



LEGISLATIVE COUNCIL

**Legislative Council Sessional Committee
Government Administration A**

MEDIA RELEASE

Wednesday 18 September 2024

Short Inquiry Process into Tasmanian Ports Corporation Pty Ltd

Legislative Council Government Administration Committee A today released a report into the operations of Tasmanian Ports Corporation Pty Ltd (TasPorts). This targeted inquiry process was undertaken after the 2023 scrutiny undertaken by the Legislative Council Government Businesses Scrutiny Committee A highlighted potential deficiencies in TasPorts' transparency and accountability.

Chair of the Committee, Ms Ruth Forrest MLC said "Further scrutiny was deemed necessary, primarily as a result of TasPorts not fully meeting expectations regarding the disclosure of material information or the management of strategic risks. This raised questions about the effectiveness of its corporate governance in practice, particularly in managing its relationship with the government and its customers."

TasPorts is a State-Owned Company (SOC) and is established under the Tasmanian Ports Corporation Act 2005 (the Act) and operates under a governance framework that adheres to the Act, ASX Corporate Governance Principles and the Tasmanian Government's Government Business Governance Framework.

Ms Forrest stated that "despite evidence suggesting this framework is in place, there appear to be gaps in the practical application of these principles and acknowledgement of the importance of transparency and reporting both to Shareholder Ministers and the Parliament."

Ms Forrest said the Committee made nine recommendations in all with most related to the overall performance of TasPorts.

These recommendations seek to improve the openness, transparency and accountability of TasPorts. Ms Forrest said "the Committee recommends Shareholder Ministers ensure TasPorts take a transparent and accountable approach to interactions with Shareholder Ministers and parliamentary scrutiny committees to ensure the timely disclosure of material risks and issues."

Whilst the evidence revealed that while TasPorts is making efforts to maintain and upgrade its infrastructure, manage risks, and engage with stakeholders, there are significant areas where improvement is needed.

The Committee found the challenges with governance, infrastructure maintenance, project management, regulatory alignment, and stakeholder engagement suggest that TasPorts must adopt a more proactive, transparent, customer focused and strategic approach to its operations.

“The Committee acknowledges the transition to using advanced technologies for asset management, while commendable, does not appear to have fully mitigated the risks associated with TasPorts’ aging infrastructure.

“The recurring issues with structural integrity at various ports imply that TasPorts may not be fully leveraging these technologies to their potential, or that there may be issues in the prioritisation and execution of necessary maintenance and repairs.” Ms Forrest stated.

“Considering recent marine infrastructure related faults and failures, the Committee recommends the Shareholder Ministers review the frequency and adequacy of the Wharf Structure Condition Assessment Manual (WSCAM) assessments undertaken by TasPorts.

“The delays in finalising the scope of works required by the Australian Antarctic Program regarding the infrastructure required at Macquarie Wharf 6 and commercial agreements creates risk to Hobart’s status as an Antarctic gateway.” Ms Forrest said.

The Committee also found that TasPorts exhibit an adversarial approach to dealing with some customers and other stakeholders. This approach does not reflect contemporary governance, business management practices or business operations.

The Committee found that since the Legislative Council Government Businesses scrutiny of TasPorts in December 2023, TasPorts have taken steps to identify and respond to psychosocial risks in the workplace. In order to ensure the psychosocial safety of employees, standards and measures need to be fully embedded in the organisation to ensure all TasPorts employees feel safe and supported.

Ms Forrest said “In light of the need to re-call TasPorts to adequately respond the parliamentary scrutiny as an important State-owned company that operates critical state infrastructure, the Committee recommends regular and ongoing scrutiny of TasPorts be undertaken both at Government Business Scrutiny and through other Parliamentary processes.”

The report can be accessed via the Inquiry webpage:

<https://www.parliament.tas.gov.au/committees/legislative-council/sessional-committees/govadmina/current-inquiries/short-inquiry-process-into-tasports>

Members of the Committee are:

Hon Ruth Forrest MLC (Inquiry Chair)
Hon Dean Harriss MLC
Hon Sarah Lovell MLC (Deputy Chair)
Hon Bec Thomas MLC
Hon Kerry Vincent MLC

ends

FURTHER INFORMATION:

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