



2012

Legislative Council

Government Businesses Scrutiny Committee 'A' 2012

Final Report with Minutes of Proceedings

Members of the Committee:

Hon Rosemary Armitage MLC

Hon Ruth Forrest MLC

Hon Vanessa Goodwin MLC

Hon Greg Hall MLC

Hon Paul Harriss MLC (Chair)

Hon Rob Valentine MLC

Hon Jim Wilkinson MLC

LEGISLATIVE COUNCIL
GOVERNMENT BUSINESSES SCRUTINY COMMITTEE "A"
MINUTES

Wednesday, 31 October 2012

The Committee met at 8.45 am in the Legislative Council Ante Chamber, Parliament House, Hobart.

Present :

Ms Armitage
Mr Hall
Mr Harriss
Ms Forrest
Dr Goodwin
Mr Valentine
Mr Wilkinson

In Attendance:

Mrs Sue McLeod (Acting Secretary) and Ms Mann

Order of the Council:

The Order appointing the Committee dated 30 October 2012, having been circulated, was taken as read.

[*Ms Forrest* took her seat at 8.57 am]

Business:

RESOLVED, that the following resolutions be agreed to -

- (a) Current annual reports of Government Businesses to be examined be provided to all members of the Committee
- (b) Copies of the relevant sections of the Auditor-General's reports from 2011-12 be provided to all Members of the Committee
- (c) Members to advise the Acting Secretary or Ms Mann of any additional relevant papers they may wish to receive

- (d) That the timetable for examination be as previously agreed, as follows:

Thursday, 6 December 2012

9.00 am – 10.45 am Tasmanian Irrigation Pty Ltd

11.00 am – 1.00 pm Tasmanian Railway Pty Ltd

2.00 pm – 5.00 pm Water Corporations

- (e) That the Acting Secretary write to the Chairperson of each Government Business to be considered, and the relevant Minister, requesting their attendance.

4. Future Program:

The Committee **RESOLVED** to contact stakeholders and invite them to give evidence on Wednesday 5th December 2012.

It was further **RESOLVED** that the Acting Secretary liaise with Ms Jenifer Austin to determine a suitable date and time for a briefing for Members regarding the financials for each Government Business.

5. Next Meeting:

At 9.13 am the Committee adjourned until a date to be advised.

LEGISLATIVE COUNCIL
GOVERNMENT BUSINESSES SCRUTINY COMMITTEE "A"
MINUTES

Wednesday 5 December 2012

The Committee met at 8.55 am in Committee Room 1, Parliament House, Hobart.

Present:

Ms Armitage

Mr Hall

Mr Harriss (Chair)

Ms Forrest

Dr Goodwin

Mr Valentine

Mr Wilkinson

In Attendance:

Mr Tom Wise (Secretary), Ms Mann and Mrs Jenifer Austin (12.30pm-2.00pm)

Previous Minutes:

The Minutes of the meeting held on 31 October 2012 were adopted without amendment. **(GH/VG)**

Correspondence:

The following outward correspondence was endorsed:

- *Ministers/CEO of GBEs and stakeholder letters.*

[Mr *Wilkinson* took his seat at 8.58 am]

Business:

At 9.00am the Committee met with stakeholders.

The Committee suspended at 9.29am.

The Committee resumed at 10.02am.

At 10.03am the Committee resumed meeting with stakeholders.

[Mr *Wilkinson* left his seat at 10.20am]
[Mr *Wilkinson* resumed his seat at 10.40am]

The Committee suspended at 10.57am.
The Committee resumed at 11.02am.

At 11.03am the Committee resumed meeting with stakeholders.

The Committee suspended at 12.12pm.
The Committee resumed at 12.30pm and were given a briefing by
Mrs Jenifer Austin.

The Committee suspended at 2.00pm.
The Committee resumed at 3.25pm.

At 3.25pm the Committee resumed meetings with stakeholders.

[Mr *Hall* left his seat at 3.33pm]
[Mr *Hall* resumed his seat at 3.53pm]

Adjournment:

The Committee adjourned at 5.20pm.

