

~~PROTECTED Sensitive Cabinet~~Ref: C15/21219  
Routine/Low Complexity

## DEPARTMENT OF THE PRIME MINISTER AND CABINET

PM&C  
Secretary  
Ms Cross  
Dr Gruen  
Mr Williamson  
Ms Davidson  
Ms Woods  
Ms Wison  
Mr Williams

To: Prime Minister (for decision)

## DECISION ON FUTURE OF CADBURY FUNDING

PMO  
Chief of Staff  
S22

Recommendations - that you:

s34(3)

3. sign the response to Senator Christine Milne (Attachment B).

Signed / Not Signed

TONY ABBOTT

Date:

s47F

Comments:

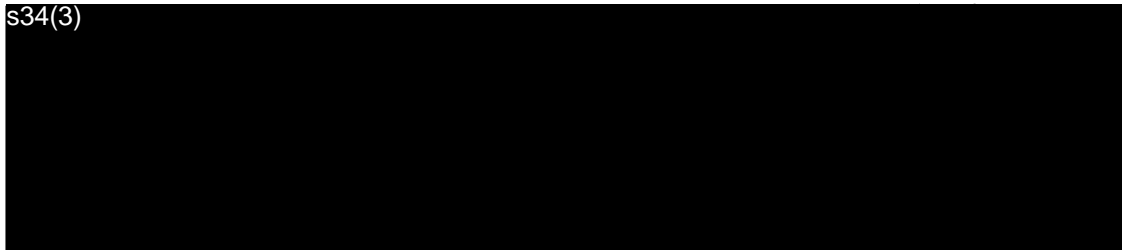
s47F

20/9/15

## Key Points:

1. Senator Milne wants to know what the Government will do with the \$16 million for Cadbury given the company has withdrawn its funding application (Attachment C).
  - a. The Senator wants the funding kept in Tasmania. She suggests it be put towards connecting Tasmania to a new underwater data cable to help stimulate jobs in the IT sector.
2. We agree the funds should be set aside to support activities in Tasmania. Minister Abetz has already made public commitments to this effect (media release of 5 March 2015).

s34(3)



3. The Commonwealth has not funded previous requests for sea cables from Victoria, South-East Queensland, Christmas Island and Norfolk Island. We are not aware of any request from the Tasmanian Government for Commonwealth funding for this project.

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- a. The Tasmanian Government is in its own discussions with the company building the data cable about connecting it to Tasmania.

s47F

Helene Wilson  
Assistant Secretary  
Infrastructure, Agriculture and Environment

30 March 2015

Policy Officer: s22  
Phone no: s22  
Consultation: Fiscal, International,  
Communications

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**ATTACHMENTS**

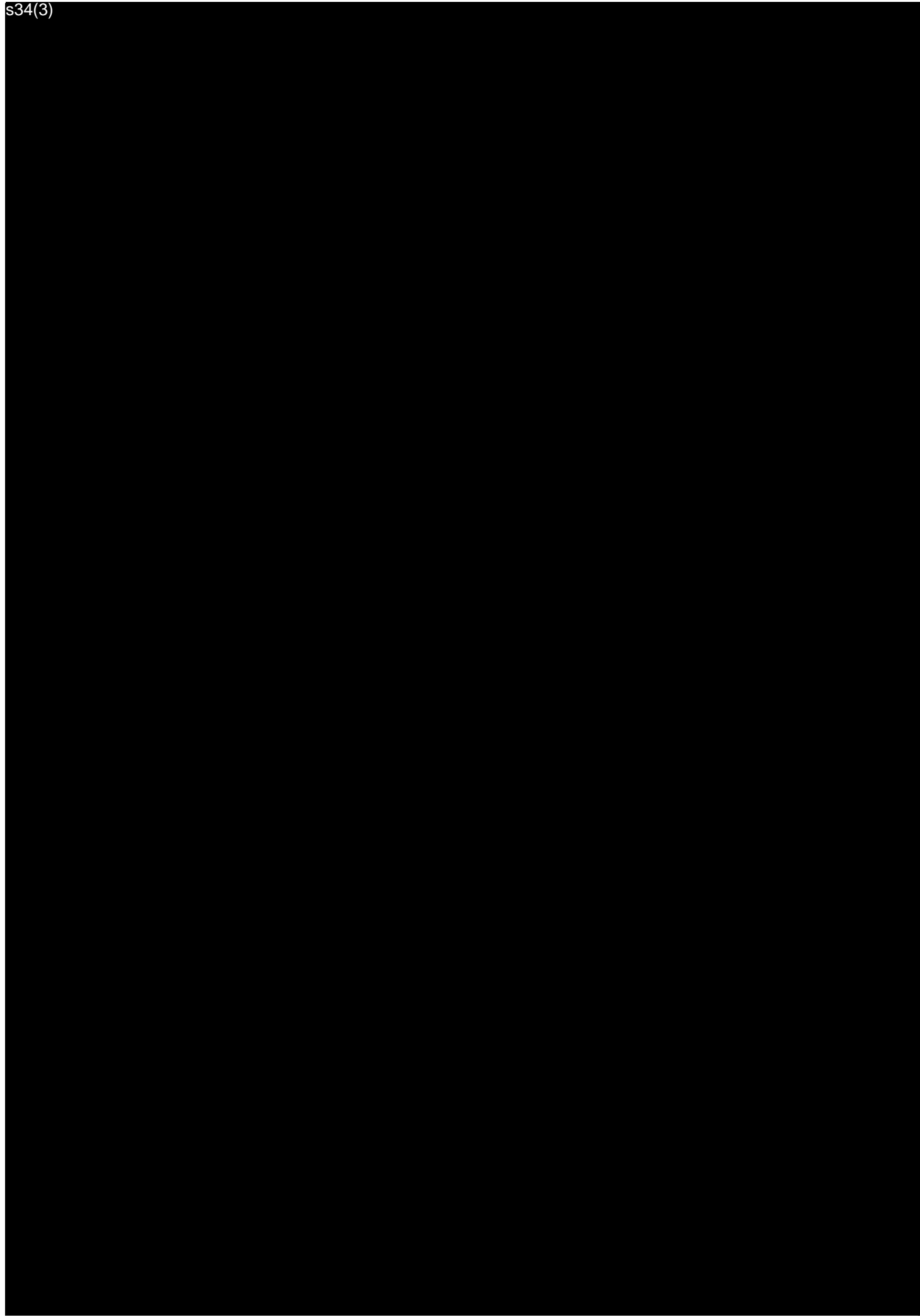
s34(3)



**ATTACHMENT B DRAFT RESPONSE TO SENATOR MILNE**

**ATTACHMENT C INCOMING CORRESPONDENCE**

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PRIME MINISTER

Reference: C15/21219

30 APR 2015

Senator Christine Milne  
Australian Greens Leader  
Senator for Tasmania  
Parliament House  
CANBERRA ACT 2600

Dear Senator

Thank you for your letter dated 10 March 2015 regarding the Government's plans for the \$16 million in Commonwealth funding declined by Cadbury.

My Tasmanian colleagues have been strong advocates for new employment and tourism opportunities in Tasmania.

Since the beginning of the year, I have announced funding of over \$200 million to expand the Tasmanian Freight Equalisation Scheme and \$60 million for Tasmanian irrigation projects. We are also preparing our response to the 20 Year Australian Antarctic Strategic Plan, which I expect will further support the Tasmanian economy.

I appreciate your ideas and note the Tasmanian Government is looking at the costs and benefits of the data cable project.

Yours sincerely

s47F



TONY ABBOTT



**CHRISTINE MILNE**  
**Australian Greens Senator for Tasmania**

10 March 2015

The Hon. Tony Abbott MP  
Prime Minister  
Parliament House  
Canberra ACT 2600

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**Federal funding for Tasmanian job creation**

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Dear Prime Minister

I am writing regarding the \$16 million promised to Cadbury's during the 2013 federal election campaign, which is now not going ahead due to Cadbury's withdrawal from the grant process.

It has been reported that the government will honour the \$16 million promise to Tasmania to help stimulate job creation. Is this the case? If so, I am writing to ask what the process and criteria will be for deciding where to direct the money so that I can refer project proponents to the correct contacts.

Investing the \$16 million in infrastructure that would benefit many Tasmanians and could open the way for a diversity of new jobs would be preferable to picking winners in the private sector, which may or may not continue on in the state.

There are a few infrastructure projects on the cards which would help stimulate job creation in southern Tasmania. However, the project which promises infrastructure which will enable the creation of many jobs across several industries is connection to a new data cable being laid around the Tasmanian coast.

The data cable has the potential to reduce the cost of data transfer back into the global network and, along with our abundant renewable energy, attract new data-reliant businesses to set up in Tasmania. The potential business areas which rely on fast, cost-effective data transfers include data storage centres, software and gaming designers, ICT call centres, graphic designers, educational providers and science labs, to name a few.

It also provides a different route to current connections, running from Perth around the southern coast of Tasmania and up to Sydney, rather than across Bass Strait between Melbourne and the north coast of Tasmania. This provides the security of knowing the state is still connected if something should happen in Bass Strait to disrupt the other connections.

I understand the state government is running through a business case for the connection and may need some federal government help to get the project over the line. Infrastructure such as this would increase job diversity in Tasmania, which is something sorely needed to increase our economic resilience. I urge you to seriously consider investing federal money in this connection to enable a different way forward for the state.

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[www.christinemilne.org.au](http://www.christinemilne.org.au)

I look forward to seeing the criteria for allocation of the money, the timeframe and seeing it delivered to contribute to long-term, sustainable jobs in Tasmania.

Yours sincerely

s47F



**Senator Christine Milne**  
**Australian Greens Leader**

cc: The Hon. Malcom Turnbull MP