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The Hon Senator Bill Heffernan
Chair of the Senate Standing Committee on
Rural and Regional Affairs and Transport
Parliament House
CANBERRA ACT 2600

Dear Senator Heffernan

Bill

Thank you for the opportunity to provide comment on the Infrastructure Australia Amendment (Cost Benefit Analysis and Other Measures) Bill 2014.

The Northern Territory supports initiatives which deliver a stronger Australian economy and increased national productivity. In recent years, we have proactively engaged Infrastructure Australia to seek funding support for several large infrastructure projects in the Northern Territory.

Unfortunately, infrastructure projects from regional and rural Australia have not received favourable assessment. My view is that, in large part, this is due to the project assessment and prioritisation methodology adopted by Infrastructure Australia which traditionally has focussed very much on economic and productivity benefits to the detriment of less populous developing economies.

This issue has been the subject of some discussion between my Government and Infrastructure Australia and is a significant element of the Northern Territory's response to the Federal Government's Green Paper on Developing Northern Australia.

The Northern Territory submits that a more far sighted and visionary approach to infrastructure assessment and prioritisation is necessary to unlock the economic potential of Northern Australia. This region will be the next big contributor to national productivity and prosperity. Governments need to invest for the future and the tool for projection selection has to be fit for purpose.

In this regard and given Infrastructure Australia's remit, it would be entirely appropriate for Infrastructure Australia to take the national lead, working with Federal, State and Territory governments, to develop the CBA into a single national project appraisal methodology that is accepted and supported by all jurisdictions. My Government has written to the Chief Executive of Infrastructure Australia expressing the Northern Territory's view that a more relevant and appropriate CBA methodology is required and that we are keen to actively engage in development of this revised project appraisal framework.

The Northern Territory Government will continue to advocate for change in this important area of public policy and we seek your ongoing support to drive the momentum we seek to establish.

Yours sincerely

ADAM GILES

21 OCT 2014

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