Next Meeting:

At 8.45am on Thursday 5 December 2012.

LEGISLATIVE COUNCIL
GOVERNMENT BUSINESSES SCRUTINY COMMITTEE "A"

MINUTES

Thursday 6 December 2012

The Committee met at 8.55 am in Committee Room 2, Parliament House, Hobart.

Members Present:

Ms Armitage
Mr Hall
Mr Harriss
Ms Forrest
Dr Goodwin
Mr Wilkinson

Apologies:

Mr Valentine

In Attendance:

Mr Tom Wise (Secretary) and Ms Mann.

PUBLIC HEARING:

At 9.00am the following witnesses appeared before the Committee.

Tasmanian Irrigation Pty Ltd

Hon. Bryan Green, Minister for Primary Industries and Water
Mr John Lord, Chairman, Tasmanian Irrigation Pty Ltd
Mr Chris Oldfield, Chief Executive Officer, Tasmanian Irrigation Pty Ltd
Mr Luke Curtain, General Manager Commercial, Tasmanian Irrigation Pty Ltd

The Minister gave a brief overview.

Questions on Notice:

- *The matrix showing original schemes, added schemes and alterations.*
- *Breakdown of the successful construction companies which have participated in the rollout of the scheme to date.*

[Mr Wilkinson left his seat at 10.50am]

The Committee suspended at 10.55am.
The Committee resumed at 11.08am.

[Mr *Wilkinson* resumed his seat at 11.08am]
[Mr *Valentine* took his seat at 11.08am]

PUBLIC HEARING (cont):

At 11.08am the following witnesses appeared before the Committee:

Tasmanian Railway Pty Ltd

Hon David O'Byrne, Minister for Infrastructure
Mr Robert Annells, Executive Chairperson, Tasmanian Railway Pty Ltd
Mr Damian White, Chief Executive Officer, Tasmanian Railway Pty Ltd
Mr Steven Dietrich, Chief Financial Officer, Tasmanian Railway Pty Ltd
Ms Jenifer Jarvis

The Minister gave a brief overview.

Questions on Notice:

- *Reconciling operating profits with operating cash flows does not explain the difference between receipts from customers, in the operating profit statement which is \$9m less than the operating cash received from customers as per the cash flow statement.*
- *Provide a breakdown or organisational chart of employment structure.*

[Mrs *Armitage* left her seat at 12.29pm]
[Mrs *Armitage* resumed her seat at 12.31pm]
[Mr *Wilkinson* left his seat at 12.42pm]
[Dr *Goodwin* left her seat at 12.47pm]
[Dr *Goodwin* resumed her seat at 12.49pm]
[Mr *Hall* left his seat at 12.56pm]
[[Mr *Wilkinson* resumed his seat at 12.57pm]

The Committee suspended at 1.04pm.
The Committee resumed at 2.00pm.

At 2.00pm the Hon Ruth Forrest MLC took the Chair as Deputy Chair.

PUBLIC HEARING (cont):

At 2.00pm the Committee met with the following:

Tasmanian Water Corporations

Mr Miles Hampton, Chair, Water Corporations

Mr Mike Paine, CEO, Southern Water Chief Executive Officer, Tasmanian Water and Sewerage Corporation (Southern Region) Pty Ltd t/as Southern Water

Mr Andrew Kneebone, Chief Executive Officer, Tasmanian Water and Sewerage Corporation (North West Region) Pty Ltd t/as Cradle Mountain Water

Mr Andrew Beswick, Acting CEO, Ben Lomond Water and Joint General Manager, Onstream

Mayor Tony Foster, Chairman, Tasmanian Water and Sewerage Corporation Statewide Owners Representatives

Ms Carolyn Pillans, Company Secretary, Southern Water and Onstream

Mr Hampton gave a brief overview.

