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## Response to Question On Notice

### Public Accounts Committee

**Asked by:** Ruth Forrest 17 December 2025

**Answered by:** Hon Eric Abetz MP

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#### Question:

1. Copies of communication including meeting notes, correspondence and advice between Treasurer and Treasury related to the increase in TT-Line's increase in borrowings and equity injection requirement.
2. Copies of any records related to the informing of the then Shadow Treasurer (Mr Josh Willie MP) of the decision to increase the borrowings of TT-Line.
3. Copies of correspondence and/or meeting notes between TT-Line, Treasury and TASCORP around the borrowing limit period.
4. A copy of Statement of Corporate Intent when signed.
5. A chronology of events and communications related to the increase in TT-Line's borrowing and equity injection requirement.

#### Answer:

1. Treasury's advice to the Treasurer is sensitive and confidential. However, please refer to the response to question 5 for factual information on the events relating to the increase in TT-Line's maximum guaranteed borrowing limit and capital structure requirements.
2. On the morning of 26 July 2025, the then Treasurer informed the then Shadow Treasurer, Mr Josh Willie MP, via telephone call, of the decision to increase the borrowings of TT-Line. No notes were taken.
3. In the period immediately leading to the increase in TT-Line's maximum guaranteed borrowing limit, the Acting Secretary of Treasury held telephone discussions with the Chair of TT-Line. No meeting notes were taken, however, the relevant facts are included in the response to question 5.
4. The Shareholding Ministers have requested that TT-Line provide a Statement of Corporate Intent for the 2025-26 financial year by early February 2026. The Statement of Corporate Intent will be made public when it is signed by the Shareholding Ministers.
5. In relation to TT-Line's borrowing requirements, it had been known for some time that TT-Line was expecting to temporarily exceed its then maximum guaranteed borrowing limit of \$1 035 million (\$990 million term facility, \$45 million working capital). For example, TT-Line's 2024-25 Corporate Plan, submitted in August 2024, forecast that the borrowing limits would likely need to be temporarily exceeded from around September 2025.

Since that time, it was always understood that TT-Line would initiate a request for an increase in its borrowing facility limit with Tascorp, to address its funding requirements.

The exact date that TT-Line commenced this process with Tascorp is a matter for TT-Line.

On 25 June 2025, the Chair of Tascorp wrote to the then Treasurer advising that, subject to conditions, it had approved:

- a temporary increase in the vessel replacement project Loan Facility limit from \$990 million to \$1 400 million until 31 October 2026; and
- maintenance of the \$45 million Working Capital Facility.

Tascorp's approval was subject to the receipt of written confirmation that the maximum amount guaranteed by the State for TT-Line is increased to \$1 445 million.

The then Treasurer forwarded this request to Treasury on the same day and requested that Treasury prepare, for the incoming Treasurer, advice and a response to action.

On 9 July 2025, a Treasury official called the TT-Line Chief Financial Officer to discuss TT-Line's request for additional borrowing capacity. The Chief Financial Officer advised that TT-Line would submit a request for an increase in its maximum borrowing limit to the incoming Treasurer, immediately once new Government has been sworn in.

In the week commencing 21 July 2025, the Acting Secretary of Treasury held telephone discussions with the Chair of TT-Line. This included the process for seeking an increase in TT-Line's maximum guaranteed borrowing limit.

On 25 July 2025, TT-Line wrote to the then Treasurer. This provided background information on TT-Line's engagement with Tascorp and advised that TT-Line had appointed independent financial advisors. In the letter, TT-Line:

- requested that the maximum amount guaranteed by the State is increased to \$1 445 million; and
- advised that it wishes to formally commence government consideration of the corporation's equity requirements.

The same day (25 July 2025), Treasury provided advice to the then Treasurer in relation to TT-Line's correspondence.

On 26 July 2025, the then Treasurer approved the increase in TT-Line's maximum guaranteed borrowing limit, as requested by the Company. The Treasurer wrote to TT Line and Tascorp on the same day to advise of the decision.

Subsequently, there have been further discussions and correspondence in relation to TT-Line's capital structure requirements, including a letter from TT-Line to the Treasurer on 15 October 2025, detailing TT-Line's initial equity request and borrowing facility duration requirements.

As the Committee has already been informed, a body of work is continuing to be undertaken to assess TT-Line's future capital structure requirements. TT-Line is undertaking a comprehensive review of its business and has been requested by the Shareholding Ministers to provide a detailed update on the progress of its strategic review in January 2026. This will inform the Government on options to support the business and will feed into the Budget development process.



Hon Eric Abetz MP  
Treasurer

Date:

