



PRIME MINISTER  
PARLIAMENT HOUSE  
CANBERRA ACT 2600

Rob Oakeshott MP  
Parliament House  
CANBERRA ACT 2600

Dear Mr Oakeshott

Thank you for signing an agreement on 7 September for a Government to be formed based on support for confidence and supply.

The agreement recognises your continued status as an independent Member of Parliament and your ability to determine your vote on all legislative matters, except confidence and supply.

Pursuant to the agreement that you have signed, which includes a much stronger governance framework for regional policymaking, I can confirm that in addition to the Australian Labor Party's 2010 election commitments and the matters outlined in agreements with the Australian Greens and other independent MPs, a new Government will pursue the following policy program during the term of the 43rd Parliament to advance the interests of regional Australia, including the interests of the constituents of Lyne.

1. A Labor minority Government will support the expeditious construction of the Pacific Highway from Hexham to the Queensland border, and will:
  - a) Accelerate planning work on the 37.8 kilometre section of the Pacific Highway from Kempsey to Port Macquarie with an additional investment of \$35 million over three years towards property acquisition, geotechnical work and site preparation that is necessary to get this project 'shovel ready'.
  - b) Develop a more reliable cost estimate for the project so that a budget allocation can be made to accelerate major construction work, based on the accelerated planning work.

2. A Labor minority Government supports the establishment of a multi-partner university campus on the mid north coast of NSW, and will:
  - a) Provide \$20 million in seed funding from and following a Regional Priority Round of the Education Investment Fund.
  - b) Funding for this project will be subject to EIF board approval, and will be fully offset consistent with Labor's fiscal rules.
  
3. A Labor minority Government supports the expansion of the Port Macquarie Base Hospital in NSW, and will:
  - a) Fund the fourth pod for the Port Macquarie Base Hospital, at an estimated cost of around \$75 million.
  - b) Funding for this project will be subject to HHF board approval, and will be fully offset consistent with Labor's fiscal rules.
  
4. A minority Labor Government will facilitate discussion of future tax reform as follows:
  - a) Convene a public forum of experts on taxation and its economic and social effects to discuss the Henry Review, with that meeting to be held before 30 June 2011.
  - b) Facilitate a debate on tax reform in the Australian Parliament following the forum.
  
5. A minority Labor Government will also seek to prioritise the following local projects when considering funding allocations from the new \$800 million Priority Regional Infrastructure Program or the Regional Infrastructure Fund:
  - a) Local roads and timber bridge replacement package in response to the Percy Allan Review into the roads maintenance back log at Greater Taree City Council.
  - b) The Mid-North Coast Aviation Plan for business expansion and airport access expansion at Taree, Port Macquarie and Kempsey Airports.
  - c) Upgrade the Bucketts Way at Krumbach - the main regional road between Gloucester and Taree.

6. A minority Labor Government will also pursue the following other matters:
- a) A referendum during the 43rd Parliament or at the next election on recognition of Indigenous Australians in the Constitution.
  - b) Develop a proposal for a pilot of the Industry Vocational Training and Employment Centres for priority funding through the 2011 round of the Indigenous and Industry Skills Centre.
  - c) Release a full response to the bi-partisan Coastal Erosion Report within three months of forming government.
  - d) Extend Priority Employment Areas, including regional job expos, through to 2013.
  - e) Establish a Parliamentary Committee to consider the ability of small businesses in regional Australia to access affordable credit.

I look forward to working with you during and beyond the upcoming Parliamentary term.

Yours sincerely

Julia Gillard