[Mr *Wilkinson* resumed his seat at 2.21pm]

[Mr *Harriss* resumed his seat 2.30pm]

[Mr *Hall* left his seat at 2.34pm]

[Mr *Harris* left his seat at 2.42pm]

[Mr *Harriss* resumed his seat 2.44pm]

[Mr *Harris* left his seat at 2.48pm]

[Mr *Hall* resumed his seat at 3.17pm]

[Mr *Wilkinson* vacated his seat at 3.27pm]

[Mr *Hall* left his seat at 3.30pm]

The Committee suspended at 3.30pm.

The Committee resumed at 3.45pm.

At 3.45pm Ms *Forrest* vacated the Chair and Mr *Harriss* took the Chair.

[Mr *Hall* resumed his seat at 4.02pm]

The witnesses withdrew at 4.46pm.

Consideration of Evidence:

The Committee met in closed session to consider the evidence received at the Public Hearings.

The Committee **RESOLVED** to note in particular the following matters:

Tasmanian Irrigation Pty Ltd

The Overview Statement by the Minister for Primary Industries and Water.

Tasmanian Railway Pty Ltd

The Overview Statement by the Minister for Infrastructure.

Tasmanian Water Corporations

The Overview Statement by the Chairman of the Tasmanian Water Corporations.

Conclusions:

Following consideration of the evidence, the Committee **concluded** that each of the Government Businesses it examined was being operated and managed appropriately given the various financial and policy constraints applying to each of them.

The Committee also **concluded** that each of the organisations had developed and implemented strategies to manage the concerns and challenges identified during the hearings.

Recommendation:

In relation to the Tasmanian Water Corporations, the Committee **RECOMMENDS** that the single water and sewerage entity that will replace the three existing bodies on 1 July 2013 be examined by an appropriate Legislative Council Committee following its first full financial year of operation.

Report:

The Committee deliberated and considered the matter of a Report.

The Committee **RESOLVED** that the Secretary would draft a report, as required by the Standing Orders, for consideration at the next meeting.

[Mrs *Armitage* vacated her seat at 4.50pm]

Adjournment:

The Committee adjourned at 4.55pm.

Next Meeting:

To be advised.

**LEGISLATIVE COUNCIL
GOVERNMENT BUSINESSES SCRUTINY COMMITTEE "A"**

MINUTES

Tuesday 18 December 2012

The Committee met at 9.00am in the Legislative Council Chamber, Parliament House, Hobart.

Members Present:

Mr *Valentine*

Mr *Wilkinson* (Acting Chair)

Ms *Armitage*)

Mr *Hall*) by conference phone

Mr *Harriss*)

Ms *Forrest*)

Apologies:

Dr *Goodwin*

In Attendance:

Mr Tom Wise (Secretary) and Ms Mann.

Minutes:

The Minutes of the meetings held on 5 and 6 December 2012 were adopted without amendment.

Correspondence:

The following correspondence was received and endorsed:

Outwards:

- Letter dated 10/12/12 to Minister David O'Byrne, Minister for Infrastructure seeking additional information (*Tasmanian Railways Pty Ltd*)
- Letter dated 10/12/12 to Minister Bryan Green, Minister for Primary Industries and Water seeking additional information (*Tasmanian Irrigation Pty Ltd*)

Inwards:

- Letter dated 14 December 2012 from Hon David O'Byrne with answers to Questions on Notice

Other Business:

The Secretary advised the meeting that no response had yet been received from Minister Green in relation to the matters take on notice (as set out below) during the hearing of evidence from Tasmanian Irrigation Pty Ltd.

- *The matrix showing original schemes, added schemes and alterations.*
- *Breakdown of the successful construction companies which have participated in the rollout of the scheme to date.*

The Committee **RESOLVED** that the Secretary send an email to the Mr Green's Chief of Staff to request immediate answers prior to the Tabling of the Report.

Draft Report:

The Committee **RESOLVED** to approve and adopt the Report as amended and including a copy of the Minutes of this meeting.

Presentation of Report:

The Committee **RESOLVED** that Mr Wilkinson present the Final Report to the Acting President at 9.00am on Wednesday 19 December 2012.

Adjournment:

The Committee adjourned at 9.16am.

DATE 19 December 2012

CONFIRMED



+ CHAIR