



18 June 2015

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

Dear Prime Minister

We write in relation to the decision earlier this year by Cadbury's parent company, Mondelez International, to withdraw its request for \$16 million in federal funding. You will recall this funding was previously allocated for the upgrade of the Cadbury factory in Hobart.

Mondelez International's withdrawal from the grant application process resulted from a change in the company's circumstances and their inability to commit to agreed project outcomes. It was pleasing, however, to note the Government's decision that the \$16 million set aside for this project would remain in Tasmania. This was announced by Minister Abetz on 5 March 2015, stating:

"Following careful consultation with the Trade Minister Andrew Robb and the Prime Minister Tony Abbott, I was today advised that the funding, set aside for Cadbury, would remain in Tasmania."

Tasmanian Premier Will Hodgman has publicly called for the federal government to quickly reallocate the Cadbury funds to other worthy Tasmanian projects. With each passing week, the urgency of finalising this matter grows and we note that during a visit to Launceston on 31 March, the Trade Minister informed the Tasmanian media that this decision would be taken *"in weeks not months."*

A spokeswoman for Minister Robb was further quoted in Tasmanian media on 8 May 2015 as follows: *"no final decisions had been made, but the money will be spent on Tasmania tourism projects."*

In accordance with a proposal submitted by the Member for Bass to your office on 22 April, it is considered that project proposals achieving the following criteria should be preferred for the reallocated \$16 million:

- Tourism-related;
- Result in the creation of fulltime local jobs;
- Are strategic enablers for enduring year-on-year returns;
- Shovel-ready with solid 'financials' and public consultation;
- Preference given to applications with no less than 50-50% shared funding with proponents, which is intended to magnify the beneficial impact of the available funds.

We also consider that the Innovation Grants process undertaken by Minister MacFarlane earlier this year, is a very good model to assess the relative merits of numerous state-wide project proposals.

We request your earliest advice on how best to complete the reallocation process for these funds in support of worthy Tasmanian projects.

Yours sincerely

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Andrew Nikolic AM CSC MP
Member for Bass
Government Whip

Brett Whiteley MP
Member for Braddon

Eric Hutchinson MP
Member for Lyons

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Senator the Hon Stephen Parry
President of the Senate

Senator the Hon Eric Abetz
Minister for Employment
Leader of the Government in the Senate

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Senator the Hon Richard Colbeck
Parliamentary Secretary to the
Minister for Agriculture

Senator David Bushby
Government Whip in the Senate

cc The Hon Ian Macfarlane MP, Minister for Industry
cc The Hon Andrew Robb AO MP, Minister for Trade and Investment
cc Senator the Hon Mathias Cormann, Minister for Finance