From: Sent: Thursday, 20 January 2011 4:52 PM To: Cc: Subject: For comment: Australia Network tender: draft PMC brief Importance: High

Hi everyone

Thanks for your assistance to date on the Australia Network issue.

Please find attached for your consideration PMC draft briefing to the Prime Minister on Minister Rudd's letter. We seek your endorsement of the approach outlined in the attachments as soon as possible please.

Cheers

A/g Senior Adviser, Americas and Trade Section International Division Department of the Prime Minister and Cabinet Phone:

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PRIME MINISTER PARLIAMENT HOUSE CANBERRA ACT 2600

The Hon Kevin Rudd MP Minister for Foreign Affairs Parliament House CANBERRA ACT 2600

Dear Minister

Thank you for your letter of 19 January 2011 seeking my agreement to release the Australia Network tender.

I note that relevant departments have been consulted on the proposed approach for the tender. section 34(3)

I understand that, subsequent to your letter, new costings have been developed between your department and the Department of Finance And Deregulation. I therefore agree to a tender within a funding profile of \$223.1 million (representing the existing funding in the forward estimates and a change to the indexation arrangements for the program), not the \$218.4 million as requested in your letter. I understand the altered indexation arrangements do not represent a policy change and will be reported as an estimates variation.

section 47C

section 47C

section 34(3)

section 34(3)

I have copied this letter to the Treasurer and Minister for Finance and Deregulation.

Yours sincerely

Julia Gillard

pages 4-5: section 47C, section 34(3)