



2014
Legislative Council

Government Businesses Scrutiny Committee 'A' 2014

Final Report with Minutes of Proceedings, Transcripts and Additional Information

Members of the Committee:

Hon Robert Armstrong MLC
Hon Craig Farrell MLC
Hon Ruth Forrest MLC
Hon Mike Gaffney MLC
Hon Greg Hall MLC (Chairman)
Hon Leonie Hiscutt MLC
Hon Tony Mulder MLC

LEGISLATIVE COUNCIL
GOVERNMENT BUSINESSES SCRUTINY COMMITTEE "A"

MINUTES

Wednesday 16 December 2014

The Committee met at 8.45 am via conference phone -

Members

Mr *Armstrong*
Mr *Farrell*
Ms *Forrest*
Mr *Gaffney*
Mr *Hall*
Mrs *Hiscutt*
Mr *Mulder*

In Attendance:

Mr Tom Wise (Secretary)
Ms Jenny Leaman (Assistant Secretary)
Ms Jill Mann

Confirmation of Minutes

The Minutes of the Meeting held on 12 December 2014 were adopted without amendment.

Additional Information Requested:

The Committee **Resolved** to accept the following information:

Aurora:

Aurora advised the superannuation liability for current employees as at 1 July was \$2.2 m as depicted in 'Provisions' in non-current liabilities.

TasWater:

Mr Gaffney advised the Committee that he had contact with TasWater representatives and was informed that the requested additional information would be provided by mid-February 2015. Following receipt of the information Mr Gaffney advised he will forward to all members and Table the information at a later date. Mr Gaffney advised he was satisfied with the response from TasWater.


The Committee further **Resolved** that the Deputy Chair sign the Minutes of 12 and 16 December 2014.

Adjournment

The Committee adjourned *sine die* at 9.54am.

DATE

CONFIRMED


CHAIR

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

MINUTES

Friday 12 December 2014

The Committee met at 9.12 am -

Members

Committee Room 1

Mr Mulder

Conference phone

Mr Armstrong

Mr Farrell

Ms Forrest

Mr Gaffney

Mr Hall

Mrs Hiscutt

In Attendance

Mr Tom Wise (Secretary)

Ms Jenny Leaman (Assistant Secretary)

Ms Jill Mann

Confirmation of Minutes

Minutes of the Meeting held on 2 December 2014 were adopted without amendment.

Correspondence:

The following correspondence was received and endorsed:

Outwards:

Request for additional information to –

Aurora Energy

- *What is the superannuation liability for current employees (include new balance sheet)*

TasRail

- *Which lines are profitable?*
- *The turnover in senior staff*
- *Split between contestable and uncontestable freight*
- *Vegetation management maintenance on rail corridor – list*
- *Costs expended over the past 4 financial years on vegetation management maintenance on rail corridor*
- *Explanation of cash positive*

TasWater

- *What is the breakdown of maintenance versus planning costs?*
- *The breakdown of consultant details*
- *The breakdown in the 29 Councils local government areas – what money has been spent by TasWater (and previous regional bodies) in improvement in the provision of water/sewerage assets*
- *Regarding adequate supply of water to Bridport - what discussions, if any, have taken place with key stakeholders about a proposal to install a pipeline from Scottsdale to Bridport following the closure of the Simplot Plant at Scottsdale;*
- *List of planned projects and the order of priority for those projects.*

Inwards:

Additional information received -

TasRail – letter dated 3 December 2014

TasWater – letter dated 5 December 2014

Aurora Energy – email dated 8.12.14

TasWater – further additional information - letter dated 10 December 2014

Other Business

The Committee **Resolved** that the Secretary contact -

Aurora

- *for further information regarding the superannuation liability for current employees as at 1 July; and*

TasWater

- *for further information on the breakdown in the 29 Councils local government areas – what money has been spent by TasWater (and previous regional bodies) in improvement in the provision of water/sewerage asset*

Presentation of Report

The Committee **Resolved** that the Deputy Chair present the Report to the President at 9.30 am on Thursday 18 December 2014.

Next meeting

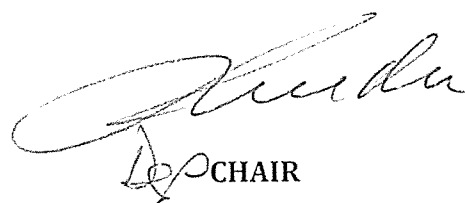
The Committee to meet on Wednesday 17 December 2014 at 8.45 am

Adjournment

The Committee adjourned 9.30 am

DATE

CONFIRMED



CHAIR

LEGISLATIVE COUNCIL
GOVERNMENT BUSINESSES SCRUTINY COMMITTEE "A"

MINUTES

Tuesday 2 December 2014

The Committee met at 8.47 am in the Committee Room 2, Parliament House, Hobart.

Present:

Mr *Armstrong*

Mr *Farrell*

Ms *Forrest*

Mr *Gaffney*

Mr *Hall*

Mrs *Hiscutt*

Mr *Mulder*

In Attendance:

Mr Tom Wise (Secretary), Ms Jenny Leaman (Assistant Secretary) and Ms Mann

Confirmation of Minutes

The Minutes of the Meeting held on 1 December 2014 were adopted without amendment.

PUBLIC HEARING:

At 8.53 am the following witnesses appeared before the Committee.

AURORA ENERGY

Hon. Matthew Groom MP, Minister for Energy

Mr Geoff Willis, Chairman, Aurora Energy Pty Ltd

Mrs Rebecca Kardos, Chief Executive Officer

[Mr *Mulder* took his seat at 9.12 am]

[Mr *Armstrong* took his seat at 9.14 am]

The Minister gave a brief overview.

Question on Notice:

- *What is the superannuation liability for current employees (include new balance sheet).*

[Mr *Hall* left the Chair at 10.20 am]

[Mr *Mulder* took the Chair at 10.20 am]

[Mr *Hall* resumed the Chair at 10.24 am]

[Mr *Mulder* left his seat at 10.50 am]

[Mr *Mulder* took his seat at 10.52 am]

The Committee suspended at 11.10 am.
The Committee resumed at 11.17 am.

PUBLIC HEARING (cont):

At 11.17 am the following witnesses appeared before the Committee:

TAS WATER

Mr Miles Hampton, Chairman

Mr Michael Brewster, CEO

Mr Dean Page, GM, Manager Finance & Commercial Services

Mr Cam Crawford, GM Strategy & Stakeholders

[Mr Mulder took his seat at 11.30 am]

Mr Hampton gave a brief overview.

Questions on Notice:

- *What is the breakdown of maintenance versus planning costs?*
- *The breakdown of consultant details*
- *The breakdown in the 29 Councils local government areas – what money has been spent by TasWater (and previous regional bodies) in improvement in the provision of water/sewerage assets*

[Mr Armstrong left his seat at 12.44 pm]

[Mr Armstrong resumed his seat at 12.49 pm]

[Mr Armstrong left his seat at 1.11 pm]

The Committee suspended at 1.12 pm.
The Committee resumed at 2.00 pm.

PUBLIC HEARING (cont):

At 2.00 pm the following witnesses appeared before the Committee:

TASRAIL

Hon. Rene Hidding MP, Minister for Infrastructure

Mr Robert Annells, Executive Chairperson

Mr Damien White, Chief Executive Officer

The Minister gave a brief overview.

[Mr Armstrong took his seat at 2.05 pm]

[Mr Mulder took his seat at 2.10 pm]

[Mr Armstrong left his seat at 2.29 pm]

[Mr Armstrong resumed his seat at 2.31 pm]

[Mr Gaffney left his seat at 3.19 pm]

[Mr Gaffney resumed his seat at 3.22 pm]

[Mr Mulder left the meeting at 3.58 pm]

Questions on Notice:

- *Which lines are profitable?*
- *The turnover in senior staff*
- *Split between contestable and uncontestable freight*
- *Vegetation management maintenance on rail corridor – list*
- *Costs expended over the past 4 financial years on vegetation management maintenance on rail corridor*
- *Explanation of cash positive*

[Mr Gaffney left his seat at 3.19 pm]

[Mr Gaffney resumed his seat at 3.22 pm]

[Mr Mulder left the meeting at 3.58 pm]

The Committee suspended at 3.58 pm.

The Committee resumed at 4.11 pm.

