



19 November 2008

Mr John Hawkins
Committee Secretary
Senate Standing Committee on Economics
Department of the Senate
Parliament House
Canberra
Electronic lodgement

Dear Mr Hawkins,

Inquiry into the Nation-building Funds Bill 2008, Nation-building Funds (Consequential Amendments) Bill 2008, and the COAG Reform Fund Bill 2008

ABN AMRO Australia Pty Limited (ABN AMRO) welcomes the opportunity to make a brief submission to the Inquiry.

In our submission on April 4 2006 to the then Opposition's *Inquiry into the Financing and Provision of Australian Infrastructure* we described the Value-for-Money and other benefits of Public Private Partnerships (PPP) for Australian taxpayers. ABN AMRO considers the Nation Building Funds and Infrastructure Australia are an important further step toward a long-term, rigorous, transparent and comprehensive approach to infrastructure planning and procurement on a national scale.

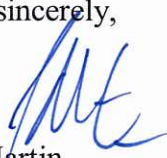
ABN AMRO is proud of its role contributing to Australia's infrastructure requirements through PPP across a range of sectors including health, education, water and transport. Despite challenging markets we are currently bidding for PPP schools in Victoria and South Australia, the Northern Link toll road in Brisbane, the Wonthaggi desalination plant in Victoria, prisons in South Australia and a bioscience research facility at La Trobe University.

Last month we achieved financial close on the \$721 million Royal North Shore Hospital PPP in Sydney, for which construction will start later this year. The new main hospital will be complete by the end of 2012. In the tertiary education sector we completed the construction phase of the Brisbane Southbank Institute (TAFE) ahead of schedule earlier this year.

We attach for the Committee's information a report by the University of Melbourne and the Allen Consulting Group *Performance of PPPs and Traditional Procurement in Australia*. PPPs have the ability to reduce project costs, reduce completion time of projects and transfer many of the associated risks to the private sector, thereby freeing up government resources for other projects. ABN AMRO welcomes Infrastructure Australia's work to date toward producing best practice, nationally consistent

guidelines for PPP, its work on a national infrastructure audit and its work toward an infrastructure priority list.

Yours sincerely,



John Martin
Head of Structured Finance