistance (foreign aid).

Yours sincerely

Hon Julie Bishop