PUBLIC HEARING (cont):

At 4.11 pm the following witnesses appeared before the Committee:

PUBLIC SECTOR FINANCE CORPORATION

Hon. Peter Gutwein MP, Treasurer

Mr Don Challen, Chair

Mr Stephen Rochester, Chief Executive Officer

The Minister gave a brief overview.

The Minister and witnesses withdrew at 4.58 pm

Other Business

The Committee **Resolved** that the Deputy Chair present the Report or in his absence Mr Farrell be authorised to present the Report.

Next Meeting

Friday 12 December 2014 at 9.00 am

Adjournment

The Committee adjourned at 5.25 pm

DATE

CONFIRMED



CHAIR

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

MINUTES

MONDAY, 1 DECEMBER 2014

The Committee met at 11.00 am in Committee Room No. 1, Parliament House, Hobart.

Present:

Mr *Armstrong*
Mr *Farrell*
Ms *Forrest*
Mr *Gaffney*
Mr *Hall*
Mrs *Hiscutt*
Mr *Mulder*

In Attendance:

Mr Tom Wise (Secretary)
Ms Jenny Leaman (Assistant Secretary)
Ms Jill Mann

Minutes:

The Minutes of the meeting held on 6 November 2014 were adopted without amendment.

Correspondence:

The following outward correspondence was endorsed:

Ministers/CEO of GBEs and stakeholder letters dated 6 November 2014

- The Hon Rene Hidding MP, Minister for Infrastructure
- The Hon Matthew Groom MP, Minister for Energy
- The Hon Peter Gutwein MP, Treasurer
- Mr Bob Annells, Chairman, Tasrail
- Mr Don Challen, Chairman, Tasmanian Public Finance Corporation
- Mr Miles Hampton, Chairman, Tasmanian Water and Sewerage Corporation Pty Ltd
- Mr Geoff Willis, Chairman, Aurora Energy
- Various stakeholders

Business:

At 11.05 am the Committee was given a briefing by Ms Gabrielle Woods

At 12.30 pm the Committee met with a stakeholder.

The Committee suspended at 12.45 pm
The Committee resumed at 2.30 pm.

At 2.30 pm the Committee resumed its meetings with stakeholders.

Adjournment:


The Committee adjourned at 4.30 pm

Next Meeting:

At 8.45 am on Tuesday, 2 December 2014 in Committee Room 1, Parliament House,
Hobart.

DATE

CONFIRMED

A handwritten signature in blue ink, consisting of a stylized 'A' followed by a horizontal line.

CHAIR

LEGISLATIVE COUNCIL
GOVERNMENT BUSINESSES SCRUTINY COMMITTEE "A"
MINUTES

THURSDAY 6 NOVEMBER 2014

The Committee met in the Legislative Council Ante Chamber following the adjournment of the Council at 5.32 pm.

Present:

Mr Armstrong,
Mr Farrell
Ms Forrest
Mr Gaffney
Mr Hall
Mrs Hiscutt
Mr Mulder

In Attendance:

Mr Tom Wise (Secretary), Ms Jenny Leaman

Order of the Council

The Order appointing the Committee dated 4 November 2014 having been circulated, was taken as read.

Election of Deputy Chair

Mr *Mulder* was unanimously elected as Deputy Chair.

Correspondence

Letter dated 1 September 2014 from TasWater was received.

Business

The Committee **Resolved** that –

- past annual reports of Government Businesses to be examined be provided to all members of the Committee, if required.
- the transcript of the last hearing of each Government Business be provided to all members of the Committee, if required.
- copies of the relevant sections of the Auditor-General's 2012-2013 and 2013-2014 report be provided to all Members of the Committee.
- the timetable for examination on Tuesday 2 December 2014 be -

9.00 am	Aurora Energy (2 hrs)
11.00 am	Tas Water (2 hrs)
1.00 pm	LUNCH (1 hr)
2.00 pm	TasRail (2 hrs)
4.00 pm	Public Sector Finance Corporation (1 hr)
- the Secretary write to the Chairperson of each Government Business to be considered, and the relevant Minister, requesting their attendance
- that the Secretary write to stakeholders requesting written submissions; and
- Stakeholder meetings be held on Monday 1 December 2014

Next Meeting

Monday 1 December 2014 at 11.00 am in Committee Room 1, Parliament House, Hobart

Adjournment

The Committee adjourned at 5.54 pm



1 Dec 14.