

17 September 2020

Hon Ivan Dean MLC
Chair
Parliamentary Standing Committee of Public Accounts

Dear Mr Dean MLC,

INQUIRY – GOVERNMENT RESPONSE TO COVID-19

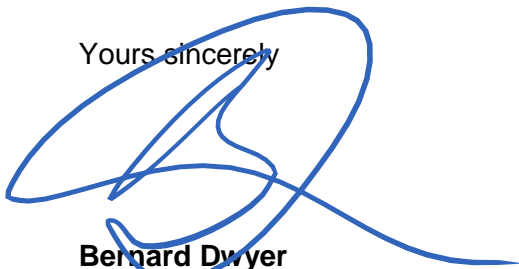
Thank you for your letter dated 10 September 2020 following the Public Standing Committee of Public Accounts hearing of TT-Line Company Pty Ltd (TT-Line) in relation to the Inquiry on the Government's response to COVID-19.

In response to your request for information I provide the following:

1. As advised at the Public Accounts Committee hearing, TT-Line has been undertaking research into vessel replacement for many years, looking at many different options. This work culminated in 2018 when the Government approved the TT-Line business case to replace the vessel through the signing of the contracts with Flensburger Schiffbau-Gesellschaft. Since this time, relevant costs associated with this project have been capitalised in line with accounting standards. TT-Line annual financial statements for the year ended 30 June 2020 identify \$3.4 million in costs that will be expensed in the 2021/22 financial year.
2. TT-Line received written advice from the Premier that the Government had decided not to pursue the proposed vessel replacement contracts at that time on the 16th July 2020.

I trust this information is of assistance to you and thank the Committee for their interest.

Yours sincerely



Bernard Dwyer
Chief Executive Officer